

**BUSINESS AFFAIRS AND HUMAN RESOURCES  
OCTOBER 18, 2018**

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<b>TAB</b>	<b>DESCRIPTION</b>	<b>ACTION</b>
<b>1</b>	<b>FY 2019 SOURCES AND USES OF FUNDS</b>	Information item
<b>2</b>	<b>OUTCOMES BASED FUNDING</b>	Motion to approve
<b>3</b>	<b>BOISE STATE UNIVERSITY</b> Contract Addendum - Touchnet Information Systems, Inc.	Motion to approve
<b>4</b>	<b>BOISE STATE UNIVERSITY</b> Reduction to 2019 Summer Student Fees	Motion to approve
<b>5</b>	<b>UNIVERSITY OF IDAHO</b> Purchase and Sale Agreement – Rock Creek Ranch	Motion to approve
<b>6</b>	<b>LEWIS-CLARK STATE COLLEGE</b> Career Technical Education Building Project – Funding and Construction Authorization	Motion to approve

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**SUBJECT**

FY 2019 College and Universities “Summary of Sources and Uses of Funds”

**REFERENCE**

October 2017            Board received annual Sources and Uses update

**APPLICABLE STATUTES, RULE OR POLICY**

Idaho State Board of Education Governing Policies & Procedures, Sections V.B.4.b., V.B.5.c. and V.B.6.b.

**BACKGROUND/DISCUSSION**

The College and Universities receive funding from a variety of sources. A summary of the revenue sources is as follows:

**Revenue types include:**

Approp: General Funds – State appropriation of state funds

Approp: Endowment Funds – Idaho State University (ISU), University of Idaho (UI) and Lewis-Clark State College (LCSC) are the beneficiaries of income from state endowment lands

Approp: Student Fees – Tuition and Fees approved by the Board; Legislature appropriates spending authority

Institutional Student Fees – Fees approved by the institution presidents

Federal Grants & Contracts – Extramural grants and contracts awarded by the Federal government

Federal Student Financial Aid – Funds passed through to students

State Grants and Contracts – Grants and contracts awarded by the State: may include state scholarships and work study funds

Private Gifts, Grants and Contracts – Other non-governmental gifts, grants and contracts

Sales and Services of Educational Activities – Includes: (i) revenues that are related incidentally to the conduct of instruction, research, and public service and (ii) revenues of activities that exist to provide instructional and laboratory experience for students and that incidentally create goods and services that may be sold to students, faculty, staff, and the general public. Examples would include sales of scientific and literary publications, testing services, etc.

Sales and Services of Auxiliary Enterprises – An institutional entity that exists predominantly to furnish goods or services to students, faculty, or staff, and that charges a fee directly related to the cost of the goods or services. Examples include residence halls, food services, student unions, bookstores, copy centers, health centers, etc.

Indirect Costs/Other – Also known as Facilities and Administrative (F&A) cost recovery, on many grants an institution may charge a grantor for indirect costs. The expense to the grant is not a specifically identifiable cash outlay but a “recovery” of general overhead costs.

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The institutions' expenditures fall into the following standard functional categories:

**Expenditure Categories:**

Instruction – expenses for all activities that are part of an institution's instruction program (credit and noncredit courses; academic, vocational, and technical instruction; remedial and tutorial instruction; etc.)

Research – all expenses for individual and/or project research as well as that of institutes and research centers

Public Service – expenses for activities established primarily to provide non-instructional services beneficial to individuals and groups external to the institution (e.g. conferences, institutes, radio and television, consulting, museums, etc.)

Library – expenses for retention, preservation, and display of educational materials and organized activities that directly support the operation of a catalogued or otherwise classified collection

Student Services – expenses incurred for offices of admissions, registrar and financial aid, student activities, cultural events, student newspapers, intramural athletics, student organizations, etc.

Physical Plant – all expenses for the administration, supervision, operation, maintenance, preservation, and protection of the institution's physical plant.

Institutional Support – expenses for central, executive-level activities concerned with management and long-range planning for the entire institution, such as planning and programming operations and legal services; fiscal operations; activities concerned with community and alumni relations, including development and fund raising; etc.

Academic Support – expenses incurred to provide support services for the institution's primary missions: instruction, research, and public service (includes academic administration, galleries, audio/visual services, etc.)

Athletics – expenses for intercollegiate sports programs are a separately budgeted auxiliary enterprise

Auxiliary Enterprises – an enterprise which exists to furnish goods or services to students, faculty, staff, other institutional departments, or incidentally to the general public, and charges a fee directly related to, although not necessarily equal to, the cost of the goods or services. The distinguishing characteristic of an auxiliary enterprise is that it is managed to operate as a self-supporting activity. Examples include residence halls, food services, student unions, bookstores, copy centers, health centers, etc.

Scholarships/Fellowships – includes expenses for scholarships and fellowships (from restricted or unrestricted funds) in the form of grants to students.

Federal Student Financial Aid – funds passed through to students

Other – institution specific unique budgeted expenditures

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**IMPACT**

The attached worksheets provide a high level overview of the institutions' sources of funding and expenditures based on the standard categories listed above. The trend analysis shows how the allocation of budgeted revenues and expenditures has changed since fiscal year 2012 excluding any mid-year adjustments (e.g. holdbacks).

**ATTACHMENTS**

Attachment 1 – Aggregate Trend Report  
Attachment 2 – Aggregate Annual Report  
Attachment 3 – Boise State University Trend Report  
Attachment 4 – Boise State Annual Report  
Attachment 5 – Idaho State University Trend Report  
Attachment 6 – Idaho State University Annual Report  
Attachment 7 – University of Idaho Trend Report  
Attachment 8 – University of Idaho Annual Report  
Attachment 9 – Lewis-Clark State College Trend Report  
Attachment 10 – Lewis-Clark State College Annual Report

**STAFF COMMENTS AND RECOMMENDATIONS**

Starting in FY 2013, federal student aid was disaggregated from Federal Grants & Contracts on the revenue side and from Scholarships/Fellowships on the expense side since federal aid only passes through the institution to the eligible students.

Institution staff will be available to answer questions from the Board.

**BOARD ACTION**

This item is for informational purposes only.

College and Universities Sources and Uses of Funds									
a	b 2012	c 2013	d 2014	e 2015	f 2016	g 2017	h 2018	i 2019	i vs b
	Amount	Amount	Amount	Amount	Amount	Amount	Amount	Amount	% Change
<b>Revenues by Source:</b>									
1 Approp: General Funds	\$251,916,503	\$269,919,595	\$279,452,595	\$298,525,915	\$309,424,472	\$334,984,591	\$344,306,056	\$353,675,100	33%
2 Approp: Endowment Funds	9,616,600	9,927,400	10,729,200	12,528,000	13,980,000	15,840,000	15,840,000	16,443,200	65%
3 Approp: Student Fees	202,215,526	216,238,128	227,240,000	241,252,060	247,102,865	251,030,760	256,485,890	268,793,143	45%
4 Institutional Student Fees	71,649,406	79,135,463	86,355,074	84,993,859	85,300,154	90,003,071	111,514,766	113,955,324	67%
5 Federal Grants & Contracts	415,693,822	112,497,648	115,546,707	112,713,666	126,045,621	110,262,677	110,076,614	113,150,409	-72%
6 Federal Student Financial Aid	0	312,522,291	307,937,134	288,465,659	290,298,904	284,572,355	280,182,279	283,966,784	100%
7 State Grants & Contracts (1)	21,583,007	22,152,755	21,682,868	22,847,714	21,567,928	22,915,957	23,926,250	25,155,177	21%
8 Private Gifts, Grants & Contr	53,920,532	64,120,559	67,276,644	63,564,826	65,936,856	63,578,497	62,774,068	58,818,849	20%
9 Sales & Serv of Educ Act	30,744,992	24,044,782	24,780,015	26,730,054	26,407,658	26,475,373	27,653,237	26,485,847	-25%
10 Sales & Serv of Aux Ent	113,931,176	116,207,575	114,684,647	108,802,298	106,589,926	102,304,302	100,893,081	95,832,858	-8%
11 Indirect Cost Recovery	22,647,183	21,792,012	19,517,154	17,810,995	18,149,490	17,923,636	27,158,944	27,333,128	32%
12 Other	26,774,339	31,897,012	38,387,194	35,284,442	38,071,357	42,086,843	41,791,454	52,545,732	73%
13 <b>Total Revenues</b>	<b>\$1,220,693,086</b>	<b>\$1,280,455,220</b>	<b>\$1,313,589,232</b>	<b>\$1,313,519,488</b>	<b>\$1,348,875,232</b>	<b>\$1,361,978,061</b>	<b>\$1,402,602,639</b>	<b>\$1,436,155,551</b>	<b>20%</b>
<b>Expenditures by Function</b>									
16 Instruction	\$301,572,754	\$318,647,448	\$333,078,432	\$346,136,944	\$372,035,687	\$366,337,251	\$380,073,534	\$397,950,694	29%
17 Research	127,060,429	138,537,678	138,668,790	133,858,279	133,054,905	139,165,294	139,315,744	139,654,317	8%
18 Public Service	47,316,195	48,191,701	50,471,780	52,407,594	53,214,750	57,577,749	52,029,256	55,515,888	6%
22 Academic Support	49,906,432	52,845,452	57,204,583	59,818,983	61,968,783	64,484,850	64,533,318	68,130,993	43%
19 Library	20,878,394	22,471,260	22,866,050	24,139,803	25,320,033	26,357,423	26,564,846	26,743,147	28%
20 Student Services	35,749,087	40,597,148	41,517,946	44,381,614	47,944,525	49,748,598	51,576,063	52,969,210	54%
21 Institutional Support	88,930,254	91,353,187	94,527,863	99,533,947	100,638,685	105,187,040	122,517,090	114,877,934	35%
22 Physical Plant	63,567,095	69,663,266	73,626,803	73,943,495	79,788,207	78,028,862	85,168,976	101,444,260	36%
23 Scholarships/Fellowships	330,513,313	29,479,224	32,740,699	32,630,710	35,123,507	34,422,546	35,433,991	38,111,560	-88%
24 Federal Student Financial Aid	0	312,522,291	307,937,134	288,465,659	290,298,904	284,572,355	280,182,279	283,966,784	100%
25 Auxiliary Enterprises (2)	92,340,574	92,031,875	95,364,479	88,373,548	83,664,258	87,290,168	87,859,972	81,853,544	-4%
26 Athletics	58,102,906	64,064,804	62,856,999	62,584,986	67,091,842	69,713,376	71,453,880	71,729,047	25%
27 Other-Incl One-Time	2,641,078	1,659,729	1,843,465	9,583,149	5,349,192	18,323,284	4,461,724	5,018,236	47%
29 <b>Total Bdgt by Function</b>	<b>\$1,218,578,511</b>	<b>\$1,282,065,063</b>	<b>\$1,312,705,023</b>	<b>\$1,315,858,712</b>	<b>\$1,355,493,278</b>	<b>\$1,381,208,795</b>	<b>\$1,401,170,673</b>	<b>\$1,437,965,614</b>	<b>20%</b>

(1) Includes state grants, scholarships, and work study

(2) Auxiliary Enterprises includes University of Idaho's Student Recreation Center

**Lewis-Clark State College**  
**Summary of Sources and Uses of Funds**  
**Fiscal Year 2019**

	A	B	C	D	E	F	G	H
	Operating Budgets							
	Board Approved Budgets			CEO Approved	Estimated Budgets		Total	%
	General Education	Career-Technical Education	Special Programs	Auxiliary Enterprise	Instit Accounts	Grants & Contracts	Operating Budgets	of Total
<b>SOURCES OF FUNDS:</b>								
State Appropriations								
1 General Account	\$17,180,300	\$4,804,200					\$21,984,500	30.7%
2 General Acct - One time funds	6,000	64,000					70,000	0.1%
3 Endowment Funds	2,205,000						2,205,000	3.1%
4 Student Fees	16,244,700						16,244,700	22.7%
5 One-time Other Funds							0	0.0%
6 Millennium Funds							0	0.0%
7								
8 Total Appropriations	\$35,636,000	\$4,868,200	\$0	\$0	\$0	\$0	\$40,504,200	56.6%
9								
10 Other Student Fees				\$1,305,550	\$1,897,950		3,203,500	4.5%
11 Federal Approp/Grants/Contracts						\$1,077,900	1,077,900	1.5%
12 Federal Student Financial Aid						17,300,000 (3)	17,300,000	24.2%
13 State Grants & Contracts						2,089,700 (2)	2,089,700	2.9%
14 Private Gifts, Grts & Contr					1,860,000	332,400	2,192,400	3.1%
15 Sales & Serv of Educ Act					1,181,000		1,181,000	1.7%
16 Sales & Serv of Aux Ent				2,765,240	778,000		3,543,240	5.0%
17 Indirect Costs					215,000		215,000	0.3%
18 Other					268,050		268,050	0.4%
19								
20 Total Revenue	\$35,636,000	\$4,868,200	\$0	\$4,070,790	\$6,200,000	\$20,800,000	\$71,574,990	100.0%
<b>21 USES OF FUNDS:</b>								
22 Instruction	\$16,717,981	\$4,052,215			\$2,131,784	\$1,817,500	\$24,719,480	34.5%
23 Research	161,136					343,700	504,836	0.7%
24 Public Service	349,845				223,468	333,600	906,913	1.3%
25 Academic Support	2,870,398	613,131			219,964		3,703,493	5.2%
26 Libraries	1,392,453				10,374		1,402,827	2.0%
27 Student Services	4,537,940	112,251			569,876	1,005,200	6,225,267	8.7%
28 Institutional Support	5,113,769	26,603			553,950		5,694,322	8.0%
29 Physical Plant	3,247,559				500,000		3,747,559	5.2%
30 Scholarships & Fellowships					627,584		627,584	0.9%
31 Federal Student Financial Aid						17,300,000 (3)	17,300,000	24.2%
32 Auxiliary Enterprises	11,400			3,396,388			3,407,788	4.8%
33 Athletics (1)	1,227,519			658,550	1,363,000	(1)	3,249,069	4.5%
34 Other-Incl One-Time	6,000	64,000					70,000	0.1%
35								
36 Total Uses	\$35,636,000	\$4,868,200	\$0	\$4,054,938	\$6,200,000	\$20,800,000	\$71,559,138	100.0%
37								
38								
39 Incr/(Decr) to Balance	\$0	\$0	\$0	\$15,852	\$0	\$0	\$15,852	
40								
41								
42 Employee FTE	364.00	58.95		16.83	21.95	27.94	489.67	
43								
44 (1) General Education program supports intercollegiate athletics which is an auxiliary enterprise and reported in the General Education								
45 column not the auxiliary enterprise column.								
46 (2) Includes state grants, scholarships, and work study								
47 (3) Includes Pell Grants and Direct Student Loan Funds								

**College & Universities Summary**  
**Summary of Sources and Uses of Ongoing Funds**  
**Fiscal Year 2019**

	A	B	C	D	E	F	G	H
	Operating Budgets							
	Board Approved Budgets			CEO Approved	Estimated Budgets		Total	%
	General Education	Career-Technical Education	Special Programs	Auxiliary Enterprise	Instit Accounts	Grants & Contracts	Operating Budgets	of Total
<b>SOURCES OF FUNDS:</b>								
State Appropriations								
1 General Account	\$294,509,000	\$16,978,400	\$46,707,900	\$0	\$0	\$0	\$358,195,300	24.8%
2 General Acct - One time funds	1,254,200	226,000	215,400	0	0	0	1,695,600	0.1%
3 Endowment Funds	16,443,200	0	0	0	0	0	16,443,200	1.1%
4 Student Fees	268,568,607	0	224,536	0	0	0	268,793,143	18.6%
5 One-time Other Funds	1,100,000	0	0	0	0	0	1,100,000	0.1%
6 Millennium Funds	0	0	0	0	0	0	0	0.0%
7								
8 Total Appropriations	\$581,875,007	\$17,204,400	\$47,147,836	\$0	\$0	\$0	\$646,227,243	44.8%
9								
10 Other Student Fees	\$0	\$0	\$1,941,800	\$24,011,998	\$88,001,526	\$0	\$113,955,324	7.9%
11 Federal Approp/Grants/Contrac	\$0	\$0	\$0	\$0	\$0	\$113,150,409	113,150,409	7.8%
12 Federal Student Financial Aid	\$0	\$0	\$0	\$0	\$0	\$283,966,784	283,966,784	19.7%
13 State Grants & Contracts	\$0	\$0	\$0	\$0	\$34,867	\$25,120,310 (3)	25,155,177	1.7%
14 Private Gifts, Grts & Contr	\$0	\$0	\$0	\$14,619,044	\$35,690,735	\$8,509,070	58,818,849	4.1%
15 Sales & Serv of Educ Act	\$0	\$0	\$0	\$0	\$26,485,847	\$0	26,485,847	1.8%
16 Sales & Serv of Aux Ent	\$0	\$0	\$0	\$83,293,890	\$12,538,968	\$0	95,832,858	6.6%
17 Indirect Costs	\$0	\$0	\$0	\$0	\$27,333,128	\$0	27,333,128	1.9%
18 Other	\$1,750,793	\$0	\$124,000	\$13,299,579	\$33,440,017	\$2,831,343	51,445,732	3.6%
19								
20 Total Revenue	\$583,625,800	\$17,204,400	\$49,213,636	\$135,224,511	\$223,525,088	\$433,577,916	\$1,442,371,351	100.0%
<b>21 USES OF FUNDS:</b>								
22 Instruction	\$272,894,998	\$16,226,415	\$13,683,136	\$0	\$78,041,493	\$17,104,652	\$397,950,694	27.6%
23 Research	\$27,003,117	\$0	\$21,518,433	\$0	\$8,268,082	\$89,080,485	145,870,117	10.1%
24 Public Service	\$2,211,925	\$0	\$13,796,667	\$0	\$6,135,677	\$33,371,619	55,515,888	3.8%
25 Academic Support	\$48,279,470	\$613,131	\$0	\$0	\$19,178,392	\$60,000	68,130,993	4.7%
26 Libraries	\$25,758,333	\$0	\$0	\$0	\$984,325	\$489	26,743,147	1.9%
27 Student Services	\$37,179,819	\$112,251	\$0	\$0	\$13,971,783	\$1,705,357	52,969,210	3.7%
28 Institutional Support	\$83,684,749	\$26,603	\$0	\$0	\$31,166,582	\$0	114,877,934	8.0%
29 Physical Plant	\$67,506,934	\$0	\$0	\$0	\$33,819,976	\$117,350	101,444,260	7.0%
30 Scholarships & Fellowships	\$6,023,694	\$0	\$0	\$0	\$26,139,321	\$5,948,545	38,111,560	2.6%
31 Federal Student Financial Aid	\$0	\$0	\$0	\$0	\$0	\$283,966,784	283,966,784	19.7%
32 Auxiliary Enterprises (2)	\$11,400	\$0	\$0	\$80,995,463	\$846,681	\$0	81,853,544	5.7%
33 Athletics (1)	\$12,812,519	\$0	\$0	\$56,492,728	\$2,423,800	\$0	71,729,047	5.0%
34 Other (Incl One-Time Funds)	\$2,354,200	\$226,000	\$215,400	\$0	\$0	\$2,222,636	5,018,236	0.3%
35								
36 Total Uses	\$585,721,158	\$17,204,400	\$49,213,636	\$137,488,191	\$220,976,112	\$433,577,916	\$1,444,181,413	100.0%
37								
38								
39 Incr/(Decr) to Balance	(\$2,095,358)	\$0	\$0	(\$2,263,680)	\$2,548,976	(\$0)	(\$1,810,062)	
40								
41								
42 Employee FTE	4,750.36	200.14	373.28	576.06	1,295.30	367.81	7,562.95	
43								
44 (1) General Education program supports intercollegiate athletics which is an auxiliary enterprise and reported in the General Education								
45 column not the auxiliary enterprise column.								
46 (2) Auxiliary Enterprises includes University of Idaho's Kibbie Dome operations								
47 (3) Includes state grants, scholarships, and work study								

Boise State University Sources and Uses of Funds									
a	b 2012	c 2013	d 2014	e 2015	f 2016	g 2017	h 2018	i 2019	i vs b
	Amount	Amount	Amount	Amount	Amount	Amount	Amount	Amount	% Change
<b>Revenues by Source:</b>									
1 Approp: General Funds	\$68,005,800	\$74,496,000	\$77,703,500	\$83,460,500	\$86,302,700	\$93,744,600	\$96,991,900	\$100,841,300	38%
2 Approp: Endowment Funds	0	0	0	0	0	0	0	0	0%
3 Approp: Student Fees	70,126,300	76,318,400	82,819,800	90,629,600	93,423,300	95,988,900	102,866,700	118,188,200	66%
4 Institutional Student Fees (2)	27,302,419	31,241,972	37,736,289	37,827,575	33,142,081	38,341,469	61,889,411	60,111,062	157%
5 Federal Grants & Contracts	114,526,277	32,100,129	32,742,131	26,946,770	43,000,000	28,000,000	31,000,000	32,000,000	-66%
6 Federal Student Financial Aid		93,000,000	93,000,000	85,000,000	95,000,000	100,000,000	100,000,000	105,000,000	100%
7 State Grants & Contracts (1)	3,379,468	2,502,674	2,597,409	2,742,190	3,400,000	5,000,000	5,000,000	5,000,000	73%
8 Private Gifts, Grants & Contr	17,222,042	24,613,704	30,515,015	28,501,024	30,138,214	28,740,642	26,335,037	26,052,355	49%
9 Sales & Serv of Educ Act	0	0	0	0	0	0	0	0	0%
10 Sales & Serv of Aux Ent	54,170,604	53,138,693	54,301,532	54,579,692	53,577,283	47,313,670	49,851,373	49,915,991	5%
11 Indirect Cost Recovery	5,395,226	5,430,885	5,539,503	4,349,889	4,317,000	4,000,000	13,600,000	13,600,000	203%
12 Other	15,075,691	20,444,074	26,188,400	23,030,296	26,490,835	28,003,601	29,034,075	37,533,097	249%
13 <b>Total Revenues</b>	<b>\$375,203,827</b>	<b>\$413,286,531</b>	<b>\$443,143,579</b>	<b>\$437,067,536</b>	<b>\$468,791,413</b>	<b>\$469,132,882</b>	<b>\$516,568,496</b>	<b>\$548,242,005</b>	<b>56%</b>
14									
<b>Expenditures by Function</b>									
16 Instruction	\$92,024,606	\$102,215,854	\$112,366,933	\$116,927,364	\$138,977,056	\$124,501,577	\$134,743,367	\$143,836,721	49%
17 Research	19,967,082	30,867,286	32,111,329	24,547,890	23,830,164	28,050,519	30,788,167	34,619,061	105%
18 Public Service	12,177,939	13,479,370	13,788,180	15,300,187	15,843,894	18,842,465	15,059,345	16,187,483	18%
22 Academic Support	18,826,838	19,966,959	22,892,201	25,052,930	25,977,315	26,930,138	27,848,358	29,562,534	78%
19 Library	6,902,947	7,291,196	7,287,094	7,556,320	7,909,739	8,072,725	8,202,604	8,265,950	17%
20 Student Services	12,117,207	16,026,556	16,541,328	18,390,266	19,460,886	19,137,485	21,030,085	22,396,926	76%
21 Institutional Support (3)	28,989,836	29,764,591	33,325,817	37,054,222	37,101,030	39,212,664	54,433,048	47,732,041	104%
22 Physical Plant	15,398,849	20,339,348	21,262,303	19,701,035	22,388,588	21,771,220	27,406,606	41,782,030	82%
23 Scholarships/Fellowships	96,328,558	10,846,409	13,164,621	11,728,102	13,438,598	9,671,912	7,954,200	9,620,325	-89%
24 Federal Student Financial Aid		93,000,000	93,000,000	85,000,000	95,000,000	100,000,000	100,000,000	105,000,000	100%
25 Auxiliary Enterprises	38,755,931	36,169,293	41,568,212	39,687,332	35,601,382	39,640,969	43,195,914	43,000,826	31%
26 Athletics	33,540,533	37,883,119	36,051,747	35,842,187	39,067,625	41,841,325	42,826,476	43,087,697	31%
27 Other-Incl One-Time	530,400	0	0	3,114,400	1,273,700	5,361,700	0	0	-100%
28									
29 <b>Total Bdgt by Function</b>	<b>\$375,560,726</b>	<b>\$417,849,981</b>	<b>\$443,359,765</b>	<b>\$439,902,235</b>	<b>\$475,869,977</b>	<b>\$483,034,699</b>	<b>\$513,488,170</b>	<b>\$545,091,594</b>	<b>54%</b>
30									
31 <b>Incr/(Decr) to Balance</b>	<b>(\$356,899)</b>	<b>(\$4,563,450)</b>	<b>(\$216,186)</b>	<b>(\$2,834,699)</b>	<b>(\$7,078,564)</b>	<b>(\$13,901,817)</b>	<b>\$3,080,326</b>	<b>\$3,150,411</b>	

(1) Includes state grants, scholarships, and work study

(2) FY18 Includes \$18.2M in Student Fee Rev in Facility Fee Reserve

(3) FY18 includes \$10.3 M OE in Facility Fee Reserve



**Boise State University**  
**Summary of Sources and Uses of Funds**  
**Fiscal Year 2019**

	A	B	C	D	E	F	G	H
	Operating Budgets							
	Board Approved Budgets			CEO Approved	Estimated Budgets		Total	%
	General Education	Career-Technical Education	Special Programs	Auxiliary Enterprise	Instit Accounts	Grants & Contracts	Operating Budgets	of Total
<b>SOURCES OF FUNDS:</b>								
State Appropriations								
1 General Account	\$99,811,800		\$1,029,500				\$100,841,300	18.4%
2 General Acct - One time funds							0	0.0%
3 Endowment Funds							0	0.0%
4 Student Fees	118,188,200						118,188,200	21.6%
5 One-time Other Funds							0	0.0%
6 Millennium Funds							0	0.0%
7								
8 Total Appropriations	\$218,000,000	\$0	\$1,029,500	\$0	\$0	\$0	\$219,029,500	40.0%
9								
10 Other Student Fees				\$9,414,500	\$50,696,562		\$60,111,062	11.0%
11 Federal Approp/Grants/Contracts						32,000,000	32,000,000	5.8%
12 Federal Student Financial Aid						105,000,000	105,000,000	19.2%
13 State Grants & Contracts						5,000,000 (2)	5,000,000	0.9%
14 Private Gifts, Grts & Contr				11,872,505	14,179,850		26,052,355	4.8%
15 Sales & Serv of Educ Act							0	0.0%
16 Sales & Serv of Aux Ent				49,915,991			49,915,991	9.1%
17 Indirect Costs					13,600,000		13,600,000	2.5%
18 Other				12,432,370	25,100,727		37,533,097	6.8%
19								
20 Total Revenue	\$218,000,000	\$0	\$1,029,500	\$83,635,366	\$103,577,139	\$142,000,000	\$548,242,005	100.0%
<b>21 USES OF FUNDS:</b>								
22 Instruction	\$114,471,086				\$26,365,635	\$3,000,000	\$143,836,721	26.4%
23 Research	5,476,459				4,142,602	25,000,000	34,619,061	6.4%
24 Public Service	1,702,392		1,029,500		4,455,591	9,000,000	16,187,483	3.0%
25 Academic Support	20,990,611				8,571,923		29,562,534	5.4%
26 Libraries	8,014,326				251,624		8,265,950	1.5%
27 Student Services	14,220,101				8,176,825		22,396,926	4.1%
28 Institutional Support	30,533,313				17,198,728		47,732,041	8.8%
29 Physical Plant	19,539,512				22,242,518		41,782,030	7.7%
30 Scholarships & Fellowships					9,620,325		9,620,325	1.8%
31 Federal Student Financial Aid						105,000,000	105,000,000	19.3%
32 Auxiliary Enterprises				43,000,826			43,000,826	7.9%
33 Athletics (1)	3,052,200			40,035,497			43,087,697	7.9%
34 Other (Incl One-Time Funds)							0	0.0%
35								
36 Total Uses	\$218,000,000	\$0	\$1,029,500	\$83,036,323	\$101,025,771	\$142,000,000	\$545,091,594	100.0%
37								
38								
39 Incr/(Decr) to Balance	\$0	\$0	\$0	\$599,043	\$2,551,368	\$0	\$3,150,411	
40								
41								
42 Employee FTE	1,662.89		3.82	352.88	433.50	190.00	2,643.09	
43								
44 (1) General Education program supports intercollegiate athletics which is an auxiliary enterprise and reported in the General Education								
45 column not the auxiliary enterprise column.								
46 (2) Includes state grants, scholarships, and work study								
47								
48								

Idaho State University Sources and Uses of Funds									
a	b	c	d	e	f	g	h	i	i vs b
	2012	2013	2014	2015	2016	2017	2018	2019	
	Amount	Amount	Amount	Amount	Amount	Amount	Amount	Amount	% Change
<b>Revenues by Source:</b>									
1 Approp: General Funds	\$68,913,825	\$74,049,598	\$76,984,198	\$80,576,998	\$83,420,416	\$89,882,035	\$92,730,600	\$95,963,100	31%
2 Approp: Endowment Funds	2,121,500	2,125,600	2,227,800	2,599,200	3,004,200	3,609,600	3,609,600	3,739,400	70%
3 Approp: Student Fees	53,342,096	56,204,528	58,471,100	62,791,260	65,869,140	65,757,908	63,788,380	60,236,736	38%
4 Institutional Student Fees	22,400,287	24,954,791	25,705,455	26,349,054	28,278,309	27,171,452	24,443,860	27,576,085	15%
5 Federal Grants & Contracts	121,810,845	18,717,019	18,104,976	19,199,454	16,937,084	13,594,412	13,411,450	12,110,964	-89%
6 Federal Student Financial Aid		99,897,691	105,763,134	99,790,102	95,468,347	92,887,734	92,794,149	92,775,267	100%
7 State Grants & Contracts (1)	10,321,739	11,786,781	11,804,673	13,261,587	10,275,456	10,226,496	8,537,371	8,396,912	-1%
8 Private Gifts, Grants & Contr	16,558,590	18,948,455	14,777,870	12,872,988	12,100,469	10,349,541	9,289,083	7,124,898	-29%
9 Sales & Serv of Educ Act	5,427,392	5,478,282	5,872,971	6,110,464	6,142,639	6,701,628	6,616,070	6,712,487	29%
10 Sales & Serv of Aux Ent	21,275,772	23,003,482	23,489,102	23,656,934	22,634,104	24,002,566	22,207,962	23,852,709	6%
11 Indirect Cost Recovery	5,811,957	4,921,127	3,854,651	3,378,106	3,659,490	3,530,636	3,188,944	3,318,128	-44%
12 Other	4,772,178	4,460,138	4,523,306	4,592,684	3,408,407	4,591,021	3,756,058	3,866,281	-17%
13 <b>Total Revenues</b>	<b>\$332,756,181</b>	<b>\$344,547,492</b>	<b>\$351,579,236</b>	<b>\$355,178,831</b>	<b>\$351,198,061</b>	<b>\$352,305,029</b>	<b>\$344,373,527</b>	<b>\$345,672,967</b>	<b>7%</b>
14									
<b>Expenditures by Function</b>									
16 Instruction	\$92,732,030	\$99,085,733	\$100,888,469	\$105,478,597	\$107,558,260	\$110,073,277	\$112,154,230	\$114,873,727	26%
17 Research	36,568,011	36,293,273	31,882,624	31,660,093	27,832,775	26,007,479	22,675,344	18,135,846	-33%
18 Public Service	5,166,057	4,931,209	6,012,450	6,461,619	6,351,800	5,688,177	3,390,942	3,459,951	7%
22 Academic Support	13,196,267	14,610,603	14,877,138	14,712,979	15,340,116	17,078,316	16,513,940	18,022,070	29%
19 Library	4,923,422	5,310,128	5,317,235	5,712,097	6,050,201	6,311,636	6,257,014	6,284,173	27%
20 Student Services	7,592,089	8,273,681	8,296,818	8,996,565	9,188,667	10,276,493	9,704,845	9,761,488	28%
21 Institutional Support	22,336,175	23,672,120	25,099,214	25,579,656	25,852,593	26,296,651	24,157,987	24,189,767	10%
22 Physical Plant	17,545,953	19,067,230	20,038,512	20,818,034	22,219,131	21,204,858	21,707,069	22,950,791	29%
23 Scholarships/Fellowships	105,199,169	4,422,581	4,524,535	5,814,688	5,608,873	7,181,345	6,847,864	7,843,991	-93%
24 Federal Student Financial Aid		99,897,691	105,763,134	99,790,102	95,468,347	92,887,734	92,794,149	92,775,267	100%
25 Auxiliary Enterprises	17,382,243	18,438,882	19,075,067	18,860,333	18,578,048	17,950,685	18,130,504	17,750,124	7%
26 Athletics	8,182,213	8,743,625	8,766,400	8,832,502	9,516,645	9,820,708	9,924,602	10,274,181	23%
27 Other-Incl One-Time	2,110,678	1,594,729	1,832,465	2,766,239	1,974,092	6,914,284	2,900,224	2,406,636	103%
28									
29 <b>Total Bdgt by Function</b>	<b>\$332,934,307</b>	<b>\$344,341,485</b>	<b>\$352,374,061</b>	<b>\$355,483,504</b>	<b>\$351,539,548</b>	<b>\$357,691,643</b>	<b>\$347,158,714</b>	<b>\$348,728,012</b>	<b>8%</b>
30									
31 <b>Incr/(Decr) to Balance</b>	<b>(\$178,126)</b>	<b>\$206,007</b>	<b>(\$794,825)</b>	<b>(\$304,673)</b>	<b>(\$341,487)</b>	<b>(\$5,386,614)</b>	<b>(\$2,785,187)</b>	<b>(\$3,055,045)</b>	

(1) Includes state grants, scholarships, and work study

**Idaho State University**  
**Summary of Sources and Uses of Funds**  
**Fiscal Year 2019**

	A	B	C	D	E	F	G	H
	Board Approved Budgets			CEO Approved	Estimated Budgets		Total	%
	General Education	Career-Technical Education	Special Programs	Auxiliary Enterprise	Instit Accounts	Grants & Contracts	Operating Budgets	of Total
<b>SOURCES OF FUNDS:</b>								
State Appropriations								
1 General Account	\$79,800,400	\$12,174,200	\$3,804,500				\$95,779,100	27.7%
2 General Acct - One time funds	22,000	162,000					184,000	0.1%
3 Endowment Funds	3,739,400						3,739,400	1.1%
4 Student Fees	60,012,200		224,536				60,236,736	17.4%
5 One-time Other Funds							0	0.0%
6 Millennium Funds							0	0.0%
7								
8 Total Appropriations	\$143,574,000	\$12,336,200	\$4,029,036	\$0	\$0	\$0	\$159,939,236	46.3%
9								
10 Other Student Fees				\$8,155,608	\$19,420,477		\$27,576,085	8.0%
11 Federal Approp/Grants/Contracts						12,110,964	12,110,964	3.5%
12 Federal Student Financial Aid						92,775,267	92,775,267	26.8%
13 State Grants & Contracts					34,867	8,362,045 (2)	8,396,912	2.4%
14 Private Gifts, Grts & Contr				671,539	2,136,853	4,316,506	7,124,898	2.1%
15 Sales & Serv of Educ Act					6,712,487		6,712,487	1.9%
16 Sales & Serv of Aux Ent				13,480,116	10,372,593		23,852,709	6.9%
17 Indirect Costs					3,318,128		3,318,128	1.0%
18 Other				686,400	348,538	2,831,343	3,866,281	1.1%
19								
20 Total Revenue (3)	\$143,574,000	\$12,336,200	\$4,029,036	\$22,993,663	\$42,343,943	\$120,396,125	\$345,672,967	100.0%
<b>21 USES OF FUNDS:</b>								
22 Instruction	\$68,128,029	\$12,174,200	\$3,412,836		\$21,253,628	\$9,905,034	\$114,873,727	32.9%
23 Research	5,523,167				2,180,522	10,432,157	18,135,846	5.2%
24 Public Service	0		616,200		321,875	2,521,876	3,459,951	1.0%
25 Academic Support	12,242,643				5,719,427	60,000	18,022,070	5.2%
26 Libraries	6,038,974				244,710	489	6,284,173	1.8%
27 Student Services	7,971,822				1,607,101	182,565	9,761,488	2.8%
28 Institutional Support	16,135,507				8,054,260		24,189,767	6.9%
29 Physical Plant	20,103,266				2,730,175	117,350	22,950,791	6.6%
30 Scholarships & Fellowships	5,447,750				217,490	2,178,751	7,843,991	2.2%
31 Federal Student Financial Aid						92,775,267	92,775,267	26.6%
32 Auxiliary Enterprises				17,750,124			17,750,124	5.1%
33 Athletics (1)	4,056,200			6,217,981			10,274,181	2.9%
34 Other (Incl One-Time Funds)	22,000	162,000				2,222,636	2,406,636	0.7%
35								
36 Total Uses (3)	\$145,669,358	\$12,336,200	\$4,029,036	\$23,968,105	\$42,329,188	\$120,396,125	\$348,728,012	100.0%
37								
38								
39 Incr/(Decr) to Balance	(\$2,095,358)	\$0	\$0	(\$974,442)	\$14,755	\$0	(\$3,055,045)	
40								
41								
42 Employee FTE	1,235.39	141.19	21.25	100.86	224.90	107.11	1,830.70	
43								
44 (1) General Education program supports intercollegiate athletics which is an auxiliary enterprise and reported in the General Education								
45 column not the auxiliary enterprise column.								
46 (2) Includes state grants, scholarships, and work study								
47 (3) Adjustments to revenue and expense may be necessary due to enrollment fluctuations.								

**University of Idaho**  
**Sources and Uses of Ongoing Funds**

a		b	c	d	e	f	g	h	i	
		2012	2013	2014	2015	2016	2017	2018	2019	i vs b
		Amount	Amount	Amount	Amount	Amount	Amount	Amount	Amount	% Change
Revenues by Source:										
1	Approp: General Funds	\$99,891,100	\$104,793,100	\$107,524,800	\$116,199,600	\$119,755,200	\$129,331,000	\$132,401,400	\$134,816,200	29%
2	Approp: Endowment Funds	6,164,400	6,466,800	7,166,400	8,356,800	9,171,600	10,099,200	10,099,200	10,498,800	64%
3	Approp: Student Fees	67,004,730	71,428,200	72,756,100	73,465,100	72,543,525	73,783,952	73,799,310	74,123,507	26%
4	Institutional Student Fees	16,569,000	17,926,600	18,098,760	16,661,630	20,077,664	21,491,150	22,217,495	23,064,677	35%
5	Federal Grants & Contracts	155,156,700	61,180,500	64,299,600	66,067,442	65,508,537	67,496,665	64,657,375	67,961,545	-58%
6	Federal Student Financial Aid		93,624,600	85,174,000	80,675,557	78,830,557	73,384,621	69,288,130	68,891,517	100%
7	State Grants & Contracts (1)	4,881,800	5,163,300	5,280,786	5,443,937	6,492,472	6,489,461	8,711,156	9,668,565	66%
8	Private Gifts, Grants & Contr	18,139,900	18,558,400	20,183,759	20,490,814	21,698,173	22,508,314	24,985,460	23,449,196	25%
9	Sales & Serv of Educ Act	24,017,600	17,266,500	17,907,044	19,619,590	19,365,019	18,573,745	19,837,167	18,592,360	-35%
10	Sales & Serv of Aux Ent	36,091,700	37,530,400	33,781,163	27,843,422	27,419,639	27,640,766	25,508,296	18,520,918	-35%
11	Indirect Cost Recovery	11,340,000	11,340,000	10,023,000	10,023,000	10,023,000	10,100,000	10,100,000	10,200,000	-2%
12	Other	6,298,070	6,392,800	7,175,488	7,361,462	7,931,115	9,114,521	8,786,271	10,878,304	-17%
13	Total Revenues	\$445,555,000	\$451,671,200	\$449,370,900	\$452,208,354	\$458,816,502	\$470,013,394	\$470,391,260	\$470,665,589	4%
Expenditures by Function										
16	Instruction	\$96,773,742	\$96,847,048	\$99,242,944	\$102,807,496	\$103,620,808	\$108,981,380	\$109,053,579	\$114,520,766	16%
17	Research	70,333,066	71,178,677	74,496,556	77,436,409	81,083,004	84,768,367	85,350,759	86,394,574	7%
18	Public Service	28,069,242	27,683,100	28,848,035	29,603,447	30,345,034	31,725,567	32,770,828	34,961,541	4%
22	Academic Support	15,326,781	15,547,604	16,791,965	16,897,039	17,544,543	16,999,876	16,518,950	16,842,896	15%
19	Library	8,001,488	8,795,223	9,092,324	9,633,254	10,047,322	10,607,077	10,730,412	10,790,197	37%
20	Student Services	12,332,858	12,525,006	12,334,623	12,749,338	14,814,225	15,465,311	15,066,400	14,585,529	45%
21	Institutional Support	32,786,254	33,010,401	31,168,096	32,037,276	32,169,802	34,101,703	38,302,854	37,261,804	4%
22	Physical Plant	27,737,523	27,195,047	29,267,914	30,185,307	31,388,261	31,411,092	32,321,846	32,963,880	16%
23	Scholarships/Fellowships	105,082,386	13,965,734	14,748,643	14,668,320	15,672,736	17,024,989	20,030,421	20,019,660	-79%
24	Federal Student Financial Aid		93,624,600	85,174,000	80,675,557	78,830,557	73,384,621	69,288,130	68,891,517	100%
25	Auxiliary Enterprises	33,383,000	34,436,000	31,423,000	26,421,283	25,908,228	26,293,544	23,407,740	17,694,806	-40%
26	Athletics	14,077,060	15,057,460	15,472,700	15,202,829	15,606,072	15,005,500	15,618,100	15,118,100	10%
27	Other-Incl One-Time	0	0	0	3,420,800	1,194,700	4,214,500	1,038,700	2,541,600	100%
29	Total Bdgt by Function	\$443,903,400	\$449,865,900	\$448,060,800	\$451,738,356	\$458,225,292	\$469,983,527	\$469,498,719	\$472,586,870	4%
31	Incr/(Decr) to Balance	\$1,651,600	\$1,805,300	\$1,310,100	\$469,998	\$591,210	\$29,867	\$892,541	(\$1,921,281)	

(1) Includes state grants, scholarships, and work study

**University of Idaho**  
**Summary of Sources and Uses of Funds**  
**Fiscal Year 2019**

	A	B	C	D	E	F	G	H
	Operating Budgets							
	Board Approved Budgets			CEO Approved	Estimated Budgets		Total	%
	General	Career- Technical	Special	Auxiliary	Instit	Grants &	Operating	%
	Education	Education	Programs	Enterprise	Accounts	Contracts	Budgets	of Total
<b>SOURCES OF FUNDS:</b>								
State Appropriations								
1 General Account	\$91,500,700		\$41,873,900				133,374,600	28.3%
2 General Acct - One time funds	1,226,200		215,400				1,441,600	0.3%
3 Endowment Funds	10,498,800						10,498,800	2.2%
4 Student Fees	74,123,507						74,123,507	15.7%
5 One-time Other Funds	1,100,000						1,100,000	0.2%
6 Millennium Funds	0						0	0.0%
7								
8 Total Appropriations	178,449,207		42,089,300	0	0	0	220,538,507	46.9%
9								
10 Other Student Fees			1,941,800	5,136,340	15,986,537		23,064,677	4.9%
11 Federal Approp/Grants/Contracts						67,961,545	67,961,545	14.4%
12 Federal Student Financial Aid						68,891,517	68,891,517	14.6%
13 State Grants & Contracts						9,668,565 (2)	9,668,565	2.1%
14 Private Gifts, Grts & Contr				2,075,000	17,514,032	3,860,164	23,449,196	5.0%
15 Sales & Serv of Educ Act					18,592,360		18,592,360	4.0%
16 Sales & Serv of Aux Ent				17,132,543	1,388,375		18,520,918	3.9%
17 Indirect Costs					10,200,000		10,200,000	2.2%
18 Other	1,750,793		124,000	180,809	7,722,702		9,778,304	2.1%
19								
20 Total Revenue	180,200,000		44,155,100	24,524,692	71,404,006	150,381,791	470,665,589	100.0%
<b>21 USES OF FUNDS:</b>								
22 Instruction	73,577,902		10,270,300		28,290,446	2,382,118	114,520,766	24.2%
23 Research	9,626,555		21,518,433		1,944,958	53,304,628	86,394,574	18.3%
24 Public Service	159,688		12,150,967		1,134,743	21,516,143	34,961,541	7.4%
25 Academic Support	12,175,818				4,667,078		16,842,896	3.6%
26 Libraries	10,312,580				477,617		10,790,197	2.3%
27 Student Services	10,449,956				3,617,981	517,592	14,585,529	3.1%
28 Institutional Support	31,902,160				5,359,644		37,261,804	7.9%
29 Physical Plant	24,616,597				8,347,283		32,963,880	7.0%
30 Scholarships & Fellowships	575,944				15,673,922	3,769,794	20,019,660	4.2%
31 Federal Student Financial Aid	0					68,891,517	68,891,517	14.6%
32 Auxiliary Enterprises	0			16,848,125	846,681		17,694,806	3.7%
33 Athletics (1)	4,476,600			9,580,700	1,060,800		15,118,100	3.2%
34 Other-Incl One-Time	2,326,200		215,400				2,541,600	0.5%
35								
36 Total Uses	180,200,000		44,155,100	26,428,825	71,421,153	150,381,791	472,586,869	100.0%
37								
38								
39 Incr/(Decr) to Balance	0		0	(1,904,133)	(17,147)	(0)	(1,921,280)	
40								
41								
42 Employee FTE	1,488.08	0.00	348.21	105.49	614.95	42.76	2,599.49	
43								
44 (1) The General Education program supports intercollegiate athletics, which is an auxiliary enterprise. General Education support for athletics								
45 is reported in the General Education column, not the auxiliary enterprise column.								
46 (2) Includes state grants, scholarships, and work study								
47								

Lewis-Clark State College Sources and Uses of Funds									
a	b 2012	c 2013	d 2014	e 2015	f 2016	g 2017	h 2018	i 2019	i vs b
	Amount	Amount	Amount	Amount	Amount	Amount	Amount	Amount	% Change
<b>Revenues by Source:</b>									
1 Approp: General Funds	\$15,105,778	\$16,580,897	\$17,240,097	\$18,288,817	\$19,946,156	\$22,026,956	\$22,182,156	\$22,054,500	42%
2 Approp: Endowment Funds	1,330,700	1,335,000	1,335,000	1,572,000	1,804,200	2,131,200	2,131,200	2,205,000	60%
3 Approp: Student Fees	11,742,400	12,287,000	13,193,000	14,366,100	15,266,900	15,500,000	16,031,500	16,244,700	49%
4 Institutional Student Fees	5,377,700	5,012,100	4,814,570	4,155,600	3,802,100	2,999,000	2,964,000	3,203,500	-42%
5 Federal Grants & Contracts	24,200,000	500,000	400,000	500,000	600,000	1,171,600	1,007,789	1,077,900	-96%
6 Federal Student Financial Aid		26,000,000	24,000,000	23,000,000	21,000,000	18,300,000	18,100,000	17,300,000	100%
7 State Grants & Contracts (1)	3,000,000	2,700,000	2,000,000	1,400,000	1,400,000	1,200,000	1,677,723	2,089,700	-44%
8 Private Gifts, Grants & Contr	2,000,000	2,000,000	1,800,000	1,700,000	2,000,000	1,980,000	2,164,488	2,192,400	20%
9 Sales & Serv of Educ Act	1,300,000	1,300,000	1,000,000	1,000,000	900,000	1,200,000	1,200,000	1,181,000	0%
10 Sales & Serv of Aux Ent	2,393,100	2,535,000	3,112,850	2,722,250	2,958,900	3,347,300	3,325,450	3,543,240	42%
11 Indirect Cost Recovery	100,000	100,000	100,000	60,000	150,000	293,000	270,000	215,000	170%
12 Other	628,400	600,000	500,000	300,000	241,000	377,700	215,050	268,050	-69%
13 <b>Total Revenues</b>	<b>\$67,178,078</b>	<b>\$70,949,997</b>	<b>\$69,495,517</b>	<b>\$69,064,767</b>	<b>\$70,069,256</b>	<b>\$70,526,756</b>	<b>\$71,269,356</b>	<b>\$71,574,990</b>	<b>7%</b>
14									
<b>Expenditures by Function</b>									
16 Instruction	\$20,042,376	\$20,498,813	\$20,580,086	\$20,923,487	\$21,879,563	\$22,781,017	\$24,122,358	\$24,719,480	18%
17 Research	192,270	198,442	178,281	213,887	308,962	338,929	501,474	504,836	197%
18 Public Service	1,902,957	2,098,022	1,823,115	1,042,341	674,022	1,321,540	808,141	906,913	-47%
22 Academic Support	2,556,546	2,720,286	2,643,279	3,156,035	3,106,809	3,476,520	3,652,070	3,703,493	48%
19 Library	1,050,537	1,074,713	1,169,397	1,238,132	1,312,771	1,365,985	1,374,816	1,402,827	31%
20 Student Services	3,706,933	3,771,905	4,345,177	4,245,445	4,480,747	4,869,309	5,774,733	6,225,267	61%
21 Institutional Support	4,817,989	4,906,075	4,934,736	4,862,793	5,515,260	5,576,022	5,623,201	5,694,322	19%
22 Physical Plant	2,884,770	3,061,641	3,058,074	3,239,119	3,792,227	3,641,692	3,733,455	3,747,559	25%
23 Scholarships/Fellowships	23,903,200	244,500	302,900	419,600	403,300	544,300	601,506	627,584	-97%
24 Federal Student Financial Aid		26,000,000	24,000,000	23,000,000	21,000,000	18,300,000	18,100,000	17,300,000	100%
25 Auxiliary Enterprises	2,819,400	2,987,700	3,298,200	3,404,600	3,576,600	3,404,970	3,125,814	3,407,788	11%
26 Athletics	2,303,100	2,380,600	2,566,152	2,707,468	2,901,500	3,045,843	3,084,702	3,249,069	34%
27 Other-Incl One-Time	0	65,000	11,000	281,710	906,700	1,832,800	522,800	70,000	119%
28		0	0	0	0	0	0	0	
29 <b>Total Bdgt by Function</b>	<b>\$66,180,078</b>	<b>\$70,007,697</b>	<b>\$68,910,397</b>	<b>\$68,734,617</b>	<b>\$69,858,461</b>	<b>\$70,498,926</b>	<b>\$71,025,070</b>	<b>\$71,559,138</b>	<b>8%</b>
30									
31 <b>Incr/(Decr) to Balance</b>	<b>\$998,000</b>	<b>\$942,300</b>	<b>\$585,120</b>	<b>\$330,150</b>	<b>\$210,795</b>	<b>\$27,830</b>	<b>\$244,286</b>	<b>\$15,852</b>	

(1) Includes state grants, scholarships, and work study

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**SUBJECT**

Outcomes Based Funding

**REFERENCE**

August 2016	The Idaho State Board of Education (Board) approved Outcomes Based Funding as a systemwide line item to be requested of the Governor and Legislature for FY2018.
October 2016	The Board waived the requirement in Board Policy V.S. to calculate the Enrollment Workload Adjustment.
October 2017	Governor's Task Force for Higher Education provided recommendations to the Governor.
August 2018	The Board approved Outcomes Based Funding as a systemwide line item to be requested of the Governor and Legislature for FY2020.

**APPLICABLE STATUTE, RULE, OR POLICY**

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

**ALIGNMENT WITH STRATEGIC PLAN**

GOAL 2: Educational Attainment, Objective A: Higher Level of Educational Attainment; Objective B: Timely Degree Completion; Objective C: Access;  
GOAL 3: Workforce Readiness, Objective A: Workforce Alignment.

**BACKGROUND/DISCUSSION**

The Governor's Task Force for Higher Education provided the final report to the Governor that included a recommendation for establishing an Outcomes Based Funding (OBF) model for higher education to replace the Enrollment Workload Adjustment (EWA) funding model currently in Board Policy V.S. The Board's Business Affairs and Human Resources committee was established as the steering committee for exploring implementation of the recommendation and a technical committee was established to develop an OBF model. The technical committee membership is provided in Attachment 1. The technical committee met regularly to develop the models presented in Attachments 2, 3, and 4.

The technical committee recommends a model that is broken into three different categories; one for the 4-year institutions, one for the 2-year institutions, and one for Career Technical Education (CTE). Each category has its own formula allowing performance outcomes to be targeted to the missions of each group. The funding for each category is independent of the funding in another category. Institutions may benefit from two different categories if they award both academic and technical degrees and certificates.

The recommended model includes awarding funding for completion of degrees or certificates. The completion metric is weighted differently based on system priorities. Additional premiums are paid for certificates and degrees that are

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determined to address high demand job needs in Idaho, low-income students, and on-time completion of a degree or certificate.

Initial first-year funding was calculated by looking at the historical EWA funding and the historical amount funded through line items for the institutions. For FY2020, the OBF model replaces the institution line items requests and the EWA calculation. The OBF line item was approved at the August 2018 Regular Board meeting.

The recommended model identifies four categories of outcomes that warrant a payoff:

- Completion of degrees or certificates (including a measure of progress toward completion if a student transfers);
- Completion of a degree or certificate in STEM, health, business, or education;
- Completion of a degree or certificate for a low-income student; and
- On-time completion of a degree or certificate (meaning four years for a baccalaureate degree, two years for an associate degree, or one year for an intermediate technical certificate).

The model recommended by the technical committee only accounts for the first year of the model. The implementation plan, including the amount of base funding included in the model, will be determined by the Board.

**IMPACT**

Approval of an OBF model will result in transitioning from funding institutions based on the number and level of credits taught at the institution to funding the institutions based on a determined set of outcomes. This will strategically position the state to begin paying for what we value – graduates not just credit hours.

**ATTACHMENTS**

Attachment 1 – Technical Committee Membership  
Attachment 2 – College and Universities Model  
Attachment 3 – Community Colleges Model  
Attachment 4 – Career Technical Education Model

**STAFF COMMENTS AND RECOMMENDATIONS**

OBF is the number one priority, as approved by the Board, for the FY2020 budget. The recommended model is the result of over six months of work by representatives from each of the institutions, CTE, the Governor's office, the Legislative Services Office, the business community, Board staff, and input from a national consultant from HCM Strategists. No other institutional line items were approved by the Board for the colleges and universities budget requests.

The technical committee reviewed proposals regarding the populations to be included in the model for additional funding. It was determined by the technical



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committee that the categories of degrees tied to jobs should remain broad in scope in order to allow for some flexibility in the job market and the skills needed for those jobs. It was also determined that under-represented populations and under-prepared students were being captured by the Pell-eligible population at a high percentage. The definitions for on-time completion were discussed and the technical committee recommends four consecutive years for a baccalaureate degree and two consecutive years for an associate degree, with the clock starting upon enrollment after high school graduation.

Staff recommends approval.

**BOARD ACTION**

I move to waive Board Policy V.S. Allocation of Lump Sum Appropriation for the Fiscal Year 2020 budget.

Moved by \_\_\_\_\_ Seconded by \_\_\_\_\_ Carried Yes \_\_\_\_\_ No \_\_\_\_\_

**AND**

I move to approve the College and Universities Outcomes Based Funding model as outlined in Attachment 2, and the 3-year implementation plan as follows:

FY2020: \$11,000,000 of new state funding and \_\_\_\_\_ of existing base funding,  
FY2021: \_\_\_\_\_ of new state funding and \_\_\_\_\_ of existing base funding,  
FY2022: \_\_\_\_\_ of new state funding and \_\_\_\_\_ of existing base funding.

Moved by \_\_\_\_\_ Seconded by \_\_\_\_\_ Carried Yes \_\_\_\_\_ No \_\_\_\_\_

**AND**

I move to approve the Community Colleges Outcomes Based Funding model as outlined in Attachment 3, and the 3-year implementation plan as follows:

FY2020: \$3,000,000 of new state funding and \_\_\_\_\_ of existing base funding,  
FY2021: \_\_\_\_\_ of new state funding and \_\_\_\_\_ of existing base funding,  
FY2022: \_\_\_\_\_ of new state funding and \_\_\_\_\_ of existing base funding.

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Moved by \_\_\_\_\_ Seconded by \_\_\_\_\_ Carried Yes \_\_\_\_\_ No \_\_\_\_\_

**AND**

I move to approve the Career Technical Education Outcomes Based Funding model as outlined in Attachment 4, and the 3-year implementation plan as follows:

FY2020: \$2,000,000 of new state funding and \_\_\_\_\_ of existing base funding,

FY2021: \_\_\_\_\_ of new state funding and \_\_\_\_\_ of existing base funding,

FY2022: \_\_\_\_\_ of new state funding and \_\_\_\_\_ of existing base funding.

Moved by \_\_\_\_\_ Seconded by \_\_\_\_\_ Carried Yes \_\_\_\_\_ No \_\_\_\_\_

<b>Name</b>	<b>Position</b>	<b>Represents</b>
Trina Mahoney	Budget Director	University of Idaho
Lori Stinson	Provost	Lewis-Clark State College
Vince Miller	Director of Institutional Research	Idaho State University
Mark Heil	VP and Chief Financial Officer	Boise State University
Ann Lewis	Director of Institutional Effectiveness	North Idaho College
Todd Schwarz	Executive VP and Chief Academic Officer	College of Southern Idaho
Tony Meatte	VP of Finance and Administration	College of Western Idaho
Byron Miles	VP of Finance and Administration	College of Eastern Idaho
Kathleen Watkins	Chief Financial Officer	Career Technical Education
Kurt Liebich	President and CEO, RedBuilt LLC and New Wood Resources	Business Community
David Hahn	Senior Financial Management Analyst, DFM	Division of Financial Management
Janet Jessup	Budget and Policy Analyst, LSO	Legislative Services Office

**College and Universities**

Metric	Weight	Payoff
<b>Completion</b>		
1-year equivalent (30 or more credits after degree completion)	0.10	\$ -
>=1-year cert.	0.25	\$ -
Associate	0.50	\$ -
Bachelor	1.00	\$ -
Master	0.75	\$ -
Doctorate/Professional	0.50	\$ -
<b>High Impact Multiplier by CIP by Completion</b>		
>=1 year certificate	0.20	\$ -
Associate	0.20	\$ -
Bachelor	0.20	\$ -
Master	0.20	\$ -
Doctorate/Professional	0.20	\$ -
<b>At-Risk Multiplier (associate or higher)</b>		
Pell eligible (associate)	0.40	\$ -
Pell eligible (bachelor)	0.40	\$ -
<b>On-Time Graduation Multiplier (Idaho Residents)</b>		
Associate On-Time (two years consecutive)	0.40	\$ -
Bachelor On-Time (four years consecutive)	0.40	\$ -

**Community Colleges**

Metric	Weight	Payoff
<b>Completion</b>		
1-year equivalent (30 or more credits after degree completion)	0.50	\$ -
>=1-year cert.	0.50	\$ -
Associate	1.00	\$ -
Bachelor	0.00	\$ -
<b>High Impact Multiplier by CIP by Completion</b>		
>=1 year cert.	0.33	\$ -
Associate	0.33	\$ -
Bachelor	0.00	\$ -
<b>At-Risk Multiplier (1-year cert or higher)</b>		
Pell eligible (>=1-year cert.)	0.33	\$ -
Pell eligible (associate)	0.33	\$ -
<b>On-Time Graduation Multiplier (Idaho Residents)</b>		
Associate On-Time (two years consecutive)	0.33	\$ -
Bachelor On-Time (four years consecutive)	0.33	\$ -

**Career Technical Education**

Metric	Weight	Payoff
<b>Completion</b>		\$ -
Basic Technical Certificate (BTC)	0.10	\$ -
Intermediate Technical Certificate (ITC)	0.50	\$ -
Advanced Technical Certificate (ATC)	0.90	\$ -
Associate of Applied Science (AAS)	1.00	\$ -
<b>High Impact Multiplier by CIP by Completion</b>		
Basic Technical Certificate (BTC)	0.50	\$ -
Intermediate Technical Certificate (ITC)	0.50	\$ -
Advanced Technical Certificate (ATC)	0.50	\$ -
Associate of Applied Science (AAS)	0.50	\$ -
<b>At-Risk Multiplier (associate or higher)</b>		
Pell eligible (BTC)	0.20	\$ -
Pell eligible (ITC)	0.20	\$ -
Pell eligible (ATC)	0.20	\$ -
Pell eligible (AAS)	0.20	\$ -
<b>On-Time Graduation Multiplier (Idaho Residents)</b>		
AAS On-Time (two years consecutive) (3-year programs)	0.30	\$ -

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**BOISE STATE UNIVERSITY**

**SUBJECT**

Contract Addendum One to TouchNet Information Systems Inc.

**APPLICABLE STATUTE, RULE, OR POLICY**

Idaho State Board of Education Governing Policies and Procedures, Section V.I.3.

**ALIGNMENT WITH STRATEGIC PLAN**

The TouchNet agenda item is a non-strategic Board governance agenda item.

**BACKGROUND/DISCUSSION**

TouchNet is the system software used by Boise State University (BSU) to process most credit card and debit card transactions made to BSU including tuition and fee payments as well as payments for other services such as auxiliary sales and departmental e-Commerce transactions. The system is compliant with Payment Card Industry – Data Security Standard (PCI-DSS) rules regarding credit card data and is integrated with PeopleSoft and BSU's banking partner, Wells Fargo.

The TouchNet five-year contract, which was approved by the executive director of the Idaho State Board of Education (Board) in August 2017, is in effect until June 2022; the cost of the agreement is \$967,730.27. Addendum One is for implementation of an additional TouchNet module, e-Bill Solution, which is an addition to the existing contract. The total cost for the additional module over the term of the agreement plus the one-time implementation fee will not exceed \$290,653.69, which includes a maximum annual increase of 5% over the previous year beginning in July 2019.

	Annual Fees
1/1/19 - 6/30/19 (prorated \$69,500/6 months)	\$ 34,750.00
7/1/19 - 6/30/20	\$ 72,975.00
7/1/20 - 6/30/21	\$ 76,623.75
7/1/21 - 6/30/22	\$ 80,454.94
Implementation (one time only)	\$ 25,850.00
Total not to exceed fees	\$ 290,653.69

This brings the total five-year cost of the TouchNet agreement to \$1,258,383.96. The original terms of the primary contract remain in effect through June 30, 2022 and apply to this additional module.

### **Payment Plans benefits**

Current software offers limited payment plan options for housing/meals and tuition/fees without the ability for automatic payments. BSU currently creates collection agreements for in-house past due balances without the option to set up scheduled/automatic payments. The payment plan module will improve services through:

- Ability to create many different payment plans including the new subscription payment option for Extended Studies. Once implemented it can be leveraged by other colleges as new concepts are developed.
- Ability for an auto pay alternative, which many of our students and parents have requested.
- Increasing our recovery rate for past due accounts and providing easier alternatives for payment. Collection agreements for past due accounts will be easier for the student with ability to set up an auto-pay.
- Disclosures and e-signed agreements are saved electronically in the system providing access for both the customer and Boise State.

### **TouchNet e-Refunding benefits**

The module also provides additional options for students and parents receiving a refund for previously paid charges:

- Ability to refund full or partial dollar amounts to the card used for payment. Preferred by parents who pay with their cards, instead of a check being sent to the student.
- Utilizing e-refunding will reduce manual work which will reduce errors and time spent on reconciliation, freeing up staff resources to serve students.
- 1098T tax form and e-Statements will be accessible online for authorized users (often parents).

### **IMPACT**

The implementation of this module will provide new solutions to customers and campus department requested services including the ability for creation of different payment options, allow e-refunding to credit cards rather than issuing a check, and reduce manual work currently required in the refunding process.

BSU will use local funds for this project.

### **ATTACHMENTS**

Attachment 1 – First Addendum with TouchNet  
Attachment 2 – Current TouchNet Contract

### **STAFF COMMENTS AND RECOMMENDATIONS**

Board Policy V.I. requires the institution to receive approval from the Board for contracts that are valued over \$1,000,000. The original contract value was \$967,730.27. This addendum, valued at \$290,653.69 increases the total value of the contract to more than \$1,000,000, thus requiring Board approval.



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This project amends an existing contract for the implementation of new payment processes, including the refunding capabilities of the system. This project would allow BSU to provide more flexible options to students and parents. The project is requested for convenience and not as a matter of security or necessity.

The systems integration consultant contract was awarded to Huron on September 6, 2018. The payment processing systems may be an area where the consultant recommends consolidation. Board Policy V.I.3.b. states, "when feasible, such development will be undertaken as a joint endeavor by the four institutions." It may not be feasible at this time to consider a joint endeavor by the four institutions given that they may be on different payment systems, but the recommendations from the systems integration consultant may provide an opportunity for this system, or like systems, to be adopted across the institutions.

Approval of this item will not change the contract terms with respect to the length of the contract term, only the additional expense of up to \$290,653.69.

**BOARD ACTION**

I move to approve the request by Boise State University to amend the TouchNet Third Application Subscription Program Agreement for the purchase and implementation of TouchNet e-Bill Solution Software at an additional cost not to exceed \$290,653.69 as provided in Attachment 1.

Moved by \_\_\_\_\_ Seconded by \_\_\_\_\_ Carried Yes \_\_\_\_\_ No \_\_\_\_\_

## FIRST ADDENDUM TO THIRD APPLICATION SUBSCRIPTION PROGRAM AGREEMENT

This First Addendum ("First ASP Addendum") to the Third Application Subscription Program Agreement effective as of August 22, 2017 (the "Third ASP Agreement"), is made between TouchNet and Client, as those terms are defined in the Third ASP Agreement, as of the "Effective Date" which is the last date shown in the signature block hereto.

### TouchNet

TouchNet Information Systems, Inc.  
15520 College Boulevard  
Lenexa, Kansas 66219  
Phone: (913) 599-6699

### Client

Boise State University  
1910 University Drive  
Boise, Idaho 83725-0399  
Phone: (208) 426-1011

TouchNet is the developer of certain computer program applications (defined in the Third ASP Agreement as "TouchNet Software" and described in the First Addendum to Schedule B hereto) that Client wishes to use and access remotely on TouchNet's servers.

TouchNet, subject to the provisions of the Third ASP Agreement, desires to grant to Client access rights to the additional TouchNet Software identified in the First Addendum to Schedule B hereto.

**NOW, THEREFORE**, the parties, intending legally to be bound, agree as follows:

1. **Definitions.** Unless otherwise defined herein, all terms defined in the Third ASP Agreement shall have the meaning ascribed to such terms in the Third ASP Agreement when used in this First ASP Addendum.
2. **Modification of the Third ASP Agreement.** The attached First Addenda to Schedules A and B are added to the Third ASP Agreement.
3. **Integration Provision.** Except as expressly modified by this First ASP Addendum, the Third ASP Agreement shall remain in full force and effect. As of the Effective Date of this First ASP Addendum, the Third ASP Agreement, as amended by this First ASP Addendum constitutes the entire understanding of the parties as regards the subject matter hereof and cannot be modified except by written agreement of the parties.

**IN WITNESS WHEREOF**, the parties have executed this First ASP Addendum through the signatures of their respective authorized representatives as of the respective dates shown below.

TOUCHNET INFORMATION SYSTEMS, INC.

BOISE STATE UNIVERSITY

SIGNATURE: \_\_\_\_\_

SIGNATURE: \_\_\_\_\_

BY: \_\_\_\_\_

BY: \_\_\_\_\_

TITLE: \_\_\_\_\_

TITLE: \_\_\_\_\_

DATE: \_\_\_\_\_

DATE: \_\_\_\_\_

*\*Contract must be executed by Client on or before September 30, 2018, or TouchNet may elect to reject the contract, inclusive of pricing.*

## **First Addendum to Schedule A APPLICATION SUBSCRIPTION PROGRAM**

### **TERM OF APPLICATION SUBSCRIPTION PROGRAM ADDENDUM**

Subject to the terms and conditions of the Third ASP Agreement, TouchNet grants to Client under all of TouchNet's intellectual property rights (including patent and copyrights owned or controlled by TouchNet) and Client accepts, a non-exclusive, non-transferable Subscription to use the TouchNet Software (identified in the First Addendum to Schedule B hereto) for the purpose of offering Services to End Users of the System for a period commencing upon the Effective Date of this First ASP Addendum and continuing so that it co-terminates with the Third ASP Agreement on June 30, 2022.

### **COSTS & PAYMENTS**

#### **Application Subscription Program Fees**

The annual Application Subscription Program Fee ("ASP Fee") for the TouchNet Software described in the First Addendum to Schedule B hereto is payable in advance and as prescribed below. TouchNet reserves the right to increase the annual ASP Fees shown below according to the terms of Schedule A of the Third ASP Agreement. An annual ASP Fee of \$69,500.00<sup>1</sup> for this First ASP Addendum shall be due and payable upon the execution of this First ASP Addendum. This amount will be prorated to come due in concordance with invoicing for the next annual period of the Third ASP Agreement. In order to synchronize the billing period with the period for the Third ASP Agreement, the invoice for the initial period of the First ASP Addendum may include more than six (6) months but not more than eighteen (18) months for the billable period. For each subsequent year, the annual ASP Fee noted herein for the right to access and use the TouchNet Software identified on the First Addendum to Schedule B hereto will be added to the annual ASP Fee noted in Schedule A of the Third ASP Agreement. The annual ASP Fee, adjusted by TouchNet as permitted herein, shall be payable according to the terms of the Third ASP Agreement.

#### **Professional Services Fees**

The one-time Professional Service Fee is payable upon the TouchNet Software described in the First Addendum to Schedule B hereto being loaded at the TouchNet DataCenter. The Professional Service Fee of \$25,850.00 shall be due and payable within thirty (30) days of Client's receipt of the invoice.

*If Client requests TouchNet personnel travel on-site for any training, equipment installation, set-up and/or professional services in connection with this First ASP Addendum, then Client shall be responsible for reasonable travel, lodging, and food expenses incurred by TouchNet in connection with the same. The parties do not anticipate any travel during this First ASP Addendum.*

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<sup>1</sup> This figure reflects a discount of \$10,750.00.

## First Addendum to Schedule B

### TOUCHNET SOFTWARE

The Client's right to use the TouchNet Software shall consist of the following-described computer programs residing on the TouchNet DataCenter:

**TouchNet e-Bill Solution Software.** The TouchNet e-Bill Solution Software is restricted to one (1) Campus Entity, one (1) Production Environment and one (1) Test Environment. It includes the following TouchNet Software applications:

*Student Application.* The Student application contains the following functionality:

**Bill Inbox** performs the following functions.

- *Consolidated Statements.* The Bill Inbox lists the most recent statement(s) delivered to the student. For each bill listed, the Bill Inbox provides account summary information that includes the statement date, the statement due date, and the amount due.
- *Action Buttons.* For each bill listed in the Bill Inbox, End-Users may click the 'Pay' button for making a payment or the magnifying glass button to view the bill detail.

**Bill Detail** performs the following actions.

- *Bill Presentment.* The Bill Detail screen presents the most recent billing statement posted to the student account. The student bill includes all line item detail for the billing statement provided by the student information system. The bill is presented in PDF or HTML formats.
- *Current Activity* – Current Activity shows all activity posted to the student account after the billing date that can include charges and credits.
- *Bill History.* End-Users may access previous billing statements by clicking on the Bill History drop-down menu and selecting a bill. The End-User will be presented with the billing statement from that date.
- *Print.* End-Users may print the current or historical billing statement stored on the eBill database.

**Bill Payment** functionality includes:

- *Pay* – the ability to pay towards the account using a credit card or electronic checks.
- *Payment History* – the ability to lookup all payments posted to the student account through eBill.
- *Preferred Payment Methods* – Preferred Payment Methods are payment identities frequently used by the End-User. Within the credit card identity, account nicknames, name on the card, account number, and expiration date are identified. In a similar way, the checking account identity contains account nickname, the account number, and the routing number. Preferred Payment Methods are stored on the eBill database.
- *1098-T Statements* - provides the functionality to distribute student 1098-T's electronically.

**E-mail.** Billing Profile shows the primary billing e-mail address for the student, as well as an optional secondary e-mail account. The secondary e-mail address is saved on the eBill database and will only be used for billing-related notifications.

**Authorized Users.** This profile allows the End-User to establish an access profile for a third-party user (i.e. parent, guardian, or an employer) and within each profile; the name, e-mail address, username, and password for the third-party user are contained.

Operations Center. The Operations Center is the administrative function of the TouchNet eBill Software Solution. It allows the following functionality:

- Ability to view student account information by entering the student ID number, including login history, payment history, and current bills.
- Set general eBill settings, including timing for batch processes, e-mail server settings, and returned e-mail accounts.
- Schools can add a general message to the student body.
- View usage and payment activity through eBill.

**TouchNet eRefunds.** TouchNet eRefunds provides the functionality to distribute student refunds electronically directly into the student's bank account. TouchNet eRefunds includes the following:

- 1 Campus Entity
- 1 Production Environment
- 1 Test Environment

**TouchNet eDeposits.** TouchNet Bill+Payment Student enables students and parents to make deposit payments for items such as tuition, laptops, or housing through the web using credit card, electronic check, or PIN debit. Deposit payments update the school's deposit accounts in real-time.

- 1 Campus Entity
- 1 Production Environment
- 1 Test Environment

**TouchNet Payment Plans.** TouchNet Payment Plans is a web-based solution for creating and managing tuition installment plans for use with the Campus Entity's Student Information System. The TouchNet Software is limited to the following:

- 1 Campus Entity
- 1 Production Environment
- 1 Test Environment

Functionality includes:

- **Real-time Integration** with Campus Entity's Student Information System when student accounts are initiated, updated, and payments.
- **E-mail Notifications** to alert students to changes on their accounts or if there are any problems with payments.
- **Student Account Access** allows the students to view the status of a payment plan through the web. The student may change to a different plan, change their payment method, or payoff their remaining balance.
- **Plan Administration** gives the ability to plan administrators to create and manage student installment plans that include payment dates, payment amounts, fees and interest rates, determine the number of payments, amounts of each payment, and bring plans online and offline.
- **Web Enrollment** allows students to enroll and update payment plan information and select a preferred method of payment over the web.
- **Scheduled Payments** allows students to meet those payment deadlines by setting up automatic payment processing.
- **Operations Center** allows administrators of the payment plans the ability to access individual student plan information, including number of payments and stored payment method. Administrators may also change the student's preferences. The operations center also gives administrators access to payment plan reports.
- **TouchNet Integration** with TouchNet eBill, TouchNet Student Disbursements, and TouchNet Payment Gateway to provide students and administrators with a centralized location for managing accounts online.

*Additional Campus Entity licenses are available for an additional License fee and Professional Services cost.*

**Mobile Bill+Payment**

Pay tuition and fees and view statements from any smart phone.

- Get account balances and real-time activity
- Review financial aid details
- Make payments with stored payment profiles
- View scheduled payments and payment plan installments
- Receive text alerts: new online statements, payment due dates, and refunds available

*Mobile Bill+Payment requires TouchNet Bill+Payment and TouchNet Payment Gateway to operate*

ORIGINAL

**THIRD APPLICATION SUBSCRIPTION PROGRAM AGREEMENT**

This Third Application Subscription Program Agreement ("Third ASP Agreement") is made as of the last date shown in the signature block hereof (the "Effective Date") between TouchNet and Client (as both are described in the table below). This Third ASP Agreement terminates the following agreements in order to bundle all of Client's rights to license and use the TouchNet Software listed on Schedule B hereto into one ASP Agreement as of the Effective Date hereof: the Second Application Subscription Program Agreement dated January 10, 2014, First Addendum to Second Application Subscription Program Agreement dated November 18, 2014, Second Addendum to Second Application Subscription Program Agreement dated September 27, 2016, Third Addendum to Second Application Subscription Program Agreement dated December 20, 2016, and Fourth Addendum to Second Application Subscription Program Agreement dated December 8, 2016.

**TouchNet**

TouchNet Information Systems, Inc.  
A Kansas Corporation  
15520 College Boulevard  
Lenexa, Kansas 66219  
Phone: 913-599-6699  
Fax: 913-599-5588

**Client**

Boise State University  
1910 University Drive  
Boise, ID 83725-0399  
Phone: 208-426-1011  
Fax: 208-426-3779

TouchNet is the developer of certain computer program applications (described below as "TouchNet Software") that Client wishes to use and access remotely on TouchNet's servers.

TouchNet, subject to the provisions of this Third ASP Agreement, desires to grant to Client access rights to the TouchNet Software.

**NOW, THEREFORE**, the parties, intending legally to be bound, agree as follows:

1. **Definitions.** The capitalized terms used in this Third ASP Agreement, except where specifically defined to the contrary herein, shall have the meanings as set forth below in the following Subsections to this Section 1.

(a) **Campus Entity.** The term "Campus Entity" means a college or university campus or facility which offers a degree program in its own name. A Campus Entity may have multiple branch locations from which classes or other services are offered; however, a branch shall not be considered a Campus Entity unless it offers a degree program in its own, separate name. A Client may have multiple Campus Entities, and the Application Subscription Program fees will vary depending upon (among other factors) the number of Campus Entities included within the Client.

(b) **Confidential Information.** The term "Confidential Information" means: (i) the TouchNet Software; (ii) information, if

disclosed in writing, that bears a stamp, label, or legend indicating the confidential, secret, proprietary, or similar status thereof; (iii) information, if disclosed orally, that is followed-up (within ten (10) days following the oral disclosure) with a written memorandum that describes the information claimed to be confidential and that describes the time, place, and circumstances of the oral disclosure; (iv) the content of Client's Student Information System to the extent such content consists of information concerning which Client is itself under a confidential obligation, the trade secrets of Client, and personally identifying information protected under the Privacy Laws; and (v) information disclosed by TouchNet that comprises or consists of drawings, specifications, and models; computer data, whether printed, stored on disk, tapes, or in machine-readable form; product and marketing documentation; and financial information. Confidential Information does not include information that:

(i) is already known by the Recipient prior to disclosure by the Discloser, as evidenced by written (contemporaneously dated) documents in the Recipient's files;

(ii) is or becomes publicly available through no wrongful act or omission by the Recipient;

(iii) is rightfully received by the Recipient from third parties without accompanying secrecy obligations;

(iv) is independently developed by Recipient, as demonstrated through written (contemporaneously dated) documentation in Recipient's files; or

(v) is approved in writing by the Discloser for release to the public.

(c) **Client.** The term "Client" means the entity identified in the table above, as "Client." The term shall also include any intra-college department, other college, or campus associated with the main campus specified above and all affiliates of the Client.

(d) **Interface Software.** The term "Interface Software" means all software that the Client will need to install on its own Student Information System in order to access and interface with the TouchNet Software. This software may be provided by TouchNet and/or by the vendor of the particular component of Client's Student Information System and is owned by the respective parties.

(e) **Application Subscription Program.** The term "Application Subscription Program" means a plan offered by TouchNet to Client for Client's right to use TouchNet Software, remotely hosted by TouchNet, as set forth in this Third ASP Agreement and for the designated time frame stated in Schedule A.

(f) **Test Environment.** The term "Test Environment" means, as an option, TouchNet will provide a test environment that will be



configured the same as, or similar to, the Client's production environment hosted in TouchNet's DataCenter. The test environment will be hosted in TouchNet's DataCenter, beginning approximately 2 weeks after the Client's production system is available for use, or 2 weeks after this Third ASP Agreement has been executed, whichever occurs later. The test environment will receive a lower service level than the production environment. The test environment will not receive monitoring of critical system or services, nor will it receive 24 hour notification or support.

(g) **Client Set Up Site.** The term "Client Set Up Site" means Client's computer DataCenter where Client's Information Systems reside.

(h) **Services.** The term "Services" means all services offered by the TouchNet Software that can be accessed by End Users.

(i) **End User.** The term "End User" means any person who commences a transaction on or makes any use of the TouchNet Software to obtain or communicate information or access Services.

(j) **Custom Software.** The term "Custom Software" means any computer program or modification to any computer program which is developed, created, or programmed by or for TouchNet on behalf of Client for the purpose of enabling the TouchNet Software to perform one or more functions or to possess one or more features not already present in the standard TouchNet Software. At the time Custom Software is made available for access by Client, such Custom Software shall thereafter be considered TouchNet Software as well.

(k) **Professional Services.** The term "Professional Services" means those services defined in Schedule C.

(l) **Documentation.** The term "Documentation" means the user manuals and guides to operations issued by TouchNet from time-to-time for the specific modules of the TouchNet Software to which Client has subscribed hereunder.

(m) **Discloser.** The term "Discloser" means the party to this Third ASP Agreement who discloses or otherwise makes available to Recipient Confidential Information.

(n) **Effective Date.** The term "Effective Date" means the last of the dates shown in the signature block at the end of this Third ASP Agreement.

(o) **Normal Business Hours.** The term "Normal Business Hours" means the hours of 7:00 a.m. until 7:00 p.m., Central Daylight or Central Standard Time (as the case may be), Monday through Friday other than TouchNet holidays, as designated by TouchNet.

(p) **Notice.** The term "Notice" means a notification given in the manner prescribed in Section 18(c) hereof.

(q) **Privacy Laws.** The term "Privacy Laws" means the Gramm-Leach-Bliley Act ("GLBA"); the Children's Online Privacy Protection Act ("COPPA"); the Health Insurance Portability and Accountability Act ("HIPAA"); and the Family Educational Rights and Privacy Act ("FERPA"), the Payment Card Industry Data Security Standards ("PCI DSS"), and the National Automated Clearing House Association Standards ("NACHA") pertaining to electronic payments, as amended, together with regulations promulgated thereunder.

(r) **Recipient.** The term "Recipient" means a party to this Third ASP Agreement who receives or otherwise learns of or discovers Confidential Information of the other party to this Third ASP Agreement.

(s) **Student Information System.** The term "Student Information System" means Client's computer system, including all computers, peripherals, and cables and connectors; hardware and software (whether in source code or object code); and the student- and/or faculty-related information and data stored, managed, accessed, and manipulated therein or thereby.

(t) **Application Subscription Program Fees.** The term "Application Subscription Program Fees" means the dollar amount that Client shall pay TouchNet, in accordance with the terms on Schedule A, as consideration for the access rights granted herein.

(u) **TouchNet DataCenter.** The term "TouchNet DataCenter" means a location operated by TouchNet where the TouchNet Software resides. For the duration of this Third ASP Agreement, TouchNet DataCenter's and all Client data in TouchNet's possession or control pursuant to this Third ASP Agreement shall be located within the continental United States of America.

(v) **TouchNet Software.** The term "TouchNet Software" means all computer programs described in Schedule B hereto (in object code form only) that either (i) will be made available for Client's access on TouchNet's servers at the TouchNet DataCenter or (ii) will be furnished to Client for use on Client's information system as a part of the Interface Software (pursuant to the license of Section 2(f)); together with all updates, error corrections, and enhancements generally made available to TouchNet's other clients.

(w) **Trademarks.** The term "Trademarks" means all service marks, trade names, trade dress and/or "get-up" of TouchNet, whether or not registered by TouchNet, and all goodwill of the business related thereto, including (but not limited to) TOUCHNET®, TSERVE®, GLOBAL CAMPUS®, PAYPATH®, Set the Curve®, u.Commerce®, Seek-N-Secure®, and How Money Moves on Campus®.

(x) **Third Party Licensor.** The term "Third Party Licensor" means any entity from which TouchNet obtains a license or other similar

rights to integrate or otherwise make available to its clients (as a part of the TouchNet Software) computer programs not owned by TouchNet.

**2. Grant of Rights.**

(a) **Access.** Subject to the terms and conditions of this Third ASP Agreement, TouchNet grants to Client, and Client accepts, a non-exclusive, non-transferable right to access the TouchNet Software on TouchNet's servers at the TouchNet DataCenter. Upon payment of the first annual Application Subscription Program Fee, as prescribed in Section 4, TouchNet shall furnish to Client access information, including appropriate IP addresses, log-on procedures, and user identification and password(s), provided that Client has taken all implementation steps as prescribed by TouchNet.

(b) **Sub-License and Assignment Prohibited.** Neither the access rights nor any other rights granted to Client herein may be sub-licensed, assigned, transferred, or otherwise given or furnished by Client to any person or entity.

(c) **Non-Exclusivity.** Client acknowledges that TouchNet may license, make access available to, or offer to license or make access available to other TouchNet clients or prospects the TouchNet Software and products having similar functions, whether or not such clients are competitors of Client.

(d) **Reverse Engineering and Copying.** Client shall not, under any circumstances, directly or indirectly, download, copy, modify, decompile, reverse engineer, or otherwise attempt to discover the source code for the TouchNet Software. Client shall not assert and shall not represent to any third party that it has any ownership rights in, or the right to sell, transfer or sub-license, the TouchNet Software.

(e) **Own Operations.** Client shall use the TouchNet Software solely for processing data in the ordinary course of its operations and shall not use the TouchNet Software in connection with a service bureau or in any other similar way to process, store, analyze, manipulate, or otherwise handle the data of other persons or entities.

(f) **Interface Software.** The Interface Software provided by TouchNet is furnished and licensed (on a nonexclusive basis and without right of sublicense) to Client solely for the purpose of enabling Client to access (and interface with) the TouchNet Software residing at the TouchNet DataCenter. Such Interface Software may not be used for any other purpose whatsoever. Unless otherwise specifically agreed, installation and configuration of the Interface Software shall be the sole responsibility of Client.

(g) **Custom Software Programming.** If Custom Software is to be created by TouchNet, then the parties shall agree, in an addendum to this Third ASP Agreement, upon the specifications, functions, and

features; the development period; and the remuneration to be paid to TouchNet for the Custom Software, such remuneration to be different from and in addition to the fees provided for herein. In case of a conflict between the provisions of this Third ASP Agreement and any such addendum, the provisions hereof shall control. All Custom Software shall, upon creation, be the exclusive property of TouchNet and be deemed a part of the TouchNet Software, and all provisions hereof relating to rights made available to Client, restrictions upon Client, and reservations by TouchNet for the TouchNet Software shall be equally applicable to such Custom Software. Client is permitted to develop software programs independent of the TouchNet Software and to integrate those software programs into the TouchNet Marketplace uPay module for the purpose of facilitating electronic payment transactions. Such Client-developed software programs shall be the property of Client.

3. **Purchase Order.** All purchase orders are acknowledged by the parties to be mere expressions of intent to buy and are not binding in any way. TouchNet will accept Client's Purchase Order if the terms, prices, and conditions reflected are consistent with those detailed in this Third ASP Agreement and/or subsequent addenda. Client acknowledges that it has reviewed such terms and conditions and agrees to be bound thereby.

4. **Payment of Fees.** Payment of Fees shall be made in accordance with the terms, at the times, and in the amounts as detailed in Schedule A.

5. **Late Charges.** Late payments of Fees are subject to a late charge equal to the lesser of eighteen percent (18%) per year or the highest rate permitted by applicable law.

6. **Taxes.** Client is an agency of the State of Idaho and, as such, is generally exempt from: (i) payment of state sales and use taxes and from personal property tax for property purchased for its use; and (ii) payment of federal excise tax under a permanent authority from the District Director of the Internal Revenue Service. Exemption certificates will be furnished as required upon Client's receipt of a written request. If, subsequent to the Effective Date of this Third ASP Agreement, Client loses its tax-exempt status, any taxes imposed by any governmental body on TouchNet with respect to the TouchNet Software (with the exception of taxes measured against TouchNet's net income) shall be the sole responsibility of Client.

7. **Availability Guarantee and Credit Allowance.**

(a) **Availability Guarantee.** TouchNet's objective is to make the TouchNet Software available pursuant to this Third ASP Agreement twenty-four hours a day, seven days a week, except for scheduled maintenance. In addition, TouchNet guarantees that Client will be able to access the TouchNet Software ninety-nine percent (99%) of the time (excluding scheduled maintenance) in any given month ("Availability Guarantee").

(b) **Remedy.** In the event that Client's access to the TouchNet Software hereunder becomes unavailable, Client shall immediately furnish notice of such unavailability to TouchNet. Unless Client's access to the TouchNet Software hereunder is rendered unavailable for reasons beyond TouchNet's control, such as events described in Subsection (d) to this Section 7 or Section 18(b) hereof, and Client's access to the TouchNet Software hereunder, during any month, falls below the Availability Guarantee, then TouchNet will grant to Client a credit based on a sliding scale, as set forth in the table below, ranging from twenty percent (20%) to one hundred percent (100%) of one-twelfth of the annual Application Subscription Program Fees for any single month in which the Availability Guarantee is not satisfied. Scheduled maintenance shall not be counted in the calculation of any Credit. All Credits (based upon the Availability Guarantee) shall be calculated based on the total hours in a particular month, and all months shall be deemed to be comprised of thirty (30) days. For purposes of calculating Credits, any period of unavailability shall be counted from the time such unavailability is reported to TouchNet until such time that access is restored.

<b>Software Access During Applicable Month (excluding Scheduled Maintenance, Catastrophic Events and Events of Force Majeure)</b>	<b>Credit for Such Month</b>
Greater than or equal to 99%	0%
Less than 99% but greater than or equal to 98%	20%
Less than 98% but greater than or equal to 95%	25%
Less than 95% but greater than or equal to 90%	50%
Less than 90%	100%

(c) **Scheduled Maintenance.** Client acknowledges and agrees that TouchNet will, from time to time, need to perform routine maintenance or repair, and that during such periods of maintenance or repair, the TouchNet Software may not be available for Client's use. TouchNet's objective is to minimize the duration of any such unavailability and will endeavor to perform routine maintenance outside of Normal Business Hours. Routine maintenance typically will occur on the third Wednesday of every month between the hours of 2 to 6 a.m. C.S.T. TouchNet, to the extent possible, will give Client at least twenty-four (24) hours' advance notice of any change to the routine maintenance schedule.

(d) **Catastrophic Events.** Disruptions in the interconnection with TouchNet servers resulting from the neglect or other fault of Client and/or its agents or contractors and "Catastrophic Events" such as power outages, wide-ranging failures in the Internet (or its successor global

communications network), or in telecommunications services, and similar calamities, are outside TouchNet's control and are not TouchNet's responsibility. Except as stated in this Section 7 and the Availability Guarantee, TouchNet makes no representations or warranties with respect to up-time, availability, or the like.

8. **Backup and Retrieval.** TouchNet will perform incremental backups daily and full backups weekly. TouchNet utilizes a secondary site for purposes of disaster recovery. Client systems are replicated to the secondary site. In the event the primary production site becomes inaccessible, TouchNet will commence a recovery utilizing the secondary site within four (4) hours and will furnish such recovery service at no additional charge. Full data tapes, magnetic discs and/or other optical media will be stored off-site in a secured vault. Off-site storage of back up media shall take place at least weekly. During this Third ASP Agreement, all of Client's data in TouchNet's possession or control will only be located in the TouchNet DataCenter's, secondary and/or backup site(s) that are within the continental United States of America.

9. **Warranty and Limitations.**

(a) **Warranty.** TouchNet warrants that the TouchNet Software will perform substantially in accordance with the Documentation (not, however, that the TouchNet Software is error-free, since all software contains some programming errors) provided that this warranty does not apply to performance problems caused by (i) events beyond TouchNet's reasonable control, including vandalism, civil disturbance, fire, flood, storm, or other exposures to the elements or to temperature extremes; (ii) unavailability or malfunctioning of telecommunication services; (iii) tampering, failure of electric power, abuse, or misuse; (iv) Client operator mistakes; (v) equipment, software, or other items (whether or not included within the TouchNet Software) not developed, manufactured, created, or produced by TouchNet; (vi) a failure to comply with the Documentation or this Third ASP Agreement or to use TouchNet Software in accordance with its intended purpose; (vii) modifications of TouchNet Software not performed by TouchNet or its authorized representatives; (viii) combinations or integrations of TouchNet Software with devices or software not provided by TouchNet or its authorized representatives; or (ix) Client's use of TouchNet Software as part of an invention by Client or as part of a new configuration, which, in either case, includes materials or methods not supplied or approved by TouchNet.

(b) **DISCLAIMER OF WARRANTIES.** EXCEPT AS STATED IN SUBSECTION (a) ABOVE, TOUCHNET DOES NOT MAKE, AND HEREBY DISCLAIMS, ANY AND ALL EXPRESS OR IMPLIED WARRANTIES, GUARANTEES, AND REPRESENTATIONS OF ANY KIND WHATSOEVER, WITH RESPECT TO THE TOUCHNET SOFTWARE AND ANY RIGHT OF ACCESS THERETO, OR OTHERWISE, INCLUDING, WITHOUT LIMITATION, IMPLIED WARRANTIES OF MERCHANTABILITY,

**FITNESS FOR A PARTICULAR PURPOSE, AND NONINFRINGEMENT.**

(c) **Limitations.** Except as provided in Section 10 below, Client's exclusive remedy for any cause of action arising out of this Third ASP Agreement shall be (i) for TouchNet to use reasonable business efforts to provide or restore Client's access to the TouchNet Software in compliance with the Documentation and (ii) in the event of an infringement claim, to procure for Client the right to continue using the infringing TouchNet Software; or to replace or modify the TouchNet Software so as to cure the infringement without materially adversely affecting Client's use of the TouchNet Software; or, if TouchNet determines that the foregoing steps are impractical, to terminate this Third ASP Agreement and refund a pro-rata portion of the fees paid by Client. In no event, however, and except as provided in Section 10 "Indemnification" below, will TouchNet's obligation to Client for any claim under this Third ASP Agreement be greater than the fees Client has paid to TouchNet under this Third ASP Agreement during the twelve (12) month period preceding the date of the claim. TouchNet shall not be liable (under Sections 9 or 10 hereof, or otherwise) for any indirect, incidental, exemplary, punitive, special or consequential damages arising out of this Third ASP Agreement or the use of the TouchNet Software. The limitations in this Subsection (c) shall apply to any and all claims whether based in contract, tort, strict liability, or otherwise.

**10. Indemnification.**

(a) **Indemnity Obligation.** TouchNet shall indemnify and hold harmless Client from and against any and all losses, expenses, damages, liabilities and obligations, including, without limitation, reasonable court costs and attorneys' fees (collectively, "Losses") suffered or incurred by Client to third parties if and only to the extent that (i) such Losses are directly caused by TouchNet's gross negligence or intentional misconduct, or by TouchNet's material breach of its representations, warranties or covenants in this Third ASP Agreement, and (ii) such Losses arise out of injury or death to persons, or infringement upon or violation of any patent, copyright, trade secret, or similar proprietary right of any third party, or any theft or misappropriation of personal confidential data with respect to Client's customers (other than by Client's owners, agents, employees or others under Client's direction or control).

(b) **Notice of Claim.** If at any time a third party makes a claim against Client ("Claim") which could result in liability to TouchNet under this Third ASP Agreement, Client promptly (but in no event later than thirty (30) days from the date of such Claim) shall notify TouchNet thereof, stating the basis for the Claim and the amount thereof, and permit TouchNet to assume the defense of the Claim. If TouchNet fails to notify Client of its election to defend the Claim within thirty (30) days after

receiving notice of the Claim from Client, TouchNet shall be deemed to have waived its right to defend such Claim.

(c) **Defense of Claim.** If TouchNet assumes the defense of a Claim, Client, at its expense, may participate in the defense, but TouchNet shall have the right to direct and control the defense of the Claim, and Client shall cooperate with TouchNet and make available to TouchNet all of Client's books and records reasonably necessary and useful in connection with the defense. Without Client's prior written consent, TouchNet shall not consent to the entry of a judgment or award, or enter into a settlement, which does not include a release of Client of all liability with respect to the Claim. If TouchNet chooses to defend the Claim, Client shall not admit any liability with respect to, or settle, compromise or discharge the Claim, without TouchNet's prior written consent (which shall not be unreasonably withheld, conditioned or delayed). If TouchNet elects not to defend the Claim, Client may defend against the Claim in such manner as it reasonably deems appropriate. Client is an agency of the State of Idaho. Nothing herein shall be construed as a waiver of Client's sovereign immunity or any other protection afforded Client as an agency of the State of Idaho, including but not limited to the protections afforded Client under the Idaho Tort Claims Act.

(d) **Client Inventions.** If (i) Client uses the TouchNet Software as part of an invention of Client (where such invention includes materials and/or methods not supplied or approved by TouchNet) or (ii) Client uses the TouchNet Software as a part of a new configuration (where such configuration includes material and/or methods not supplied or approved by TouchNet) and either of such Client uses of the TouchNet Software results in a claim of patent, copyright, trade secret, or other proprietary right claim by a third party, then Client shall be exclusively responsible therefore.

(e) **Exclusive Remedy.** This Section 10 shall constitute Client's sole and exclusive remedy with respect to any Claims.

11. **Third Party Products.** In the event of any failure of equipment, software, or other items (whether or not included within the TouchNet Software), if the software, equipment, or other item was developed, manufactured, created, or produced by third parties, TouchNet will use reasonable business efforts to assign to Client any and all of TouchNet's warranty rights against such third parties; however, this is the extent of TouchNet's obligations with respect to such third party equipment, software, or other items.

12. **Set Up; Installation; and Data Access.**

(a) **Set Up.** Client is responsible for set up and installation of Interface Software and any and all equipment necessary at the Client Set Up Site to communicate with the TouchNet DataCenter. The foregoing



shall be accomplished at Client's sole expense and in accordance with the timeline and tasks described on Schedule C. Remote installation and set up at the TouchNet DataCenter shall be performed during Normal Business Hours. If installation and set-up is delayed by fault of Client, Client shall pay TouchNet all reasonable costs, charges, and losses attributable to such delay.

(b) **Data Access.** If, to perform the services contemplated by this Third ASP Agreement, TouchNet requires access to Confidential Information within Client's Student Information System, then Client (i) will make such information available to TouchNet or its subcontractors (as Client's contractor) through such means as TouchNet may reasonably specify and (ii) represents to TouchNet (and its subcontractors) as set forth herein that Client is authorized to disclose and make such information available to TouchNet and to permit TouchNet (or its subcontractors) to use, adapt, augment, supplement, and/or modify such information in the manner contemplated by the respective parties hereto.

(c) **Obligation of Nondisclosure.** Without limiting the generality of Section 13, TouchNet agrees to hold in confidence (and to require its subcontractors to hold in confidence) any Confidential Information to which TouchNet (or its subcontractors) may be exposed during access to Client's Student Information System (including all personally identifying information covered by Privacy Laws).

(d) **FERPA.** If Client's Confidential Information is subject to FERPA, Client, for purposes of compliance with 34 C.F.R. §99.31(a)(1), hereby designates TouchNet as a Client "official" with a legitimate educational interest in the Confidential Information. TouchNet's designation as an "official" of Client is solely for the purposes of FERPA compliance and for no other purpose whatsoever, and to the extent Client has policies, rules, and procedures binding on Client "officials" generally, such policies, rules, and procedures will apply to TouchNet only insofar as such compliance is directly relevant to compliance by TouchNet and Client with FERPA. TouchNet agrees: (i) to abide by FERPA's limitations on re-disclosure of Personally Identifying Information in education records; (ii) to not use or disclose education records created or received from, by, or on behalf of Client or its students for any purpose other than the purpose for which such disclosure is made; and, (iii) to not use or disclose such education records except as permitted by this Third ASP Agreement, as required by law, or as authorized by Client in writing.

### 13. **Confidential Information.**

(a) **Limitation on Use and Disclosure.** Except as otherwise permitted under this Third ASP Agreement, the Recipient will not knowingly disclose to any third party, or make any use of, Discloser's Confidential Information. The Recipient will use at least the same standard of care and security to maintain the confidentiality of the

Discloser's Confidential Information that it uses to maintain the confidentiality of its own Confidential Information of equal importance, but in no event may the standard of care and security be below that customary and reasonable under the circumstances. At a minimum, the Recipient shall maintain the Confidential Information (i) in a secure location or (ii) if stored on Client's Student Information System, under circumstances requiring secure password access. Only employees of Recipient who have a reasonable need to know of the Confidential Information in order to perform their responsibilities may be given access to the Discloser's Confidential Information.

(b) **Court Order.** Notwithstanding the provisions of Subsection (a) of this Section 13, Recipient may be permitted to disclose the Confidential Information of Discloser when ordered to do so by an administrative, arbitral, legislative, or judicial body having jurisdiction over the Recipient, provided (i) that Recipient first gives Discloser reasonable Notice of the administrative, arbitral, legislative, or judicial proceeding in order to permit Discloser to prevent or limit the ordered disclosure and (ii) that Recipient cooperates (at Discloser's expense) fully in preventing or limiting the ordered disclosure.

(c) **Burden of Proof.** The burden of proving an exception to the definition of Confidential Information, as described in Section (b) and/or the applicability of the exception to nondisclosure set forth in Subsection 13(b) above shall be upon the Recipient.

14. **TouchNet's Trademarks.** The TouchNet Trademark or Trademarks will be displayed by the TouchNet Software, on the Documentation, and in the copyright and/or patent notices, or otherwise. Client shall not remove, conceal, alter, or deface the TouchNet Trademark from or on the TouchNet Software or any computer screen print-outs. TouchNet grants Client a limited non-exclusive and non-transferable license without right of sub-license to use and display the Trademarks during the term of this Third ASP Agreement solely in the manner in which TouchNet has displayed them on the TouchNet Software.

#### 15. **Term and Termination.**

(a) **Term.** The access rights granted in Section 2(a) hereof commence on the Effective Date and continue for the time period specified in Schedule A, unless sooner terminated as permitted in Subsections (b) through (g) of this Section.

(b) **Right of Termination and Opportunity to Cure.** A party has the right to terminate this Third ASP Agreement if the other party breaches a material provision of this Third ASP Agreement and, if a cure period is available, fails to cure the breach within the applicable cure period, as defined below in Section 15(c), following written Notice of the breach. If no cure period is available, this Third ASP Agreement shall immediately terminate after the non-breaching party provides written Notice of the breach. If a cure period is available and the Noticed breach

is not cured to the reasonable satisfaction of the non-breaching party within the applicable cure period, this Third ASP Agreement will automatically terminate at the end of said cure period without need for further notice or action by the non-breaching party. If a cure period is available and the Noticed breach is cured to the reasonable satisfaction of the non-breaching party within the applicable cure period, then this Third ASP Agreement shall continue in effect as if no breach had occurred.

(c) **Available Cure Periods.** There shall be no cure period for a breach of Section 13 or Section 14. The cure period for a breach of Section 2(d), Section 2(e), and/or Section 4, shall be ten (10) days after the non-breaching party provides written Notice of the breach. The cure period for a breach of any other provision of this Third ASP Agreement shall be thirty (30) days after the non-breaching party provides written Notice of the breach.

(d) **Right of Termination for Theft or Misappropriation of Personal Confidential Information.** In addition to Section 15(b) above, if there is a breach of Section 13 that constitutes a theft or misappropriation of Client's personal Confidential Information which is due to the gross negligence or intentional misconduct of TouchNet, TouchNet, subject to and in accordance with applicable state and federal Privacy Laws, shall provide Client written Notice of the theft or misappropriation within three (3) business days of when the theft or misappropriation becomes known to TouchNet. Client will have six (6) months from the date of receipt of written Notice from TouchNet of the theft or misappropriation to provide written Notice to TouchNet of its intent to terminate, and to terminate, this Third ASP Agreement. If Client elects to terminate this Third ASP Agreement pursuant to this Section, TouchNet will have no right to cure the breach of this Third ASP Agreement in order to prevent Client from terminating the Third ASP Agreement.

(e) **Availability of Funds.** TouchNet acknowledges that Client is an agency of the State of Idaho and, as such, Client's payments herein provided for shall be paid from Idaho State Legislature appropriations. TouchNet further acknowledges that Client's ability to comply with its payment obligations herein may be limited or precluded by act of the State Legislature (if the State Legislature fails, neglects, or refuses to appropriate sufficient funds as may be required for Client to comply with its payment obligations, or requires Client to return or "give-back" funds previously committed) or the Executive Branch (if the Executive Branch mandates any cuts or holdbacks in Client's appropriations). Accordingly, this Third ASP Agreement shall in no way or manner be construed so as to bind or obligate the State of Idaho beyond the term of any particular appropriation of funds by the State's Legislature. However, if Client experiences a budget cut by the State Legislature during the term of this Third ASP Agreement, then Client may request that

the parties (both of whom shall act in good faith) negotiate to reduce the products, services, and/or pricing provided pursuant to this Third ASP Agreement in an amount that is commensurate with the reduction in Client's budget. The parties acknowledge that such an occurrence may result in Client experiencing a reduction in the functionality that is provided pursuant to this Third ASP Agreement, which may encompass the possibility that Client would be limited to the ability to only accept credit card payments. However, such reduction in functionality would reduce costs to as low as twenty percent (20%) of the annual payment. The parties also acknowledge if Client elects to invoke this provision, and negotiate for a reduction in products, services and/or pricing hereunder, the effect of such an election will not discharge the parties from their rights and obligations pursuant to this Third ASP Agreement until such time as an addendum hereto reflecting the new terms is fully executed between the parties.

(f) **Right of Termination for Discrimination.** The parties agree to be bound by and comply with all applicable state and federal laws, rules, regulations, and executive orders governing equal employment opportunity, immigration, and nondiscrimination, including the Americans with Disabilities Act, and the terms and conditions of Section 601, Title VI, Civil Rights Act of 1964, in that "No person in the United States shall, on the grounds of race, color, national origin, or sex, be excluded from participation in, be denied the benefits of, or be subject to discrimination under any program or activity receiving Federal financial assistance." In addition, "No otherwise qualified handicapped individual in the United States shall, solely by reason of his handicap, be excluded from the participation in, be denied the benefits of, or be subjected to discrimination under any program or activity receiving Federal financial assistance" (Section 504 of the Rehabilitation Act of 1973). Furthermore, for contracts involving federal funds, the applicable provisions and requirements of Executive Order 11246 as amended, Section 402 of the Vietnam Era Veterans Readjustment Assistance Act of 1974, Section 701 of Title VII of the Civil Rights Act of 1964, the Age Discrimination in Employment Act of 1967 (ADEA), 29 USC Sections 621, et seq., the Age Discrimination Act of 1975, Title IX of the Education Amendments of 1972, U.S. Department of Interior regulations at 43 CFR Part 17, and the Americans with Disabilities Action of 1990, are also incorporated into this Agreement. Specifically, the parties to this agreement and any subcontract shall abide by the requirements of 41 CFR 60-1.4(a), 60-300.5(a), and 60-741.5(a) where applicable. These regulations require that covered prime contractors and subcontractors take affirmative action to employ and advance in employment individuals without regard to race, color, religion, sex, sexual orientation, gender identity, national origin, disability, or veteran status. The parties shall comply with pertinent amendments to such laws made during the term of the agreement and with all federal and

state rules and regulations implementing such laws. This provision must be included in every subcontract relating to this agreement.

(g) **Right of Termination for Knowing and Willful Employment of Illegal Aliens.** The parties acknowledge that TouchNet will not receive either state ARRA funds or federal ARRA funds during the term of this Third ASP Agreement. TouchNet acknowledges that this Third ASP Agreement is subject to Executive Order 2009-10 [[http://gov.idaho.gov/mediacenter/execorders/eo09/eo\\_2009\\_10.html](http://gov.idaho.gov/mediacenter/execorders/eo09/eo_2009_10.html)] pertaining to the verification and assurance that all employees are eligible for employment in the United States. TouchNet verifies that it does not knowingly or willfully hire or engage any illegal aliens or persons not authorized to work in the United States and it takes steps to verify that it does not hire or engage any illegal aliens or persons not authorized to work in the United States. TouchNet acknowledges that any knowing and willful misrepresentation in this regard or any knowing or willful employment of illegal aliens or persons not authorized to work in the United States constitutes a material breach of this Third ASP Agreement and shall be cause for the imposition of monetary penalties of up to five percent (5%) of the Third ASP Agreement price, per violation, and/or termination of this Third ASP Agreement.

(h) **Effect of Termination.** Upon termination of this Third ASP Agreement by either party, Client's access to the TouchNet Software will be terminated immediately and Client shall return immediately to TouchNet or, at TouchNet's request, will destroy all copies of Interface Software, Documentation, user manuals, and computer screen print-outs of the TouchNet Software, and Client will certify to TouchNet in writing, over the signature of a duly authorized representative of Client, that it has done so.

(i) **Survival of Obligations.** All obligations relating to non-use and non-disclosure of Confidential Information will survive termination of this Third ASP Agreement. Without limiting the generality of the foregoing, the specific obligations, as set forth in Sections 2(d), 9(c), 13, and 18(h), shall survive any termination or expiration of this Third ASP Agreement.

(j) **No Prejudice to Other Rights or Remedies.** Termination of this Third ASP Agreement will be without prejudice to the terminating party's other rights or remedies under this Third ASP Agreement or at law or in equity.

16. **Support.** During the term of this Third ASP Agreement, TouchNet will provide Client with unlimited telephone support over its technical support line. Such support will be provided to Client at no charge in addition to the fees payable as prescribed in Section 4 hereof.

17. **Intentionally Omitted.**

18. **General.**

(a) **Independent Contractors.** Nothing contained herein shall constitute TouchNet and Client as partners, agents, joint venturers or in any capacity other than licensor and licensee of computer software, respectively. TouchNet and Client are independent contractors. Neither shall have the right to bind or obligate the other in any manner whatsoever.

(b) **Force Majeure.** Neither party shall be liable to the other for delay or failure to perform any obligation hereunder resulting from an event of force majeure, including (without limitation) acts of God or of the public enemy, fire, storm, flood, explosion, earthquake, hurricane, riots, wars, hostilities, civil commotion, strikes or labor disputes, interruption of supply, law or regulation, governmental action, or any other cause beyond the control of that party.

(c) **Notices.** Any notice or communication required or permitted to be given hereunder may be hand-delivered or sent by registered or certified mail, return receipt requested, by facsimile transmission, or by email. Notices must be sent to a party at its address shown on the first page of this Third ASP Agreement, or to such other place as the party may subsequently designate in writing for its receipt of Notices. A Notice given in the manner prescribed in this Section shall be deemed received (i) when delivered, in the case of personal delivery; (ii) on the third business day following deposit of an item in the U.S. mail, properly addressed and postage prepaid; and (iii) on the date of transmission if sent by facsimile or email. However, where Notice is given to either notify the other party of a breach of this Third ASP Agreement or of a party's exercise of its termination rights, if such Notice is given by facsimile or email to the other party, a confirmation copy must be either personally delivered or sent by U.S. mail in the manner otherwise permitted for a Notice hereunder.

(d) **Counterparts.** This Third ASP Agreement may be executed in counterparts, each of which shall be an original, and all of which, taken together, shall constitute one and the same instrument.

(e) **Entire Agreement.** This Third ASP Agreement, with attached Schedules, constitutes the entire agreement of the parties with respect to the subject matter hereof and supersedes any prior expression of intent or understanding, oral or written, relating to the subject matter of this Third ASP Agreement. Schedules referenced herein by letter or number are incorporated into this Third ASP Agreement as though fully set out herein. Such Schedules include the following:

SCHEDULE	DESCRIPTION
Schedule A	Fees and Term of Agreement
Schedule B	TouchNet Software

Schedule C	Equipment and Client Tasks for Set Up, Installation, and Implementation of Software
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(f) **Waiver.** Any waiver of a failure or delay in performance shall be effective only if in writing and only in accordance with its terms. The waiver of one breach or default shall not constitute the waiver of any subsequent breach or default and shall not act to amend or negate the rights of the parties under this Third ASP Agreement.

(g) **Right to Use Client's Name.** Client agrees that TouchNet may use Client's name in marketing literature to identify Client as an exemplary user of the TouchNet product only, and not as an endorsement of the TouchNet product following the prior written approval of:

Rachael Bickerton  
 Director, Trademark Licensing and Enforcement  
 Boise State University, Mail Stop 1060  
 1910 University Drive, Boise, ID 83725  
 (T): 208-426-1358  
 (F): 208-426-4058  
 E-mail: [licensing@boisestate.edu](mailto:licensing@boisestate.edu)

If TouchNet desires to use Client's name for any other purpose, TouchNet must have prior written approval of Client's Director, referenced above.

(h) **Governing Law.** This Third ASP Agreement shall be governed by and construed in accordance with the substantive laws of the state of Idaho.

(i) **Public Records:** TouchNet acknowledges that Client is obligated to comply with the requirements of the Idaho Public Records law, Idaho Code Section 9-335, *et seq.* Accordingly, information or documents received from TouchNet may be open to public inspection and copying unless confidential and/or exempt from disclosure. Such confidential and/or exempt information or documents includes, but is not limited to, "information, including a formula, pattern, compilation, program, computer program, device, method, technique, process, or unpublished or in progress research that: (a) Derives independent economic value, actual or potential, from not being generally known to, and not being readily ascertainable by proper means by other persons who can obtain economic value from its disclosure or use; and (b) Is the subject of efforts that are reasonable under the circumstances to maintain its secrecy." Idaho Code Section 9-340D(1). If TouchNet desires to designate any of its individual documents or information as "confidential" and/or "exempt," it shall place such designation on each page of such document and shall indicate the basis for such exemption. TouchNet shall indemnify and defend Client against all liability, claims, damages, losses, expenses, actions, attorney fees and suits whatsoever for Client honoring

such a designation. If Client receives a public records request for materials designated "confidential" and/or "exempt" by TouchNet, Client shall promptly notify TouchNet of the request in order to permit TouchNet to act to prevent the disclosure (at TouchNet's expense), if TouchNet so elects and to the extent permitted by applicable law. Such election must be made by TouchNet, if at all, within such time that Client must respond to a public records request as set forth in Idaho Public Records law. Client will cooperate with TouchNet upon reasonable request if TouchNet elects to prevent a disclosure.

(j) **Severability.** If any one or more of the provisions of this Third ASP Agreement shall be invalid, illegal, or unenforceable in any respect under any applicable statute, rule of law, or public policy, such provision shall be considered inoperative to the extent of such invalidity, illegality, or unenforceability and the remainder of this Third ASP Agreement shall continue in full force and effect. The parties agree to replace any such invalid, illegal, or unenforceable provision with a new provision that has the most nearly similar permissible legal and economic effect.

(k) **Headings.** Headings are included in this Third ASP Agreement as a matter of convenience only and shall not be controlling with regard to the interpretation of this Third ASP Agreement.

(l) **Security Standards Compliance.** TouchNet agrees to maintain compliance with all applicable Privacy Laws, PCI DSS and the NACHA standards pertaining to electronic payments.

(m) **Security Breaches.** In the event of unauthorized access to cardholder data stored by TouchNet for Client, TouchNet shall promptly notify Client of the same, and will comply with the reporting and notification requirements of PCI DSS applicable to such an event, as well as with all applicable state and federal laws. Client's customer notification will be delivered by the Client in conformance with the PCI DSS requirements, and all applicable state and federal laws, and in good faith cooperation with TouchNet.

(n) **Insurance.** During the term of this Third ASP Agreement, TouchNet, a wholly owned subsidiary of Heartland Payment Systems, LLC, a Global Payments company, will keep in force the following insurance at its expense:

(i) Commercial General Liability coverage in amounts of at least One Million Dollars (\$1,000,000) per occurrence and Two Million Dollars (\$2,000,000) aggregate, naming Client and the State of Idaho as additional insureds;

(ii) Workers' Compensation and Disability Coverage in accordance with the laws of any applicable state covering TouchNet's employees;



(iii) Professional liability, Errors and Omissions, and Cyber liability insurance in the amount of at least Fifteen Million Dollars (\$15,000,000);

(iv) Crime insurance in the amount of at least Five Million Dollars (\$5,000,000) with third party coverage; and

(v) Comprehensive Automobile Liability insurance covering any auto (including owned, hired and non-owned autos) with a combined single limit of liability for bodily injury and property damage of One Million Dollars (\$1,000,000) per occurrence.

(vi) Prior to commencement of services, TouchNet will provide to Client a Certificate of Insurance demonstrating its conformance with this Section 18, and where applicable, the policies will provide for thirty (30) days advance written notice to Client prior to any cancellation of coverage. The Certificate of Insurance shall be mailed to:

Boise State University  
Attn: Risk Management  
1910 University Drive  
Boise, ID 83725

**IN WITNESS WHEREOF**, the parties have executed this Third ASP Agreement through the signatures of their respective authorized representatives as of the respective dates shown below.

TOUCHNET INFORMATION SYSTEMS, INC.

BOISE STATE UNIVERSITY

SIGNATURE: 

BY: Daniel J. Toughey

TITLE: Senior Vice President

DATE: August 8, 2017

SIGNATURE: 

BY: Jo Ellen DiLucci

TITLE: AVPFA

DATE: 8/22/17

*\*Contract is null and void if not executed by Client on or before August 18, 2017.*

## SCHEDULE A

### APPLICATION SUBSCRIPTION PROGRAM

#### TERM OF THIRD APPLICATION SUBSCRIPTION PROGRAM AGREEMENT

Subject to the terms and conditions of this Third ASP Agreement, TouchNet grants to Client under all of TouchNet's intellectual property rights (including patent and copyrights owned or controlled by TouchNet) and Client accepts, a non-exclusive, non-transferable Subscription to use the TouchNet Software for the purpose of offering Services to End Users of the System for a period commencing on July 1, 2017 and continuing through June 30, 2022.

#### COSTS & PAYMENTS<sup>1</sup>

The annual Application Subscription Program Fee ("ASP Fee") is payable in advance and as prescribed below. The ASP Fee of \$167,634.79 for the TouchNet Software described in Schedule B hereto shall be due and payable upon execution of this Third ASP Agreement. This amount will be prorated to align with Client's fiscal year running July 1 through June 30<sup>th</sup>, such that the invoice for the initial period of the Third ASP Agreement may include more than six (6) months but not more than eighteen (18) months for the billable period. Each subsequent year, TouchNet shall invoice Client for the annual ASP Fee, adjusted by TouchNet as permitted herein, at least sixty (60) days in advance of the next annual period of this Third ASP Agreement, and such invoice shall be payable by Client thirty (30) days in advance of the next annual period.

TouchNet reserves the right to increase the annual ASP Fee by not more than five percent (5%) per year over the applicable amount for the immediately preceding year. TouchNet may increase the annual ASP Fees by giving Client notice (via the invoice) at least sixty (60) days in advance of the next annual period of this Third ASP Agreement.

#### TOUCHNET READY PARTNER PROGRAM COSTS AND PAYMENTS – TOUCHNET DATACENTER

The parties also agree and understand that Client shall have the right to continue to access for its sole use only the T2 Systems, Adirondack Solutions, Hobsons, Seattle Technology Group, ACEware, RegisterBlast, PhotoShelter, Inc./Photoshelter, and NuPark Inc./NuPark Inc. TouchNet Ready Partners. The annual per partner Hosting/Access Fee shall continue to be waived for the following partners: T2 Systems, Adirondack Solutions, and Hobsons. Client shall pay an annual per partner Hosting/Access Fee of \$1,500.00, totaling \$7,500.00, for the following partners: Seattle Technology Group, ACEware, RegisterBlast, PhotoShelter, Inc./Photoshelter, and NuPark Inc./NuPark Inc. TouchNet will invoice Client for the per partner annual Hosting/Access Fee of \$7,500.00 immediately upon the execution of this Third ASP Agreement and Client's payment is due within thirty (30) days of its receipt of the invoice. The annual per partner Hosting/Access Fee is subject to the annual escalation limits noted above.

<sup>1</sup> All pricing will expire if contract is not executed on or before August 18, 2017.

The annual per partner Hosting/Access Fee will be prorated to align with Client's fiscal year running July 1 through June 30<sup>th</sup>, such that the invoice for the initial period of the Third ASP Agreement may include more than six (6) months but not more than eighteen (18) months for the billable period. Each subsequent year, TouchNet shall invoice Client for the annual per partner Hosting/Access Fee, adjusted by TouchNet as permitted herein, at least sixty (60) days in advance of the next annual period of this Third ASP Agreement, and such invoice shall be payable by Client thirty (30) days in advance of the next annual period.

Consequently, Client may access the following TouchNet Ready Partners:

- T2 Systems
- Adirondack Solutions
- Hobsons
- Seattle Technology Group
- ACEware
- RegisterBlast
- PhotoShelter, Inc./Photoshelter
- NuPark Inc./NuPark Inc.

With respect to any future TouchNet Ready Partner purchases and payment of any applicable fees, including those provided for herein, such fees shall be due and payable within thirty (30) days upon Client's receipt of invoice. For future purchases, the initial per-partner annual Hosting/Access Fee when invoiced, will be pro-rated such that payments for the per-partner annual Hosting/Access Fee for subsequent years may be aligned with invoicing for the next annual Hosting/Access Fees, which currently are payable pursuant to this Third ASP Agreement, and the invoice shall be issued immediately upon execution of a contract, addendum, or exhibit to this Third ASP Agreement reflecting said purchase. The per-partner annual Hosting/Access Fee is subject to the escalation limitations reflected above for the TouchNet Software. Implementation Fees will be invoiced immediately upon the completion of Implementation.

*If Client requests TouchNet's employees travel to Client's campus at any time, Client is responsible for reasonable travel, lodging, and food expenses incurred by TouchNet in connection with on-site training, equipment installation, set-up and professional services rendered in connection with this Third ASP Agreement, if applicable. As of the date of execution of this Third ASP Agreement, no travel is anticipated by the parties.*

## SCHEDULE B

### TOUCHNET SOFTWARE

The Client's right to access and use the TouchNet Software shall consist of the following-described computer programs residing on the TouchNet DataCenter:

**TouchNet Payment Gateway Suite** is the foundation and central payment hub for the TouchNet U.Commerce System. It consists of a core of transaction management routines, integration software, administration support routines (the TouchNet Payment Gateway Operations Center), and Credit Card, ACH, Debit Card Engines, and Campus Card payment method. Each payment method is an individually licensed product. TouchNet Payment Gateway is licensed with:

- One (1) Campus Entity
- Operations Center – administrative interface for administrators, managers, staff, and others to access and manage reports and system parameters
- One (1) payment method each (from the following payment modules . . . )

*Additional Campus Entity licenses are available for additional License and Professional Services Fees.*

**Credit Card Engine.** Payment Gateway Credit Card provides the ability to interface payment transactions to a selected credit card processor in order to accept credit card and signature debit card payments. Payment Gateway Credit Card software includes:

- Local database for transaction reporting
- Credit and signature debit card transaction reports
- Interface to one (1) designated Credit Card Processor

*Credit Card Processors supported include FDC Nashville/Envoy, First Data North, First Data South, First Horizon, GPS East, Moneris, Moneris eSelect Plus, Elavon, Paymentech, Tsys (formerly VisaNet/Vital), and RBS Lynk. Credit card processor interfaces not listed may be available as a custom project and a development cost may apply.*

**ACH Engine.** Payment Gateway ACH is used to generate a NACHA compliant file to submit Automatic Clearing House transactions to a participating bank. Payment Gateway ACH software includes:

- Local database for transaction reporting
- ACH transaction reports
- User interface that enables a user to enter bank routing information, account number, and check number; then express intention to create a webCheck.
- Local database that validates bank routing numbers entered by the user.

**Debit Engine.** Payment Gateway Debit provides functionality to accept and process ATM Network PIN debit payment transactions when used with applications such as TouchNet Bill+Payment and TouchNet Cashiering. Payment Gateway Debit enables both PIN and PINless debit transactions, dependent on the application and hardware available for the transaction. PINless debit may be used over the web under specific situations where authentication is

available through known information about the user. PIN debit may be used for point-of-sale transactions where the user is present and PIN pad hardware is integrated for the transaction. Payment Gateway Debit software includes:

- Local database for transaction reporting
- Debit transaction reports
- One (1) interface to designated ATM Debit Processor

*TouchNet Payment Gateway Debit Software is not available for all types of transactions and must be used in conjunction with the proper applications and hardware. Supported Payment Card Processors for PIN Debit include: Atlanta BuyPass via Secure Transport, FDC-North, FDC-South, GPS-East, Moneris, Moneris eSelect Plus, Elavon, Paymentech-Tampa; Tsys (formerly Vital), and RBS Lynk. Supported Payment Card Processors for PINless Debit include: Atlanta BuyPass via Secure Transport, FDC-North, GPS-East, Moneris, Moneris eSelect Plus, and Elavon.*

**Bill+Payment Client.** Bill+Payment Client is the payment application of the Bill+Payment Suite that enables a secure link from the Student Information System in order to collect and process payment card data. This functionality includes the following:

- Real-time posting of payment transactions to the Student Information System
- Selection of credit/debit card, ACH, and PIN (and PIN-less) debit payment methods provided each of the payment methods is properly licensed within TouchNet Payment Gateway
- Maintains institutions logo, header and footer for branding purposes
- 1 Campus Entity
- 1 Production Environment
- 1 Test Environment

**Bill Payment Account Center.** Bill+Payment Account Center is the repository of the core services required by the TouchNet Bill+Payment Suite. Bill+Payment Account Center enables students to view their real-time account balance, make payments using credit cards or electronic checks, and register their parents or guardians as authorized users. Payments made through the Bill+Payment Account Center are linked to an institution's credit card processor and bank for authorization and settlement via the TouchNet Payment Gateway. Bill+Payment Account Center posts successful payments to the appropriate student accounts in real-time and automatically sends email notifications to students via their school-assigned email addresses.

**TouchNet Marketplace** enables campuses to build and operate secure web-based storefronts and online payment pages. It connects buyers and sellers electronically, making it easy for students, parents, alumni, and the community to conduct eCommerce with the campus 24 hours a day seven days a week. TouchNet Marketplace allows institutions to control security by placing financial transactions in the hands of appropriate campus authorities, while the responsibility for storefront contents is given to authorized departments on campus.

The TouchNet Marketplace Licensed Software is restricted to one (1) Campus Entity, one (1) Production Environment and one (1) Test Environment.

**TouchNet Marketplace** software consists of the following modules:

#### **Universal Pay**

Universal Pay (uPay) offers you secure payment processing for your existing web pages and in-house web applications. uPay allows you to link campus-developed web sites directly to external payment pages secured by the TouchNet Marketplace Suite and the TouchNet Payment Gateway. You can offer secure processing for both one-time and recurring payments with confirmation data returned after payments have been processed.

#### **Universal Stores**

The Universal Stores (uStores) feature of TouchNet Marketplace Suite allows individual managers and departments to establish online retail stores quickly, efficiently, and easily through a non-technical, web-based interface. You can customize the look and feel of stores, edit images and buttons, accept multiple payment types, and view reports - all with little to no programming support.

#### **Operations Center**

The Operations Center is the application's administrative interface for administrators, store managers, and store staff to access and manage stores, products, payments, fulfillments, and reports.

**TouchNet Ready Partner Program – TouchNet DataCenter:** TouchNet actively seeks certain third party companies and organizations to participate in our pre-integrated partner program. The purpose is to help our clients centralize and unify campus commerce electronic payments into the TouchNet Software. The TouchNet Software needed to best utilize the program is both TouchNet Payment Gateway and TouchNet Marketplace. TouchNet Ready Partners are primarily integrated through TouchNet Marketplace, however, in some cases they may be validated only through Payment Gateway. For clients that have licensed access to both these TouchNet Software modules, the following charges apply to support the program costs including DataCenter operations and customer/technical services.

TouchNet Ready Program Charges – TouchNet DataCenter	Client Licensed for Payment Gateway & Marketplace Full Use uPay	Client Licensed for only Payment Gateway
Per Partner Annual Hosting/Access Fee	3 Free – none remain	\$ 2,500@
Each Additional Partners Annual Fee	\$ 1,500@	\$ 2,500@
Per Partner One-Time Implementation Fee	\$ 1,250@	\$ 1,750@

*Note: TouchNet Partner Program charges are subject to the escalation limitations of Schedule A for the TouchNet Software.*

## SCHEDULE C

### EQUIPMENT AND CLIENT TASKS FOR SET UP, INSTALLATION AND IMPLEMENTATION OF SOFTWARE

#### **TouchNet Software Implementation Services**

*Defined Engagement and Project Management:* A TouchNet implementation lead will work closely with Client's project leaders to review and tailor standard project plans to illustrate key tasks, milestones and deliverables for the TouchNet implementation. The implementation lead will coordinate all TouchNet Software installation, configuration, training and "go-live" activities with Client.

*Timeline:* Implementation timelines vary greatly based upon products purchased, key business drivers for when those products are implemented as well as resource availability both with Client as well as TouchNet. TouchNet will work with Client's key stakeholders and resources to adjust standard project plans to best accommodate resource availability and constraints. The parties will work in good faith to expedite the implementation of the Bill+Payment Client software.

*System Testing:* TouchNet will perform system integration testing after software is installed and configured to ensure integration with the Host ERP. TouchNet's testing efforts are not considered to be exhaustive as subsequent testing should be conducted by Client to ensure adherence with applicable Client business rules as well as gain familiarity with the new TouchNet Software.

*Training:* TouchNet's Professional Services team is committed to helping Client get acquainted with its newly licensed software. To that end, TouchNet's standard product training employs a "train the trainer" approach, which leverages a mix of both onsite and remote training technologies, such as Microsoft LiveMeeting. The implementation manager will determine Client's training needs during the initial project meeting with key stakeholders. More significant training, such as on-site support for Client's "go live," or training scheduled once the applications are in production, can be purchased at an additional cost.

*User Acceptance Testing:* It is the responsibility of Client to ensure adequate resources and time is allocated to perform user acceptance testing of the new TouchNet Software. Many new business processes and functions are introduced as a part of the implementation of TouchNet Software and it is recommended highly that Client take the time during user acceptance testing to validate and refine some of those new processes.

*"Go-live" Support:* The TouchNet implementation lead will be assisting throughout the implementation of the TouchNet Software. During the "go-live" and for a period of 2 weeks beyond, the TouchNet implementation lead will continue to support Client remotely.

#### **Client Duties During the Implementation**

##### **General**

*Human Resource Needs:* Client will need to identify appropriate project related resources including, but not limited to, project lead, technical lead and key stakeholders to be leveraged for functional requirements and/or functional testing.

Business office or functional users of the new TouchNet Software are critical for requirements as well as testing purposes.

*Physical Resource Needs:* Client will need to reserve applicable training facilities for any on-site related activities (i.e. training) once the specified timelines are agreed to. The facilities will need an overhead projector, workstations for attendees (if the desired environment) and preferably a whiteboard or similar drawing surface.

*Payment Processing Needs:* In preparation for the TouchNet implementation, the following items should be gathered as they will be critical to expediting the implementation:

- Verification of credit card processor
- Merchant ID information
- Bank account and routing information and initial discussions with them regarding the transmission of any ACH related data

### **DataCenter Implementations**

*Technical Requirements:* There are 2 items necessary to be completed by the Client's Technical staff.

- Provide necessary IP information for TouchNet Software to access the applicable Client Information Systems and make necessary changes to firewall(s)
- Client will need to install a small connector piece of software which enables TouchNet Software to communicate with the Student Information System

*This is a basic list of duties to be performed by Client. A complete list may be obtained from the TouchNet implementation specialist assigned to the Client during installation.*

*If Client must re-schedule an installation after a date has been determined, a surcharge of 50% of the total Professional Services Fees will apply, and the project implementation will be rescheduled based upon TouchNet's availability at that time. The maximum time allowed for installation under this Third ASP Agreement for all products is six (6) months. If delays beyond six (6) months are caused by Client, additional Professional Services Fees may apply.*

*Client is responsible for reasonable travel, lodging, and food expenses incurred by TouchNet during the on-site training.*

*The TouchNet Software, in some cases, will require the Client to assist TouchNet in accessing files on the Client's Student Information System to accomplish the interface between TouchNet Software and other software on Client's Student Information System and to permit certain functionality to be tested. Also, it is the Client's responsibility to assist TouchNet and/or its subcontractors in setting up links between the TouchNet Software and Client's Student Information System. Such responsibility includes, but is not limited to, granting remote or other access thereto, granting of administrative (or similar) rights and privileges, and assisting TouchNet (or its subcontractors) in understanding the configuration and environment of Client's Student Information System.*



**BUSINESS AFFAIRS AND HUMAN RESOURCES**  
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**BOISE STATE UNIVERSITY**

**SUBJECT**

2019 Summer Student Fees

**REFERENCE**

April 2018

Idaho State Board of Education (Board) approved FY 2019 Student Tuition & Fee Rates (Academic Year 2018-2019)

**APPLICABLE STATUTE, RULE, OR POLICY**

Idaho State Board of Education Governing Policies & Procedures, Section V.R.3.

**ALIGNMENT WITH STRATEGIC PLAN**

Goal 2: Educational Attainment, Objective B: Timely Degree Completion and Objective C: Access

Goal 3: Workforce Alignment, Objective A: Workforce Alignment

**BACKGROUND/DISCUSSION**

Boise State University's (BSU's) summer 2019 fees were approved by the Board at the April 18, 2018 meeting.

During the 2018 summer term, BSU formed a working group to consider the advantages of increasing summer enrollment as a means to help students stay on track and graduate on-time. This working group identified many benefits of increasing summer enrollment including improving on-time completion, lowering the overall cost to students who find it difficult to undertake the "free credits" offered in the fall and spring semesters under the current tuition structure (those credits being the 3 credits between 12 and 15 credits where the student does not pay any additional amount), and encouraging students to take advantage of opportunities to improve career readiness without sacrificing on-time completion. This working group recommended that BSU provide a meaningful discount for summer courses in order to encourage more students to enroll and to make summer more affordable.

BSU is proposing a summer 2019 fee of \$280 per credit hour, a 20 percent reduction from current part-time tuition rates. In addition, BSU recommends a \$35 per credit hour additional fee for non-resident students and a \$75 per credit hour additional fee for graduate students. This is a pilot program to explore the increase in student demand generated from this lower price point.

**BUSINESS AFFAIRS AND HUMAN RESOURCES  
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**Proposed Summer 2019 Fees**

	<b>Summer 2018 Fee</b>	<b>Summer 2019 Fee Previously Approved</b>	<b>Proposed Summer 2019 Fee</b>
Education Fee	\$205.29	\$239.31	\$187.91
Facilities Fee	52.69	61.80	49.44
Information Technology Fee	9.61	11.12	8.90
Intercollegiate Athletics	9.64	10.74	8.59
Student Health Center	4.30	4.32	4.32
Student Union	6.40	5.82	5.82
Campus Recreation	6.85	6.47	6.47
Associate Student Body	1.65	1.09	1.09
Student Activity Fee	8.57	9.33	7.46
<b>Total Resident Fees</b>	<b>\$305.00</b>	<b>\$350.00</b>	<b>\$280.00</b>
Non-Resident Summer Fee	\$0.00	\$0.00	\$35.00
Graduate Part-Time Fee (Summer Only)	\$85.00	\$98.00	\$0.00
Graduate Summer Fee	\$0.00	\$0.00	\$75.00

**IMPACT**

1. Increases in on-time completion

For many students, taking 15 credits a semester is challenging due to other commitments. Taking summer classes will help students balance their work, school and life commitments while completing 30 credit hours a year.

- 57% of Boise State's recent undergraduate degree completers worked full-time while attending.
- 30% of Boise State's recent undergraduate degree completers had parental responsibilities while attending.
- 72% of first-time, full-time freshman who graduated within four years took at least one summer class during their Boise State tenure.

2. Improving Access

Lowering summer fees will increase access to summer courses and lower the cost of education for those students who require summer courses in order to graduate on-time.

**BUSINESS AFFAIRS AND HUMAN RESOURCES  
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**3. Improving Career Readiness**

Without disrupting their degree track, students can utilize summer to complete internships, undertake study abroad, and work towards minors and certificates – supporting Boise State University’s Beyond the Major initiative. In addition, students who engage in these opportunities during the fall/spring semesters can do so and stay on track to graduate in their primary degree program.

BSU anticipates the increase in summer enrollment will yield sufficient revenue to offset the reduction in summer fees.

**STAFF COMMENTS AND RECOMMENDATIONS**

This item represents changes from the fee schedule approved by the Board in April 2018. The proposed fee changes would result in a fee decrease for students enrolling in courses during the summer semester. There is proposed a new fee for non-resident students during the summer semester. The following table shows the percentage change for each category of student.

	Original	Proposed	% Change
Resident Undergraduate	\$ 350	\$ 280	-20%
Non-Resident Undergraduate	\$ 350	\$ 315	-10%
Resident Graduate	\$ 448	\$ 355	-21%
Non-Resident Graduate	\$ 448	\$ 390	-13%

The graduate summer fee is also new, but is being charged in lieu of the current practice at BSU of charging the part-time graduate rate (\$98) for graduate summer courses. In the fall and spring semesters, the graduate part-time fee of \$98 will apply.

Staff recommends approval.

**BOARD ACTION**

I move to approve the request by Boise State University to set the summer 2019 resident undergraduate fee at \$280.00 per credit, the non-resident undergraduate fee at \$315 per credit, the resident graduate fee at \$355 per credit and the non-resident graduate fee at \$390 per credit.

Moved by \_\_\_\_\_ Seconded by \_\_\_\_\_ Carried Yes \_\_\_\_\_ No \_\_\_\_\_

**BUSINESS AFFAIRS AND HUMAN RESOURCES  
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**UNIVERSITY OF IDAHO**

**SUBJECT**

Purchase Agreement - Rinker Rock Creek Ranch

**REFERENCE**

December 21, 2017      Approval by the Idaho State Board of Education (Board) for the University of Idaho (UI) to include the Rinker family name in the name of the facility should the UI acquire title to the real property

**APPLICABLE STATUTE, RULE, OR POLICY**

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

**ALIGNMENT WITH STRATEGIC PLAN**

**GOAL 2: INNOVATION AND ECONOMIC DEVELOPMENT** The educational system will provide an environment that facilitates the creation of practical and theoretical knowledge leading to new ideas.

**Objective B: Innovation and Creativity** – Increase creation and development of new ideas and solutions that benefit society.

**BACKGROUND/DISCUSSION**

Rock Creek Ranch is nearly 10,400 acres of privately-owned land adjacent to an additional 11,000 acres of publically-owned land in the Wood River Valley in southeast Idaho. The Rinker family bought the ranch in the 1980s and continued the long-time practice of grazing the land. In 2013 the family began looking for ways to preserve the land. The Natural Resource Conservation Service purchased the development rights in 2014 and shortly thereafter the ranch was purchased by the Wood River Land Trust (with financial assistance from The Nature Conservancy) at a below-market sales price. Shortly after, UI was invited as a partner to expand the research and outreach opportunities of this property. Attachment 1 contains a copy of UI's web site describing the Rock Creek Ranch collaboration.

In 2016, the Trust, the Conservancy and UI formalized their relationship through a Memorandum of Understanding (MOU), which outlines how they will collaborate on choosing research along with other management decisions. Additionally, an advisory committee of key stakeholders has been engaged to provide research and management suggestions. Attachment 2 contains a copy of the MOU.

The MOU contains the agreement of Trust and the Conservancy to grant UI an option to buy the Rock Creek Ranch property. Fundraising by the Nature Conservancy has eliminated their debt incurred to acquire the property and

correspondingly reduced the sales price of the property. Debt still outstanding for the Wood River Land Trust is currently at approximately \$1.2 million and is accruing interest at approximately \$60 per day. UI now proposes to pay a purchase price for the property equal to the Wood River Land Trust debt plus accrued interest to the date of closing. This is a bargain purchase price that is significantly below market value of the property. The Trust, the Conservancy and UI have agreed to such a purchase, subject to the approval of the Board. A copy of the Purchase and Sale Agreement is contained in Attachment 3. UI is now requesting that approval of the terms of purchase as set out in Attachment 3.

UI will operate the property in a fashion that is collaborative with the Conservancy, the Trust and other key stakeholders similar to the group involved in the original MOU. Contemporaneously with acquisition of title, the operating MOU will be updated. The updated operating MOU will outline the nature of the collaboration that is intended to be the hallmark of the Rinker Rock Creek Ranch project. The operational vision is for a program of research, education and outreach focused on sustainable rangeland management in the heart of Idaho where ranching, conservation, and recreation intersect, with a goal of healthy rangeland, healthy streams and riparian areas, and maintenance of historic wildlife, all in conjunction with livestock management and public recreation opportunities. The facility will focus on innovative, interdisciplinary and collaborative activities addressing important and pressing challenges impacting ranching and conservation on western rangelands. The Ranch will provide opportunities for managed public access and recreation, and will serve as a podium for education on conserving and enhancing fish and wildlife habitat and livestock management on Idaho rangelands. This operation will create a living laboratory virtually identical to the many acres of public rangeland in the state of Idaho today.

## **IMPACT**

UI proposes to use strategic reserves to internally finance the purchase price of approximately \$1.3 million (including accrued interest) depending on the date of closing. UI will be reimbursed from the proceeds of the sale of the property donated by the Rinker family discussed with the Board in December 2017. This property is valued in the range of \$600,000 to \$1 million.

The purchase price is the only specific commitment of funds by UI. UI plans to operate the property as a research facility for rangeland operations including grazing cattle in conjunction with the ranching operation based at the Nancy M Cummings Research Education and Extension Center. General operations of the Rinker Rock Creek Ranch will be absorbed into the operating budget of UI. Specific research and education projects will be funded through grants, appropriated funds and general university funds, as funding becomes available. A material focus of the collaboration between UI and the other stakeholders will be obtaining funding for research, education and conservation on the property.

**BUSINESS AFFAIRS AND HUMAN RESOURCES**  
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**ATTACHMENTS**

- Attachment 1 – CNR Web Page
- Attachment 2 – Current MOU
- Attachment 3 – Purchase and Sale Agreement
- Attachment 4 – Appraisal Cover Letter

**STAFF COMMENTS AND RECOMMENDATIONS**

There are two separate pieces of property involved in this action. In December 2017, the property donated by the Rinker family in Blaine County was discussed by the Board and approved as part of the consent agenda. The following language was in the agenda item.

“The Rinker family has donated to the University of Idaho Foundation a parcel of property located in Blaine County. The Foundation is instructed, as a term of the donation, to sell the donated parcel and supply the net proceeds of the sale for use in the debt retirement and acquisition of the Rock Creek Ranch.”

That piece of property will be sold at a market price estimated between \$600,000 and \$1 million. The proceeds from the sale of that donated piece of property will be used to partially reimburse UI for the purchase of the Rock Creek Ranch. An appraisal has been completed and is available from UI, but was not included here.

The purchase agreement does provide an option for the seller to repurchase the property from UI for the same purchase price, plus two percent (2%) interest.

The current MOU between UI, the Wood River Land Trust, and the Nature Conservancy has a term of 5 years and will expire June 28, 2021. The MOU may be renewed for another 5-year term upon agreement from all parties.

Staff recommends approval.

**BOARD ACTION**

I move to approve the request by the University of Idaho to purchase the Rinker Rock Creek Ranch Property as described in Attachment 3 Exhibit A, for an amount not to exceed \$1,252,388 in substantial conformance with the terms of purchase set out in Attachment 3; and further, to authorize the Vice President of Finance and Administration of the University of Idaho to execute and deliver all necessary transaction documents for closing the purchase.

Moved by \_\_\_\_\_ Seconded by \_\_\_\_\_ Carried Yes \_\_\_\_\_ No \_\_\_\_\_

🏠 > COLLEGE OF NATURAL RESOURCES > RANGELAND CENTER > CURRENT PROJECTS >  
ROCK CREEK RANCH

## Rock Creek Ranch



### Unique Collaboration to Focus on Science, Outreach and Management of Rock Creek Ranch

A new collaboration is building good science and best practices for Idaho's rangeland owners and managers in south central Idaho.

The 10,400-acre Rock Creek Ranch, near Hailey, is owned by [The Nature Conservancy](#) and the [Wood River Land Trust](#), and is managed to conserve the area's grasslands and to prevent future development. The University of Idaho joined the two landowners as the research and outreach arm of the three-pronged collaboration.

The first project is the Rock Creek Restoration and Reconnection Project, intended to improve water quality, stream function and provide fish passage between Rock Creek and the lower Big Wood River. A second phase of the project, addressing the needs of the northern part of the ranch, is slated for 2017.

A \$1.1 million project is planned to improve riparian areas, wet meadows, and fish and wildlife habitat. It would also address recreational elements and public access.

One-hundred-fifty cows from UI's Nancy M. Cummings Research, Extension and Education Center at Salmon are grazing the property as grazing management is a key component of the future of the property. The UI Rangeland Center will lead research at Rock Creek that focuses on the intersection of wildlife, recreation and sustainable ranching.

### Rock Creek Documents

[FAQ > PDF](#)

[MOU > PDF](#)

[Rock Creek Info Sheet > PDF](#)



UI research will encompass the many aspects of the watershed – including wildlife habitat, water quality, grazing and more. The ranch has sage grouse, pygmy rabbits, elk and other wildlife species.

As restoration and research projects evolve in the coming years, it will be the site of tours, outreach and education for landowners, ranchers, students, legislators and more.

For more information, please contact:

John Foltz

Special Assistant to the President for Agricultural Initiatives

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John Hall

Superintendent - Nancy M. Cummings Research, Extension and Education Center

[jhall@uidaho.edu](mailto:jhall@uidaho.edu)

## Current Research Projects at Rock Creek Ranch

Impact of Feed Efficiency Ranking on Range Grazing Characteristics in Primiparous Cows

Comparison of Traditional and Intensive Management Systems for Beef Cattle

Genetic and Genomic Indicators of Range Adaptability

Effects of Stream and Wet Meadow Restoration on Greater Sage-Grouse General Use and Relative Abundance



**MEMORANDUM OF UNDERSTANDING  
BETWEEN  
UNIVERSITY OF IDAHO  
WOOD RIVER LAND TRUST  
AND  
THE NATURE CONSERVANCY**

**CONCERNING THE ROCK CREEK RANCH COLLABORATION**

This Memorandum of Understanding (the “MOU”) is made by and between the Regents of the University of Idaho a public corporation, educational institution, and a body politic and corporate organized and existing under the Constitution and laws of the state of Idaho (the “UI”), the Wood River Land Trust, an Idaho non-profit corporation (the “Land Trust”) and The Nature Conservancy, a District of Columbia non-profit corporation (the “Conservancy”). UI, Land Trust and Conservancy are separately and jointly referred to as “Party” or “Parties,” respectively.

**I. RECITALS**

WHEREAS, THE UNIVERSITY OF IDAHO, as the state’s land-grant research university, is committed to enhancing the scientific, economic, social, legal, and cultural assets of our state, and to developing solutions for complex problems facing society; delivers on this commitment through focused excellence in teaching, research, outreach, and engagement in a collaborative environment at its residential main campus, regional centers, extension offices, and research facilities throughout the state; and, through its outreach activities, serves the state while strengthening its teaching, scholarly and creative capacities;

WHEREAS, THE WOOD RIVER LAND TRUST is a 501(c)(3) tax-exempt nonprofit organization, with a mission to protect and restore land, water, and wildlife habitat in the Wood River Valley and its surrounding areas. The Land Trust works cooperatively with private landowners and local communities to ensure these areas are protected now and for future generations;

WHEREAS, THE NATURE CONSERVANCY is a 501(c)(3) tax-exempt nonprofit organization established to conserve the lands and waters on which all life depends;

WHEREAS, The Land Trust and Conservancy used their collective efforts to acquire from Rock Creek Ranch, LLC, and the Rinker Trust in a generous bargain sale the 10,394 acre Rock Creek Ranch (see map - Exhibit A), and all appurtenances, including, but not limited to, water, water rights (described in Exhibit B), minerals and mineral rights in Blaine County, Idaho (the “Property” or the “Ranch”);

WHEREAS, the Land Trust owns the Property in fee simple, subject, among other things, to a note in favor of the Conservancy, secured by a real estate mortgage;

WHEREAS, the Land Trust and the Conservancy have entered into a side-agreement, which provides, among other things, that until the Land Trust sells the Property, it shall “. . . mutually agree in writing to

all agreements related to management and disposition of the Property, including, but not limited to, management cost-sharing arrangements, conservation easements, and agreements with IDFG, Natural Resources Conservation Service, other non-profit organizations, or conservation buyers;”

WHEREAS, through the vision and extraordinary generosity of the Rinker family, the Land Trust and the Conservancy can ensure that Rock Creek Ranch will be protected in perpetuity, providing multiple benefits for the public and for the abundant fish and wildlife on the Property;

WHEREAS, THE NATURAL RESOURCE CONSERVATION SERVICE (the “NRCS”) acquired two Grassland Reserve Program conservation easements (“GRP Easements”) on the majority of the ranch from the Rinker family, the purpose of which is to protect the grazing uses and related conservation values on the Property by conserving, restoring and enhancing grassland, shrubland, forbs, wildlife habitat and biodiversity;

WHEREAS, the GRP Easements perpetually restrict certain uses of the property and require a grazing management plan be developed by the NRCS, Land Trust, Conservancy and the grazing lessee using the Property;

WHEREAS, the Ranch historically has been used for livestock grazing and haying operations and currently remains substantially undeveloped and dominated by native flora and fauna;

WHEREAS, the Ranch has significant upland and big game habitat, established wildlife migration corridors and numerous wildlife species, including sage grouse;

WHEREAS, the Ranch has approximately 89 miles of streams and corresponding riparian corridors, providing valuable fish and wildlife habitats associated with these aquatic resource areas;

WHEREAS, for many years the public has been allowed controlled access to the private areas of the Ranch through the IDFG’s Access Yes program;

WHEREAS, the Parties believe the Rock Creek Ranch, in combination with its associated water rights and public lands grazing leases (described in Exhibit B) managed by the Ranch can provide the citizens of Blaine County and Idaho numerous benefits, including fish and wildlife habitat conservation, research and education into management of healthy rangelands, continuation of a working ranch and public recreational use (the “Project”);

WHEREAS, the Parties have agreed to pursue a common vision for the Property over the next three to five years (“pilot period”) with the intent that during this pilot period a framework can be established that addresses the long-term needs of the Property and the Parties, and that resolves the future ownership of the Property;

WHEREAS, if the pilot period proves successful, the Parties’ are committed to continue collaborating through the renewal of the MOU or another agreement that similarly provides a framework for ongoing collaboration, regardless of the eventual ownership of the Property; and

WHEREAS, the Parties understand that if they fail to achieve a sustainable framework during the pilot period, they may terminate this MOU as provided below;

NOW, THEREFORE, for and in consideration of the mutual promises contained in this MOU, the Parties agree as follows:

## II. PURPOSES

This MOU describes the cooperative principles and procedures that the UI, Land Trust and Conservancy will use to manage and enhance the Ranch to achieve their broad goal: *Establish a sustainable rangeland research and education facility in the heart of Idaho where ranching, recreation, and conservation intersect. The facility would be home to a collaboration for important and up-to-date research on 21<sup>st</sup> century ranching and conservation practices. While providing for public access and recreation, the facility also will serve as a podium for education on conserving fish and wildlife habitat and enhancing livestock production on Idaho rangelands.*

## III. AREAS OF COLLABORATION - UI, Land Trust and Conservancy

The Parties are fully committed to collaborating in good faith to achieve the following outcomes:

- 1) Advisory Committee. A group of existing and potential members will be invited to participate on an Advisory Committee, which will advise and assist as appropriate the Parties in the development and implementation of management plans for the Ranch. Each member will bring expertise and/or resources in one or more of the key Project elements, such as research, management and/or education applications to rangeland and riparian habitats, fish and wildlife, water, grazing and livestock, public lands, public access, recreation, rural economics, weed control, fire and monitoring.

The Advisory Committee will function under a charter ("**Charter**") developed promptly after signing of this MOU, so that input from the Advisory Committee will be timely in development of the first management plan. The Advisory Committee will be led by the Parties and will include six or more partners. The Charter will stipulate, among other things, how the Advisory Committee will operate, its role, how often and when it will meet, expected participation, and appointment of successor members.

- 2) Management Plans. The Parties will develop both near term (1-Year) and longer term (3-5 Year) plans for the management of the Ranch (the "**Plans**"). The Plans will address, at a minimum, the topics outlined below and shall comply with the GRP Easements. The Plans will be developed by consensus of the Parties with input from the Advisory Committee. The Plans will identify **Outcomes, Timelines, Budgets and Leadership** for each topic covered. All funding commitments and all other financial commitments to provide materials or perform services must be expressly set forth in writing in the budget and the committing Party's agreement to any such commitment must be evidenced by the Party's signature to the written budget. See Section IX below. Financial commitments by UI may require approval of the Board of Regents of the University of Idaho or by its executive director.

- a) Livestock Operations and Infrastructure. Consistent with the Purposes of this MOU, other elements of the Plans and the NRCS GRP easements, a livestock operations section of the Plans, including necessary infrastructure needs, will be developed in collaboration with the NRCS range staff. The livestock operations section of the Plans will address both the fee lands of the Ranch and the public land leases held by the Ranch, as well as, native range, seeded pastures and irrigated pastures.
  - b) Fish and Wildlife Habitat. The Plans will address maintenance, enhancement and restoration of fish and wildlife habitat, including, at a minimum, action to address water quantity and quality, weeds and fire.
  - c) Research and Education Programs. Topics of interest include:
    - i) Wet meadow habitat - current condition and needed improvements
    - ii) Grazing impacts of livestock on wildlife - especially impacts on sage-grouse.
    - iii) Riparian condition and improvements
    - iv) Management of invasive plants
    - v) Conservation of fish and amphibians
    - vi) Social and economic impacts of ranching and healthy rangelands on local communities
  - d) Outreach. A priority for the Parties is to share the knowledge and experiences gained through the research done on the Ranch with diverse audiences, including land managers, educators, researchers, policy makers, community leaders and students. The Parties will develop a suite of outreach strategies including, but not limited to, publications, workshops, field tours, technical exchanges, and presentations.
  - e) Access for Public Recreation. The Parties acknowledge the importance to local communities of providing a wide range of recreational opportunities on the Ranch including, but not limited to, bird watching, dog walking, hiking, mountain biking, hang gliding, motorized uses and hunting. The Plans will include a balanced approach to recreational uses, consistent with the GRP Easements, reducing wildlife disturbance during crucial life history periods, reducing habitat damage, and minimizing conflicts with other uses of the Ranch. The Plans will address, at a minimum, kinds of use, use periods, access signage, access routes (including roads and trails), access management structures, level of integration with surrounding public land recreation and communications to recreational users.
  - f) Monitoring. Essential to accomplishing the goals of this MOU is establishment of a sustainable monitoring program that supports all aspects of the Plans' outcomes. This includes collecting baseline data and ongoing monitoring associated with management and research activities. The Parties will develop a repository for all monitoring information that is available to the Parties and, as appropriate, to the Advisory Committee and other audiences.
- 3) Income Produced On The Property And Project Accounting. The Parties intend that:
- a) Any lease, rental or similar income generated by activities on the Property will be used for the benefit and management of the Property consistent with outcomes described in the Plans.
  - b) All payments and expenses for specific income generating activities will be described in separate grazing or other agreements.



- c) Each Party will maintain its own accounting for activities it specifically undertakes as part of the Project, while committing to share financial information, as appropriate, to support joint grant requests/awards, developing Project budgets as part of Plans and for similar purposes.
- 4) Marketing and Communications. The Parties agree to:
  - a) Coordinate all public communications about the Ranch and the Project
  - b) Coordinate communications with Advisory Committee, key Agencies, Elected Officials and funders
  - c) Provide a single point of contact within each Party for marketing and communications
  - d) Develop a communications plan providing for consistent and timely communications without requiring joint approvals each time that actions consistent with the communications plan are taken
  - e) Include logos and acknowledgement of all the Parties in signs, brochures and public communications about the Ranch, the Project or implementation of the Plans, unless otherwise mutually agreed by the Parties.
- 5) Fundraising. The Parties recognize that without adequate funds they will be unable to achieve the purposes of this MOU. The Parties are fully committed to collaborate to:
  - a) Secure private and public funds to support goals of the Project
  - b) Collaborate in developing a fundraising plan to meet the Plans budget, including a “case statement” for the Project
  - c) Collaborate in hosting events at the Ranch to raise funds for the Project
  - d) Coordinate on donor development and funding requests to reduce redundancy and potential conflict with donors who support the UI, Land Trust or Conservancy outside of the Project
  - e) Manage funds consistent with the Plans
  - f) Honor donor intent in use of the funds. Should this MOU be terminated, the receiving party will hold and continue to use the funds for the purpose for which they were donated, unless such purpose no longer exists, in which case the funds will be used consistent with the donor agreement and the receiving party’s policies.
- 6) Annual Review. The Parties will conduct an annual review at the end of each calendar year to evaluate progress towards implementing the Plans and this MOU. A brief annual report summarizing accomplishments from the prior year will be developed by January 31<sup>st</sup> of the subsequent year. The report will help with communications to partners, stakeholders and donors.

#### IV. RESPONSIBILITIES OF LAND TRUST AND CONSERVANCY

As co-owners of the Property, as holders of the public land grazing leases and as Parties to this MOU the Land Trust and Conservancy will:

- 1) Taxes, Fees and Assessment.
  - a) Pay all taxes, levies, assessments, grazing permit fees and other similar expenses associated with owning the Property.
  - b) Take all necessary actions to protect and preserve the water rights and public lands grazing permits for their intended uses under the Plans and protect them from loss by forfeiture or

abandonment due to non-use.

- 2) Option to Buy. If requested by UI, The Land Trust and the Conservancy will grant the UI an option to buy the Property under terms and conditions set forth in a separate agreement mutually agreed to by the Parties.
- 3) Access and Use. Subject to the terms of this MOU, the UI is granted free of charge access to and use of the Property for any and all activities related to the Project and implementation of the Plans, however, consent will be obtained from the Land Trust and Conservancy before using the Property for purposes not related to the Project and implementation of the Plans.
- 4) Staff and Volunteers. In addition to commitments made in **Section III**, the Land Trust and Conservancy will:
  - a) Each provide a primary lead for the implementation of this MOU
  - b) Provide in-kind technical support
  - c) Organize volunteers as may be appropriate in implementing the Plans
  - d) Facilitate Advisory Committee meetings
  - e) Coordinate patrols of the Property to help manage recreational users

## V. RESPONSIBILITIES OF UNIVERSITY OF IDAHO

As a Party to and consistent with other terms of this MOU the UI will make reasonable efforts, subject to available funding, to accomplish the following:

- 1) Research. Support faculty and students from multiple disciplines and departments at the UI who have interest in developing, implementing and publishing research projects associated with the Ranch that are consistent with the purposes of this MOU.
- 2) Education. Support development of learning opportunities at the Ranch that further UI students' education in agriculture and natural resource management.
- 3) Outreach. Encourage faculty and students to communicate their work associated with the Ranch to diverse audiences using a variety of outreach strategies, including publications, workshops, presentations and field tours.
- 4) Staff and Students.
  - a) Provide a primary lead for the implementation of this MOU
  - b) Provide in-kind technical support
  - c) Assist with the general management activities at the Ranch, including installation and repair of infrastructure, weed control, and fire management,
  - d) Assist with coordination of patrols of the Property to help manage recreational users

## VI. EFFECTIVE DATE AND AMENDMENTS

This MOU shall take effect upon signing by all Parties and shall remain in effect for a period of five years from that date unless earlier terminated. None of the Parties may assign or transfer all or any

portion of this MOU without the prior written consent of the other Parties.

The MOU may be renewed at the end of the five-year period by mutual written agreement of the Parties.

The provisions of this MOU may only be amended or waived by mutual written agreement of the Parties.

Any Party may terminate this MOU at any time and for any reason by giving ninety days prior written notice to the other Parties.

Upon termination, any improvements made to Ranch during the term of this MOU, such as fences, irrigation works, livestock water developments, habitat enhancements, permanent structures, road or trail improvements and similar improvements will remain with and become part of the Property.

#### **VII. NO PARTNERSHIP, JOINT VENTURE OR AGENCY**

No partnership, joint venture or agency is established by this MOU. No Party is authorized or empowered to act as an agent, employee or representative of another Party, nor transact business or incur obligations in the name of another Party or for the account of another Party. No Party shall be bound by any acts, representations, or conduct of another Party.

#### **VIII. USE OF INTELLECTUAL PROPERTY**

The Parties agree that any intellectual property, which is jointly authored or invented through activities covered under this MOU, may be used by any Party for non-profit, non-commercial purposes without obtaining consent from the other Parties and without any obligation to account to the other Parties. All other intellectual property used in the implementation of the MOU will remain the property of the Party that provided it.

#### **IX. FINANCIAL COMMITMENTS**

The Parties acknowledge and agree that this MOU does not create any financial or funding commitments on any of the Parties beyond those agreed to above or upon joint execution of a subsequent agreement that specifically delineates the terms and nature of such obligations and that references this MOU. Such subsequent agreements will be subject to funding being specifically available for the purposes outlined therein.

#### **X. USE OF ORGANIZATION LOGO AND NAME**

Except as provided in III.4.e, above, the Parties may not use the others' name and/or logo in any way without prior written consent from the other Parties.

#### **XI. CONFIDENTIALITY**

1) During the course of the MOU, the Parties may have access to materials, data, strategies, other

information relating to the other Parties and their programs, or systems, which are intended for internal use only. Any such information, that is designated as CONFIDENTIAL shall not be used, published, or divulged by the other Parties to any person, firm, or corporation or in any advertising or promotion, in any manner or connection whatsoever without first having obtained the written permission of the other Parties, provided however, the Parties acknowledge that UI is subject to the public records laws of the state of Idaho and the requirements of such laws supersede this section.

- 2) Confidential Information. "Confidential information" ("CI") shall mean any information: that belongs to and is disclosed by one PARTY ("DISCLOSER") to another PARTY ("RECIPIENT"); that the PARTY disclosing the information, is of a scientific, technical, or specialized nature, has value to the DISCLOSER; that is not in the public domain; and that has generally been considered and treated by the DISCLOSER as confidential prior to the time of disclosure. CI includes, but is not limited to, technical data, financial data, plans, programs, plants, processes, products, costs, equipment, operations, customers and other information or experience pertaining to the previously mentioned subject matter.
  - a) CI shall not include information that: (a) is shown to have been known or is subsequently developed by RECIPIENT independent of any disclosure by DISCLOSER; or (b) is or becomes available to the public through no breach of this MOU; or (c) is lawfully obtained from a third party without restriction and without breach of this or any other agreement; or (d) is required by court order, law, or other governmental regulation or authority to be disclosed, provided DISCLOSER receives reasonable notice to allow it to request a protective order and RECIPIENT reasonably cooperates with DISCLOSER's efforts to receive a protective order (this section shall not be construed to require RECIPIENT to pursue any claim, defense, cause of action, or legal process or proceeding on behalf of DISCLOSER); or (e) is ascertained by any Party to create a risk to trial subject or to public health and safety.
  - b) To be protected under this MOU, CI disclosed in written or other tangible form must be labeled "Confidential". Oral or visual disclosures for which protection is sought must be identified at the time of disclosure as being disclosed in confidence, and a written instrument confirming that the information disclosed orally and/or visually should be held in confidence must be delivered to RECIPIENT within five (5) working days of such oral and/or visual disclosure. E-mail is one form of "written instrument" for the purpose stated in this section.

## XII. LIABILITY

While the Land Trust is fee owner of the Property it will bear full risk of any loss or damage to persons or property pertaining to the Property. The Land Trust agrees to indemnify and hold the UI and Conservancy harmless for any and all manner of actions, claims, demands, suits and damages, actual or threatened resulting from acts or omissions of the Land Trust.

The Conservancy will bear full risk of any loss or damage to persons or property relating to its access to and use of the Property. The Conservancy agrees to indemnify and hold the Land Trust harmless for any and all manner of actions, claims, demands, suits and damages, actual or threatened, in connection with Conservancy activities on or use of the Property by the Conservancy, their employees, contractors, guests, invitees, licensees or agents.



The UI will bear full risk of any loss or damage to persons or property relating to its access to and use of the Property. Subject to the limits of liability specified in Idaho Code 6-901 through 6-929, known as the Idaho Tort Claims Act, University shall indemnify and hold the Land Trust, its agents and assigns, harmless from and/or against any and all claims, damages, and liabilities (including reasonable attorney's fees) that may be suffered or incurred and that arise as a direct result of and which are caused by the University's possession, operations, or performance under this indemnification agreement. The University's liability coverage is provided through a self-funded liability program administered by the Idaho Bureau of Risk Management. Limits of liability, and this indemnification, are \$500,000 Combined Single Limits, which amount is the University's limit of liability under the Idaho Tort Claims Act and this Agreement.

### XIII. NOTICES

Any notice required by this MOU will be in writing and hand delivered, sent by overnight courier, such as FedEx, or by certified mail, return receipt requested to the Parties at the addresses contained in the MOU or changed by notice to the other Parties.

University of Idaho

John Foltz

Special Assistant to the President for Agricultural Initiatives

President's Office | The University of Idaho

875 Perimeter Drive MS 2203 Moscow, ID 83844-2203

Wood River Land Trust

Scott Boettger, Executive Director

119 East Bullion Street

Hailey, Idaho 83333

The Nature Conservancy

Toni Hardesty, State Director

Idaho Field Office

116 North 1st, Hailey, ID 83333

### XV. MEDIATION OF DISPUTES


Except for any claim for which a Party deems a temporary restraining order necessary, all claims, disputes, or alleged breaches of this MOU shall first be subject to mediation, prior to any Party filing an action in a court of law. Any Party shall have the right to begin the process by giving the other Parties a written notice requesting mediation and describing the issues involved. The Parties agree to appoint and equally share the cost of a mutually acceptable mediator within sixty (60) days after notice. The mediation shall occur within thirty (30) days after the selection of the mediator, unless the Parties agree otherwise. Nothing in this paragraph will prevent any Party's right to a trial or trial by jury in a court of law. In the event of mediation, each Party shall bear that Party's own attorney fees. In the event of litigation to enforce this MOU, the prevailing Party shall be awarded its attorney fees and costs.


### XVI. MISCELLANEOUS

This MOU incorporates any attached exhibits into the terms and conditions of the MOU. It is the intention of the Parties that if any part of this MOU is invalid, for any reason, that invalidity will not void the rest of the MOU. This Agreement is intended to benefit only the Parties hereto and no other individual or entity; any benefit derived from this agreement by any non-Party individual or entity is incidental hereto and does not give rise to any rights under this Agreement. Idaho law governs this MOU. Ambiguities, if any, will not be construed against any Party as a result of preparation of this MOU. The individuals whose signatures appear below represent and warrant that the respective entity each represents and is authorized to enter into, execute and deliver this MOU on behalf of the entity each represents and that this MOU is binding upon that entity in accordance with its terms and conditions. Paragraph headings shall not be used in the interpretation or construction of this MOU. This MOU may be signed in more than one counterpart that when compiled shall be considered one original.

IN WITNESS WHEREOF, the Parties have signed this Memorandum of Understanding below.

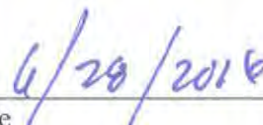
**University of Idaho**

  
 \_\_\_\_\_  
 Chuck Staben  
 President

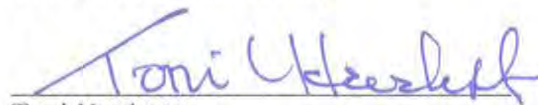
  
 \_\_\_\_\_  
 Date

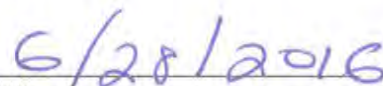
**Wood River Land Trust**

  
 \_\_\_\_\_  
 Scott Boettger  
 Executive Director

  
 \_\_\_\_\_  
 Date

**The Nature Conservancy**

  
 \_\_\_\_\_  
 Toni Hardesty  
 State Director

  
 \_\_\_\_\_  
 Date

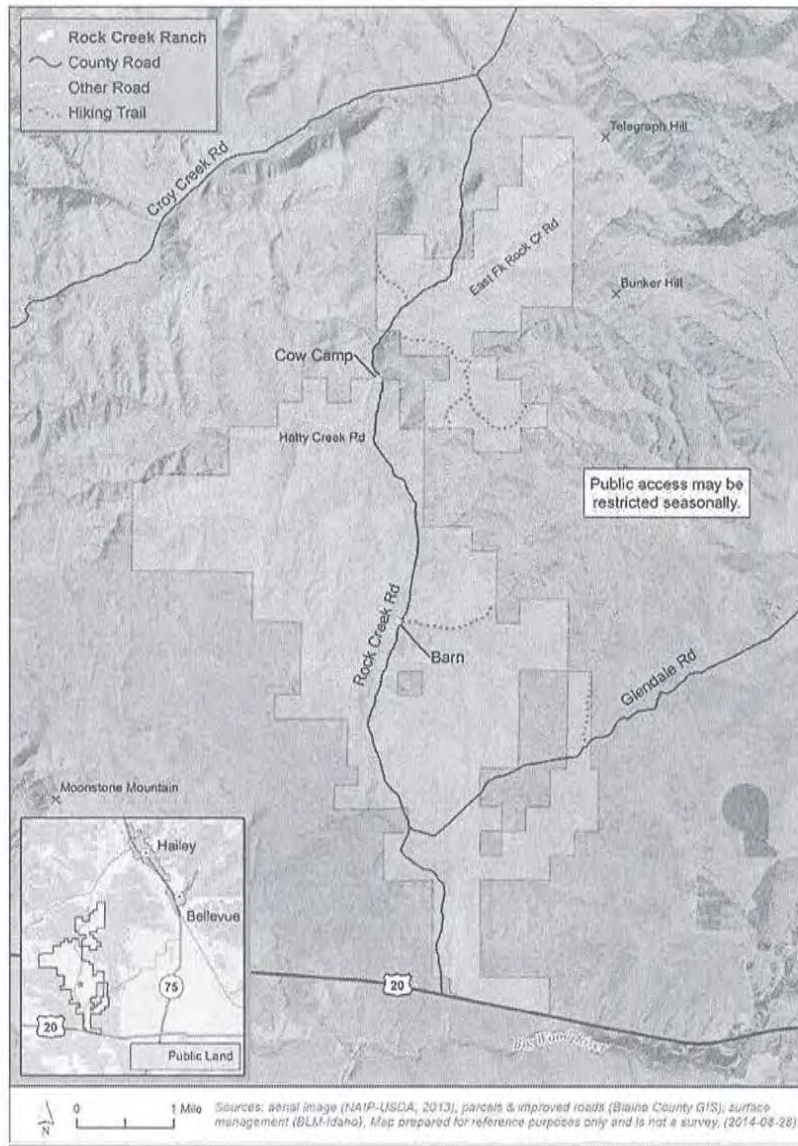
**EXHIBIT A**

EXHIBIT BWATER RIGHTS & GRAZING PERMITS/LEASES

Water Right No.

37-1151D,  
 37-1152,  
 37-22398,  
 37-22464,  
 37-627,  
 37-1151B,  
 37-22501,  
 37-1212,  
 37-22502,  
 37-22264,  
 37-1150,  
 37-22465,  
 37-4192,  
 37-11311,  
 37-11303,  
 37-11305,  
 37-11306,  
 37-11308,  
 37-11309,  
 37-11310,  
 37-11312,  
 37-12157

Totaling 30.98 cfs

Grazing Permits for the following US Department of Interior Grazing allotments:

ID	80214	Kent Canyon
ID	80215	Poison Creek
ID	80239	Scattered Tracts
ID	80237	Little Rock Creek

Idaho Department of Lands Grazing lease:

No. G700036

## **PURCHASE AND SALE AGREEMENT**

THIS PURCHASE AND SALE AGREEMENT ("**Agreement**") is made as of the date of the signatures below by and among THE BOARD OF REGENTS OF THE UNIVERSITY OF IDAHO, a state educational institution and body politic and corporate organized and existing under the constitution and laws of the State of Idaho ("**Buyer**") and the WOOD RIVER LAND TRUST, an Idaho non-profit corporation, and the NATURE CONSRVANCY a District of Columbia non-profit corporation registered to conduct business in the State of Idaho, (together the "**Seller**").

### **SECTION 1** **PURCHASE AND PURCHASE PRICE**

1.1 **Purchase and Sale.** On the terms and subject to the conditions of this Agreement, Seller hereby agrees to sell to Buyer, and Buyer hereby agrees to purchase from Seller the subject property described in ***Exhibit A*** hereto, together with all rights, title and interest, in the buildings, structures (surface and sub-surface) and other improvements, including such fixtures as shall constitute subject property, located thereon, and all water rights, easements, if any, benefiting the subject property; and all rights and appurtenances pertaining to the subject property, including any right, title and interest of Seller in and to rights of way; all tenements, hereditaments, buildings, appurtenances, rights, privileges, licenses, leases, permits, easements, and rights-of-way incident thereto (collectively, the "**Subject Property**");

1.2 **Purchase Price.** The purchase price ("**Purchase Price**") for the Subject Property, shall be ONE MILLION TWO HUNDRED FIFTY-TWO THOUSAND THREE HUNDRED AND EIGHTY-EIGHT DOLLARS (\$1,252,388). The distribution at closing of the Purchase Price shall be \$1,220,888 to the Wood River Land Trust and \$31,500 to The Nature Conservancy. The parties recognize and agree that the Purchase Price is substantially below a fair market value for the Property, and therefore the Buyer agrees to the reservation by Seller of the right to repurchase the Property under certain terms and conditions provided in the Repurchase Agreement and Memorandum of Repurchase Agreement attached hereto as ***Exhibits B-1*** and ***B-2*** and made a part of this Agreement. At closing, the parties agree to fully execute the Repurchase Agreement, and execute and record the Memorandum of Repurchase Agreement attached thereto. Assuming that Seller has fully complied with all of Seller's obligations under the terms of this Agreement and the closing of this transaction is delayed past November 1, 2018 at Buyer's request, the Purchase Price shall be increased by the sum of \$67.265\_ per day for each day after November 1, 2018 that this Agreement remains in effect and the transaction has not closed.

1.3 **Conveyance of Title.** Title to the Subject Property shall be conveyed by a Special Warranty Deed, which is attached hereto as ***Exhibit C***. Title to the Subject Property shall be good and marketable and shall be free and clear of all liens, leases, encumbrances, easements, assessments, restrictions, tenancies (whether recorded or unrecorded) and other exceptions to title, except the Permitted Exceptions, as defined below and except for any claim or encumbrance of any nature based on activities and the various mining laws relating to the

McCoy mine site located in Section 31 T2N R18E, Boise Meridian. Between the date of this Agreement and the earlier of closing or the termination of this Agreement, Seller shall not enter into any lease or occupancy agreement affecting the Subject Property or any portion thereof unless first approved in writing by Buyer. Buyer acknowledges that Seller has certain grant agreements, listed in *Exhibit D*, pertaining to habitat restoration on the Property that were entered into prior to this Agreement and which have on-going obligations that will survive transfer of the Property. Buyer agrees not to interfere with Seller's ability to meet these obligations.

## **SECTION 2** **BUYER'S DUE DILIGENCE**

2.1 **Inspection Period.** The "Inspection Period" shall be the period from the date hereof to 5:00 p.m. (MDT) October 20, 2018.

2.2 **Review and Inspection.** Seller has provided due diligence materials to Buyer, which include all reports, test records and other information in the possession of Seller relating to the presence of any hazardous materials (as defined below) on the Subject Property. Within fifteen (15) days after the execution of this Agreement by all parties, Buyer shall notify Seller of any additional due diligence materials which Buyer requests be provided by Seller. During the Inspection Period, Buyer shall review the Due Diligence Materials and is hereby granted a license to enter upon the Subject Property to inspect the Subject Property and to conduct non-invasive tests and investigations at its sole cost and expense. Buyer shall be responsible for any damage caused by such tests and investigations, except to the extent relating to pre-existing conditions (except to the extent aggravated by the tests or inspections). Seller shall cooperate with Buyer, or its agents, in arranging such inspections. During the Inspection Period, Buyer may conduct an environmental investigation of the Property including, without limitation, relating to the environment, health and/or safety, at Buyer's sole cost and expense, to be conducted by an environmental engineering firm selected by Buyer (the "**Environmental Study**"). Buyer's due diligence shall include Buyer's review and approval, as evidenced by separate signature, of: (i) all conservation easements or comparable encumbrances which have been placed on the Subject Property; and, (ii) all rights reserved by Seller in the Subject Property by Deed and as described by the Repurchase Agreement attached hereto as Exhibit B; and, (iii) any other grant, reservation, conveyance or encumbrance that restricts or directs any subsequent use or disposition of the Subject Property.

2.3 **Buyer's Acceptance or Rejection.** Buyer shall be entitled, in its sole and absolute discretion, on or before the expiration of the Inspection Period, to decline to accept the condition of the Subject Property (the "**Inspection Contingency**"). In such case, Buyer shall give Seller written notice of such ("**Notice of Disapproval**") before the expiration of the Inspection Period. If Buyer shall give Seller a Notice of Disapproval before expiration of the Inspection Period, this Agreement shall terminate effective the date of the Notice. In the event that Buyer fails to timely deliver to Seller a Notice of Disapproval as aforesaid, then Buyer shall be deemed to have waived the Inspection Contingency. Upon termination, the parties shall have no further obligation or liability each to the other.



## 2.4 **Title Inspection.**

(a) **Initial Review.** Buyer has requested a preliminary title report pertaining to the Subject Property, together with a copy of all instruments described in the preliminary report evidencing exceptions to title thereto (the preliminary report and copies of exceptions are referred to herein as the “**Title Report**”). On or before the expiration of fifteen days after Buyer’s receipt of the Title Report, Buyer shall approve or disapprove of the Title Report. If, by the expiration of the 15-day review period, Buyer delivers to Seller written notice of Buyer’s disapproval of the Title Report, and Seller does not agree in writing within fifteen (15) days of receipt of Buyer’s disapproval to eliminate such matter prior to Closing, then this Agreement shall terminate (the “**Title Contingency**”). If Buyer fails to timely deliver written notice of Buyer’s disapproval of the Title Report, then Buyer shall be deemed to have approved the Title Report and all exceptions shown therein (the “**Permitted Encumbrances**”).

(b) **Supplement.** If, after the initial review of the Title Report, the Closing Agent subsequently issues a supplement to the Title Report that discloses a matter that affects Buyer’s fee ownership, use or operation of the Subject Property which was not disclosed in the Title Report, Buyer shall have ten (10) days following Buyer’s receipt of the supplement to review and approve or disapprove such matter disclosed in the supplement. If Buyer so approves of such matter disclosed in the supplement or fails to timely disapprove such matter in accordance with this Section, then it shall become one of the Permitted Encumbrances. If such matter disclosed in the supplement is timely disapproved of by Buyer and Seller does not agree in writing to eliminate such matter prior to the Closing, then this Agreement shall terminate.

(c) **Removal of Liens.** Buyer shall not be obligated to object to any title defect that is capable of satisfaction by the payment of money. If on the Closing Date there shall be any title defect which is capable of satisfaction by the payment of money, then Seller hereby directs the Closing Agent to use a portion of the Purchase Price to satisfy the same, sufficient for the Closing Agent to issue a title policy to Buyer, either free of any such defect or with insurance which "insures over" such defect.

## **SECTION 3** **REPRESENTATIONS, WARRANTIES AND RELATED** **AGREEMENTS OF SELLER**

Seller represents and warrants to Buyer, jointly and severally, that as of the date hereof, which representations and warranties shall be true and accurate in all respects as of the Closing Date as if such representations and warranties had been made at the Closing Date, as follows:

### 3.1 **Authority; No Conflict.**

(a) This Agreement constitutes the legal, valid, and binding obligation of Seller enforceable against Seller in accordance with its terms. Seller has the absolute and unrestricted right, power, authority, and capacity to execute and deliver this Agreement and the other documents contemplated to be executed and delivered at the Closing by Seller.

(b) To the best of Seller's knowledge neither the execution nor delivery of this Agreement nor the consummation or performance of any of the transactions contemplated hereby will, directly or indirectly, contravene, conflict with, or result in a violation of any of the terms or requirements of, or give any governmental body the right to revoke, withdraw, suspend, cancel, terminate, or modify, any material permit, lease, license or other governmental authorization that is held by Seller or that otherwise relates to the Subject Property.

3.2 **Consents and Approvals.** The execution and delivery of this Agreement and the performance of Seller's obligations hereunder do not require the consent, approval or action of or any filing with or notice to any other person, firm or corporation.

3.3 **Permits.** To the best of Seller's knowledge, no default has occurred in the due observance or condition of any permit or lease which is appurtenant or related to the Subject Property which has not been heretofore corrected; and (d) all such permits and/or leases are assignable to Buyer.

3.4 **Assessments, Fees.** To the best of Seller's knowledge, the Subject Property is not subject to any existing, pending or future impact fees, bonds or assessments and Seller does not know of any present or proposed public improvements which could give rise to the same.

3.5 **Attachments, Executions.** To the best of Seller's knowledge, there are no attachments, executions, assignments for the benefit of creditors, or voluntary or involuntary proceedings contemplated by, or pending or threatened against Seller which could encumber or affect the condition of the title to the Subject Property.

3.6 **Defaults.** No default has occurred or will have occurred or event that with the passage of time will be a default under any existing or prior lease or permit related to the Subject Property.

3.7 **Title.** Seller has good, valid and marketable title to the Subject Property; no right to acquire the Subject Property has been granted to any other party; and, the Subject Property is free and clear of all liens, claims, security interests, pledges, charges, or encumbrances of any nature except for the Permitted Encumbrances.

3.8 **Compliance with Applicable Laws.** To the best of Seller's knowledge, the Subject Property has been held and used in a manner which complies with all applicable laws, ordinances, regulations, decrees and orders, of the United States and all other applicable governmental entities, including without limitation all city, county, state and federal statutes, regulations, laws and ordinances applicable to the environment and environmental protection. To the best of Seller's knowledge, no event has occurred or circumstances exists that (with or without notice or lapse of time) (a) may constitute or result in a violation by Seller of a failure on the part of Seller to comply with any Law, or (b) may give rise to any obligation on the part of Seller to undertake, or bear all or any portion of the cost of, any remedial action of any nature.

3.9 **Litigation/Absence of Undisclosed Liabilities.** There are no actions, suits, investigations or proceedings pending or, to the knowledge of Seller, threatened against Seller at law or in equity or before any federal, state, municipal or governmental department, commission, board, bureau, agency or instrumentality relating to the Subject Property.



3.10 **Condemnation.** There is no pending, or, to the knowledge of Seller, threatened, condemnation proceedings or condemnation actions against the Subject Property or any of the rights-of-way located adjacent thereto.

3.11 **Zoning.** The Subject Property is currently zoned for its present use.

3.12 **Environmental Matters.** Other than those conditions disclosed and described in that certain report made by Assessment and Compliance Services (ACS) titled "Phase I Environmental Site Assessment of 10,400 Acres Along Rock Creek" dated November 2013, and ACS's "Limited Follow-Up Sampling at the McCoy Mine Property, Blaine County, Idaho" dated 2/6/14, provided by Seller to Buyer, and past actions of persons or entities relating thereto, Seller represents and warrants all of the following:

(a) Seller has no knowledge of any "Hazardous Materials" (as hereinafter defined), having ever been used, produced, released, stored, transported, disposed of, generated, deposited or otherwise existing in, over, under or upon the Subject Property by any person or entity whatsoever in violation of any Environmental Laws (as hereinafter defined). The term "Hazardous Materials" shall collectively refer to underground storage tanks, petroleum and petroleum products, asbestos, PCBs, urea formaldehyde and any hazardous or toxic substances, pollutants, contaminants, wastes or materials as defined under any "Environmental Laws." The term "Environmental Laws" shall collectively refer to the Comprehensive Environmental Response, Compensation and Liability Act of 1980, The Toxic Substances Control Act, the Clean Water Act 33 U.S.C. § 1251 1387, the Resource Conservation and Recovery Act as amended, or any other similar federal, state or local law, rule or regulation respecting Hazardous Materials together with all rules and regulations promulgated thereunder and all amendments thereto.

(b) Seller, and to Seller's knowledge, all other persons or entities who have occupied or are occupying the Subject Property, or any portion thereof, have, at all times, fully complied with all Environmental Laws and all other laws, rules and regulations (collectively, "Laws") as well as all permits, licenses, certificates and approvals relating to the development and use of the Subject Property (collectively, "Permits"). To Seller's knowledge, (A) no notice of violation of any Environmental Law or any other Law (and no complaint, order, directive, claim, citation or notice relating to any Environmental Law or other Law) has been issued with respect to the Subject Property, and (B) no notice of noncompliance with any Permit relating to the development or use of the Subject Property has been issued.

(c) To the best of Seller's knowledge, prior to and during Seller's ownership of the Subject Property, (a) no Hazardous Materials have been located on the Subject Property in violation of applicable Environmental Laws (as defined below) or have been released in, on, under or from the Subject Property; (b) no underground storage tanks have been located on the Subject Property; (c) the Subject Property has never been used as a dump for waste material; and (d) the Subject Property and its prior uses comply with, and at all times have complied with, any applicable governmental law, regulation or requirement relating to environmental, health and/or safety matters or Hazardous Materials ("Environmental Laws").

The term Hazardous Materials shall mean and include the following, including mixtures thereof: any hazardous substance, pollutant, contaminant, waste, by-product or constituent regulated under the Comprehensive Environmental Response, Compensation and Liability Act, 42 U.S.C. Section 9601 et seq.; oil, petroleum products and any derivative thereof, and natural gas, natural gas liquids, liquefied natural gas and synthetic gas usable for fuel; pesticides regulated under the Federal Insecticide, Fungicide, and Rodenticide Act, 7 U.S.C. Section 136 et seq.; asbestos and asbestos-containing materials, PCBs and other substances regulated under the Toxic Substances Control Act, 15 U.S.C. Section 2601 et seq.; source material, special nuclear material, by-product material and any other radioactive materials or radioactive wastes, however produced, regulated under the Atomic Energy Act or the Nuclear Waste Policy Act of 1982; chemicals subject to the OSHA Hazard Communication Standard, 29 C.F.R. Section 1910.1200 et seq.; and industrial process and pollution control wastes, whether or not hazardous within the meaning of the Resource Conservation and Recovery Act, 42 U.S.C. Section 6901 et seq.

3.14 **Survival and Indemnification.** The representations and warranties set forth in this Section 3 shall constitute continuing representations and warranties, shall be deemed to be true and correct as of the date of closing of Buyer's purchase of the Subject Property and shall survive closing and the delivery of the Deed to the Subject Property. Seller agrees to indemnify, defend with counsel of Buyer's choosing and hold harmless Buyer from and against any and all liabilities, claims, suits, judgments, damages, expenses, losses, diminution in value, fees, penalties, fines and costs (including, without limitation, reasonable attorneys' fees and reasonable attorneys' fees on any appeal), judgments, proceedings and causes of action of any kind whatsoever, arising out of or in any way connected with Seller's breach of the representations and warranties set forth in this Section 3.

#### **SECTION 4** **REPRESENTATIONS AND WARRANTIES OF BUYER**

Buyer represents and warrants to Seller that as of the date hereof, which representations and warranties shall be true and accurate in all respects as of the Closing Date as if such representations and warranties had been made at the Closing Date as follows:

4.1 **Effect of Agreement.** Subject to the approval of Buyer's governing board, this Agreement constitutes a legal, valid and binding obligation of Buyer enforceable in accordance with its terms and each of the documents to be executed and delivered by Buyer pursuant to this Agreement will constitute a valid and binding obligation of Buyer enforceable in accordance with its terms. The execution of this Agreement and the consummation of the transactions contemplated hereby do not constitute or result in a breach or default (or an event which with notice of lapse of time or both could become a default) under or result in any violation of (a) any agreement or instrument to which Buyer is a party, or (b) any order, judgment, decree, license, permit, statute, law, rule or regulation to which Buyer is subject.

#### **SECTION 5** **CONDITIONS TO CLOSING BY BUYER**

The obligation of Buyer to consummate on the Closing Date the transactions contemplated by this Agreement shall be subject to the satisfaction or waiver by Buyer, prior to

or concurrently with the Closing on the Closing Date, of the conditions set forth as follows, each of which is hereby individually deemed material:

5.1 **Accuracies of Representations and Warranties of Seller.** Examination by Buyer shall not have disclosed any material inaccuracies in the representations and warranties of Seller and such representations and warranties shall be true and correct at and as of the Closing Date with the same effect as though such representations were made at and as of such date. It is understood that in determining whether there has been a material misrepresentation or material adverse event, all occurrences and adverse events shall be aggregated to determine the applicability or breach of the provisions of this Agreement.

5.2 **Compliance with Certain Provisions.** Seller shall have performed all obligations to be performed by Seller under this Agreement prior to the Closing Date and shall have delivered all documents required to be delivered hereunder.

5.3 **No Proceedings.** On the Closing Date, no suit, action or other proceeding, or injunction or final judgment relating thereto, shall be threatened or be pending by someone other than a party to this Agreement before any court or governmental or regulatory official, body or authority in which it is sought to restrain or prohibit or to obtain damages or other relief in connection with this Agreement or the consummation of the transactions contemplated hereby, and no investigation that might result in any such suit, action or proceeding shall be pending or threatened.

5.4 **No Material Change.** There shall have been no material adverse change in the Subject Property.

5.5 **Approvals.** Buyer has obtained approval from its governing board to purchase the Subject Property as provided by the terms of this Agreement, which approval shall be granted or withheld by the governing board in its sole discretion.

5.6 **MOU.** Execution by all parties of the “Memorandum of Understanding Between University of Idaho and The Rock Creek Advisory Board Concerning Collaboration at the Rock Creek Ranch.”

5.7 **Current Conditions Report.** Approval by all parties of a Current Conditions Report to be prepared by Seller.

5.8 **Deliveries to be Made by Seller at Closing.** At the Closing, the following shall be delivered by Seller to Buyer or the Closing Agent:

- (a) Possession of the Subject Property;
- (b) Executed Warranty Deed, attached as Exhibit C;
- (c) Executed Repurchase Agreement and Memorandum of Repurchase Agreement, attached as Exhibits B-1 and B-2.
- (d) Executed Closing Instructions consistent with the terms of this Agreement.
- (e) All other documents reasonably required to consummate this transaction according to the terms of this Agreement.

**SECTION 6**  
**CONDITIONS TO CLOSING BY SELLER**

The obligation of Seller to consummate on the Closing Date the transactions to be consummated by it pursuant to this Agreement shall be subject to the satisfaction, prior to the Closing, of the following:

6.1 **Accuracy of Representations and Warranties of Buyer.** Examination by Seller shall not have disclosed any material inaccuracies in the representations and warranties of Buyer set forth herein, and such representations and warranties shall be true and correct at and as of the Closing Date with the same effect as if such representations were made at and as of such date. It is understood that in determining whether there has been a material misrepresentation or material adverse event, all occurrences and adverse events shall be aggregated to determine the applicability or breach of the provisions of this Agreement.

6.2 **Compliance with Certain Provisions.** Buyer shall have performed all obligations to be performed by Buyer under this Agreement prior to or at the Closing Date and shall have delivered all documents required to be delivered hereunder.

6.3 **Approvals.** The sale of the Subject Property shall have received all approvals required to consummate the transactions contemplated hereby.

6.4 **No Proceedings.** On the Closing Date, no suit, action or other proceeding, or injunction or final judgment relating thereto, shall be threatened or be pending by someone other than a party to this Agreement before any court or governmental or regulatory official, body or authority in which it is sought to restrain or prohibit or to obtain damages or other relief in connection with this Agreement or the consummation of the transactions contemplated hereby, and no investigation that might result in any such suit, action or proceeding shall be pending or threatened.

6.5 **MOU.** Execution by all parties of the "Memorandum of Understanding Between University of Idaho and The Rock Creek Advisory Board Concerning Collaboration at the Rock Creek Ranch."

6.6 **Current Conditions Report.** Approval by all parties of Current Conditions Report to be prepared by Seller.

6.7 **Deliveries to be Made by Buyer at Closing.** At Closing, the following shall be delivered by Buyer to Seller or the Closing Agent:

- (a) The Purchase Price;
- (b) The executed Repurchase Agreement and Memorandum of Repurchase Agreement attached as Exhibits B-1 and B-2;
- (c) Executed Closing Instructions consistent with the terms of this Agreement; and,
- (d) All other documents reasonably required to consummate this transaction according to the terms of this Agreement.

## **SECTION 7** **CLOSING**

7.1 **Closing.** Blaine County Title, Inc shall serve as the Closing Agent. Closing shall occur on or before November 1, 2018; provided, Buyer shall be afforded additional time to close, through the end of 2018, if reasonably necessary to secure the approval of Buyer's governing board for Buyer's purchase of the Subject Property. In such case, The Purchase Price shall be increased as provided in Section 1.2 above.

7.2 **Expenses.** Buyer shall be responsible for the premium for a standard ALTA Title Policy consistent with the Title Report, the payment of fifty percent (50%) of closing fees and payment of all recording fees. Seller shall be responsible fifty percent (50%) of closing fees. The fees and expenses of Seller's designated representatives, accountants and attorneys shall be borne by Seller, and the fees and expenses of Buyer's designated representatives, accountants and attorneys shall be borne by Buyer.

7.3 **Adjustments and Prorations.** Taxes and assessments, if any, utility charges, if any, and any other ongoing assessments to which the Subject Property is subject shall be prorated between Buyer and Seller, effective the Closing Date.

## **SECTION 8** **SURVIVAL OF REPRESENTATIONS AND WARRANTIES/INDEMNIFICATION**

8.1 **Survival of Representations and Warranties.** All of the representations and warranties set forth in this Agreement shall constitute continuing representations and warranties, shall be deemed to be true and correct as of the date of Closing, and shall (along with all indemnification, defense and hold harmless obligations related thereto) survive Closing and delivery of the Deed.

## **SECTION 9** **MISCELLANEOUS**

9.1 **Commissions.** No broker or person is due a commission with respect to the transactions described in this Agreement, and, subject to the laws of the State of Idaho, Seller and Buyer shall each indemnify the other and hold the other harmless against and in respect of any other claim for brokerage or other commissions relative to this Agreement or to the transaction contemplated hereby.

9.2 **Section 1445 Affidavit.** At or prior to closing, Seller shall deliver to Buyer an affidavit in compliance with Section 1445 of the Internal Revenue Code providing Seller's United States taxpayer identification number and business address and stating whether or not Seller is a "foreign person" as defined in the Internal Revenue Code and regulations applicable thereto ("**Code**"). If Seller fails to deliver such affidavit or is a "foreign person" as defined in the Code, Buyer shall be entitled to withhold from the Purchase Price, and to pay to the Internal Revenue Service, such amounts as are required to be withheld by the Code, and Seller agrees to cooperate with Buyer and to furnish Buyer with such tax forms and information as are reasonably required to insure Buyer's compliance with the Code.

9.3 **Condemnation.** Should any entity having the power of condemnation bring an action or otherwise indicate an intent prior to the time of closing to acquire all or any portion of,

or any interest in, the Subject Property, Buyer, at Buyer's sole option, may elect either (i) to terminate Buyer's obligation to purchase the Subject Property by giving written notice to Seller at any time prior to the time of closing, or (ii) to complete the purchase of the Subject Property with Seller immediately appointing Buyer its attorney-in-fact to negotiate with said condemning entity as to its interest in the Subject Property and assigning to Buyer all amounts to be awarded for the Subject Property, up to the Purchase Price, with all remaining proceeds less Buyer's costs to be awarded to Seller. Seller agrees to provide Buyer, within ten (10) days after Seller's receipt of same but in no event later than the time of closing, written notice of any actual or threatened condemnation proceeding.

9.4 **Successors.** This Agreement shall be binding on the heirs, successors, assigns and personal representatives of the parties hereto. No assignment by any party hereto shall be permissible without the written consent of the other parties hereto.

9.5 **Attorneys Fees.** In the event either party initiates or defends any legal action or proceeding in any way connected with this Agreement, the prevailing party in any such action or proceeding (in addition to any other relief which may be granted, whether legal or equitable), shall be entitled to recover from the losing party in any such action its reasonable costs and attorneys' fees (including, without limitation, its reasonable costs and attorneys' fees on any appeal). All such costs and attorneys' fees shall be deemed to have accrued on commencement of any legal action or proceeding and shall be enforceable whether or not such legal action or proceeding is prosecuted to judgment.

9.6 **No Waiver.** The failure of any party hereto at any time to require performance by any other party of any provision of this Agreement shall not affect the right of such party to require performance of that provision and any waiver by any party of any breach of any provision of this Agreement shall not be construed as a waiver of any continuing or succeeding breach of such provisions, a waiver of the provision itself or a waiver of any right under this Agreement.

9.7 **Default.**

(a) Neither party shall be deemed to be in default of this Agreement except upon the expiration of thirty (30) days from receipt of written notice from the other party specifying the particulars in which such party has failed to perform its obligations (or breached any of its representations or warranties) under this Agreement unless such party, prior to expiration of said thirty (30) day period, has rectified the particulars specified in said notice of default.

(b) In the event of a default, the non-defaulting party may:

(i) Terminate this Agreement upon written notice to the defaulting party, and recover from the defaulting party all damages incurred by the non-defaulting party;

(ii) Seek specific performance of this Agreement, and, in addition, recover all damages incurred by the non-defaulting party. The parties declare it to be their intent that this Agreement may be specifically enforced;

(iii) Perform or pay any obligation or encumbrance necessary to cure the default and offset the cost thereof from monies otherwise due the defaulting party or recover said monies from the defaulting party; and

(iv) Pursue all other remedies available at law, it being the intent of the parties that remedies be cumulative and liberally enforced so as to adequately and completely compensate the non-defaulting party.

The provisions of this Section 9.7 shall survive closing and the delivery of a Deed to the Subject Property.

9.8 **Governing Law.** This Agreement is being delivered and is intended to be performed in the State of Idaho and shall be construed, interpreted, governed and enforced in accordance with the laws of the State of Idaho. Venue for any judicial proceeding regarding this Agreement or this transaction shall be in Blaine County, Idaho.

9.9 **Notices.**

(a) All notices given pursuant to this Agreement shall be in writing and shall be given by personal service, by United States mail or by United States express mail or other established express delivery service (such as Federal Express), postage or delivery charge prepaid, return receipt requested, addressed to the appropriate party at the address set forth below:

Seller: Wood River Land Trust  
Scott Boettger, Executive Director  
119 E Bullion St  
Hailey, ID 83333

And: The Nature Conservancy  
Lou Lunte, Deputy State Director  
950 W. Bannock, suite 210  
Boise, Idaho 83702

Buyer: University of Idaho  
Brian Foisy, Vice President, Finance & Administration  
875 Perimeter Dr MS3168  
Moscow, ID 83844-3168

The person and address to which notices are to be given may be changed at any time by any party upon written notice to the other party. All notices given pursuant to this Agreement shall be deemed given upon receipt.

(b) For the purpose of this Agreement, the term "receipt" shall mean the earlier of any of the following: (i) the date of delivery of the notice or other document to the address specified pursuant to subparagraph (a) above as shown on the return receipt, (ii) the date of actual receipt of the notice or other document by the person or entity specified pursuant to subparagraph (a) above, or (iii) in the case of refusal to accept delivery or inability to deliver the notice or other document, the earlier of (A) the date of the attempted delivery or refusal to accept delivery, (B) the date of the postmark on the return receipt, or (C) the date of receipt of notice of refusal or notice of non-delivery by the sending party.

9.10 **Counterparts.** This Agreement may be executed in any number of counterparts, each of which shall be deemed an original, but all of which, taken together, shall constitute one in the same instrument.

9.11 **Captions and Headings.** The captions and headings in this Agreement are for reference only and shall not be deemed to define or limit the scope or intent of any of the terms, covenants, conditions or agreements contained herein.

9.12 **Entire Agreement.** This Agreement, together with the Exhibits and other documents delivered pursuant to and as specified in this Agreement, sets forth the entire agreement and understanding between the parties as to the subject matter hereof, and merges and supersedes all prior discussions, agreements and understandings of every and any nature between them, except as otherwise provided herein, and no party shall be bound by any condition, definition, warranty or representation, other than as expressly set forth or provided for in this Agreement, or as may be, on or subsequent to the date hereof, set forth in writing and signed by the party to be bound thereby. This Agreement may not be changed or modified, except by agreement in writing, signed by all of the parties hereto.

9.13 **Severability.** Unless otherwise provided herein, if any provision of the Agreement shall be invalid, illegal or unenforceable, the validity, legality and enforceability of the remaining provisions shall not in any way be affected or impaired thereby and the unenforceable provision shall be deemed modified to the limited extent required to permit its enforcement in a manner most closely approximating the intention of the parties as expressed herein.

9.14 **Construction.** This Agreement is to be deemed to have been prepared jointly by the parties hereto after arms-length negotiations, and any uncertainty or ambiguity existing herein shall not be interpreted against any party, but according to the application of the rules of interpretation of contracts.

IN WITNESS WHEREOF, the parties have hereunto set their hands as of the day and year first above written.

## SELLER

**Wood River Land Trust**

**Dated:** \_\_\_\_\_, 2018

\_\_\_\_\_  
Scott Boettger, Executive Director

**The Nature Conservancy**

**Dated:** \_\_\_\_\_, 2018

\_\_\_\_\_  
Toni Hardesty, State Director

## BUYER



**Board of Regents of the University of Idaho**

**Dated:** \_\_\_\_\_, 2018

By: \_\_\_\_\_  
Brian Foisy,  
Vice President of Finance and Administration

**EXHIBITS**

Exhibit

A	Legal Description of Subject Property
B-1	Repurchase Agreement
B-2	Memorandum of Repurchase
C	Special Warranty Deed
D	Grant Agreements

**Exhibit A**

**Legal Description of Subject Property**

**EXHIBIT A to SPECIAL WARRANTY DEED**

**PARCEL I**

**Subparcel A**

TOWNSHIP 1 NORTH, RANGE 17 EAST, BOISE MERIDIAN, BLAINE COUNTY, IDAHO.

Section 14: SW1/4NE1/4, NW1/4SE1/4, SW1/4NW1/4, W1/2SW1/4, E1/2SE1/4

Section 15: E1/2E1/2

Section 22: NE1/4NE1/4

Section 23: SE1/4SE1/4, SW1/4SE1/4, W1/2, SW1/4NE1/4, NW1/4SE1/4

Section 24: N1/2SW1/4, SW1/4SW1/4, SE1/4SW1/4, SW1/4SE1/4

Section 25: W1/2, W1/2E1/2, E1/2SE1/4

Section 26: E1/2NE1/4, W1/2NE1/4, SE1/4, W1/2

Section 27: E1/2SE1/4, E1/2NW1/4, NE1/4

Section 34: S1/2NE1/4, NE1/4NE1/4

Section 35: NW1/4, NW1/4NE1/4

TOWNSHIP 1 NORTH, RANGE 18 EAST, BOISE MERIDIAN, BLAINE COUNTY, IDAHO.

Section 30: Lots 2, 3, 4, SE1/4NW1/4, E1/2SW1/4

**Subparcel B**

TOWNSHIP 1 NORTH, RANGE 17 EAST, BOISE MERIDIAN, BLAINE COUNTY, IDAHO.

Section 13: NW1/4, N1/2NE1/4

**Subparcel C**

TOWNSHIP 1 NORTH, RANGE 17 EAST, BOISE MERIDIAN, BLAINE COUNTY, IDAHO.

Section 1: Lot 1, S1/2NE1/4, SE1/4, S1/2SW1/4

Section 2: SE1/4

Section 11: NE1/4, NE1/4SE1/4

Section 12: N1/2, N1/2SW1/4, SE1/4SW1/4, SW1/4SE1/4

TOWNSHIP 1 NORTH, RANGE 18 EAST, BOISE MERIDIAN, BLAINE COUNTY, IDAHO.

Section 7: Lot 1, NE1/4NW1/4

Section 6: Lots 4, 5, 6 and 7, E1/2W1/2

TOWNSHIP 2 NORTH, RANGE 18 EAST, BOISE MERIDIAN, BLAINE COUNTY, IDAHO.

Section 31: Lots 3 and 4, E1/2SW1/4

**Subparcel D**

TOWNSHIP 1 NORTH, RANGE 17 EAST, BOISE MERIDIAN, BLAINE COUNTY, IDAHO.

Section 13: S1/2NE1/4, N1/2SE1/4

Section 14: NW1/4NE1/4, SW1/4SE1/4, E1/2W1/2

Section 15: SW1/4NE1/4, SW1/4, W1/2SE1/4

Section 21: Lot 1, NE1/4NW1/4, N1/2NE1/4, S1/2N1/2, S1/2

Section 22: Lots 1, 2, 3, NW1/4NW1/4, NW1/4NE1/4, S1/2NE1/4, S1/2

Section 23: N1/2NE1/4, SE1/4NE1/4, NE1/4SE1/4

TOWNSHIP 1 NORTH, RANGE 18 EAST, BOISE MERIDIAN, BLAINE COUNTY, IDAHO.  
Section 18: Lot 2

TOWNSHIP 1 NORTH 17 EAST, BOISE MERIDIAN, BLAINE COUNTY, IDAHO  
Section 22: Guy Lode Patented Mining Claim - Lot No. 37 - Surface Rights Only

### PARCEL II

A parcel of land located within Section 13, Township 1 South, Range 17 East, Boise Meridian, Blaine County, Idaho and also within Section 18, Township 1 South, Range 18 East, Boise Meridian, Blaine County, Idaho, more particularly described as follows:

Commencing at a brass cap marking the one-quarter corner common to said Section 13 and 18, which point is the REAL POINT OF BEGINNING; thence North 89°39'14" East, 2,488.38 feet along the North boundary of the SW1/4, said Section 18, Township 1 South, Range 18 East, Boise Meridian, to a one-inch diameter iron pipe marking the center one-quarter corner, said Section 18; thence North 89°39'15" East, 1,328.71 feet along the North boundary of the SE1/4, said Section 18, Township 1 South, Range 18 East, Boise Meridian to a one-inch diameter iron pipe marking the center - east one-sixteenth corner of said Section 18; thence South 0°24'42" East, 1,977.57 feet along the east boundary of the W1/2SE1/4, said Section 18 to a one inch diameter pipe on the northerly right-of-way of Idaho State Highway No. 20; thence The following five courses and distances along said northerly boundary of said Idaho State Highway No. 20;

South 55°08'47" West, 132.69 feet to a right-of-way monument; thence North 79°19'13" West, 2,329.75 feet to a right-of-way monument; thence North 79°18'53" West, 2,565.20 feet to a right-of-way monument; thence North 49°52'49" West, 284.19 feet to a right-of-way monument; thence North 79°18'23" West, 373.18 feet to the approximate centerline of Rock Creek on the easterly Boundary of Idaho State Fish and Game property; thence North 6°00'52" West, 828.13 feet along said easterly boundary of Idaho State Fish and Game property to the North boundary of said SE1/4, Section 13, Township 1 South, Range 17 East, Boise Meridian; thence North 88°28' 11" East, 1,759.18 feet along said north boundary of the SE1/4, Section 13 to the POINT OF BEGINNING.

Also known as Tax Lot 7912

### PARCEL III

A parcel of land located in Blaine County, Idaho, being a portion of following Sections: Sections 12 and 13 located in Township 1 South, Range 17 East, Boise Meridian; Section 5, Section 6 and Section 7 located in Township 1 South, Range 18 East, Boise Meridian; Section 31, Township 1 North, Range 18 East, Boise Meridian and all of Section 36, Township 1 North, Range 17 East, Boise Meridian, Blaine County, Idaho more particularly described as follows:

Beginning at the Northeast corner of said Section 13, Township 1 South, Range 17 East, Boise

Meridian, said point being the REAL POINT OF BEGINNING; thence  
 S. 00°30'48" E., 2,643.25 feet to the E1/4 corner of said Section 13; thence  
 S. 88°45'57" W., 2,630.50 feet to the C1/4 corner of said Section 13; thence  
 N. 00°17'58" W., 2,644.64 feet to the N1/4 corner of said Section 13; thence  
 N. 00°04'09" E., along the West boundary of the SE1/4 of said Section 12, Township 1 South,  
 Range 17 East, B.M. 3,196.40 feet to the centerline of existing Rock Creek Road; thence  
 Along said centerline the following 9 courses,  
 N. 73°05'12" W., 205.13; thence  
 N. 83°17'56" W., 280.65 feet; thence  
 N. 61°45'29" W., 301.08 feet; thence  
 N. 52°46'12" W., 565.03 feet; thence  
 N. 58°05'19" W., 314.68 feet; thence  
 N. 43°51'11" W., 121.77 feet; thence  
 N. 33°57'31" W., 239.71 feet to a point of curvature; thence  
 Along a curve to the Right, having a radius of 200.00 feet, a delta of 60°24'43" and an arc length  
 of 210.88 feet; thence  
 N. 26°27'13" E., 944.55 feet to the North boundary of the NW1/4 of said Section 12; thence  
 Leaving said centerline of existing Rock Creek Road  
 S. 87°49'45" W., 55.84 feet to the Northeast corner of the NW1/4NW1/4 of said Section 12;  
 thence  
 N. 00°32'03" W., 2,627.84 feet to the Northwest corner of the NE1/4SW1/4 of said Section 1,  
 Township 1 South, Range 17 East, B.M.; thence  
 N. 88°30'21"E., 1,311.87 feet to the C1/4 corner of said Section 1; thence  
 N. 00°51'47" W., 866.31 feet to the N1/4 corner of said Section 1; thence  
 N. 89°52'37" W., 598.82 feet to the Southwest corner of Section 36, Township 1 North, Range  
 17 East, B.M.; thence  
 N. 00°04'55" E., 2,629.84 feet to the W1/4 corner of said Section 36; thence  
 N. 01°08'07" E., 2,628.69 feet to the NW corner of said Section 36; thence  
 S. 89°45'37" E., 2,643.23 feet to the N1/4 corner of said Section 36; thence  
 N. 89°06'18" E., 2,667.38 feet to the NE corner of said Section 36; thence  
 S. 00°01'06" W., 2,642.15 feet to the E1/4 corner of said Section 36; thence  
 S. 01 °09'07" W., 2,659.02 feet to the SE corner of said Section 36; thence  
 S. 89°59' 57" W., 2,106.92 feet to the NW corner of said Section 6, Township 1 South, Range 18  
 East, B.M; thence  
 S. 01°18'36" E., 787.55 feet to the W1/4 corner of said Section 6; thence  
 S. 00°18'36" E., 1,320.26 feet to the SW corner of Government Lot 5 of said Section 6; thence  
 S. 89°46'53" E., 1,180.67 feet to the SE corner of Government Lot 5; thence  
 S. 00°52'05" W., 1,320.27 feet to the SE corner of Government Lot 6 of said Section 6; thence  
 N. 89°46'55" W., 1,153.53 feet to the SE corner of said Section 6; thence  
 S. 00°21 '00" E., 1,324.83 feet to the SW corner of Government Lot 1 of said Section 7,  
 Township 1 South, Range 18 East, B.M.; thence  
 S. 89°50'35" E., 1,155.60 feet to the Southeast corner of Government Lot 1; thence  
 N. 00°26'25" W., 1,323.62 feet to the Northwest corner of Government Lot 1; thence  
 S. 89°46'55" E., 1,343.15 feet to the N1/4 corner of said Section 7; thence  
 N. 00°23'09" E., 1,320.18 feet to the Northwest corner of the SW1/4SW1/4 of said Section 6,  
 Township 1 South, Range 18 East, B.M; thence  
 S. 89°47'38" E., 1,337.90 feet to the Northeast corner of the SW1/4SW1/4 of said Section 6;  
 Thence  
 N. 00°09'02" E., 1,319.86 feet to the Southwest corner of Government Lot 1 of said Section 6;  
 thence

N. 00°25'50" W., 797.81 feet to the Northwest corner of Government Lot 1; thence  
 S. 89°51'30" E., 896.14 feet to the S 1/4 corner of said Section 31, Township 1 North, Range 18 East, B.M.; thence  
 N. 00°32'51" E. along the West boundary of the SE1/4 of said Section 31, 586.58 feet to the centerline of existing Glendale Road; thence  
 Along said centerline the following 7 courses  
 N. 85°10'40" E., 452.22 feet to a point of curvature; thence  
 Along a curve to the Left having a radius of 300.00 feet, a delta of 58°51'10" and an arc length of 308.15 feet; thence  
 N. 26°08'18" E., 251.12 feet to a point of curvature; thence  
 Along a curve to the Right having a radius of 250.00 feet, a delta of 43°17'32" and an arc length of 188.90 feet; thence  
 N. 69°25'51" E., 135.09 feet; thence  
 N. 28°50'45" E., 297.99 feet; thence  
 N. 49°45'31" E., 155.85 feet to the Easterly boundary of the NW1/4SE1/4 of said Section 31; thence  
 Leaving said centerline of existing Glendale Road,  
 S. 00°29'32" W., 1,551.55 feet to the Southeast corner of the SW1/4SE1/4 of said Section 31; thence  
 S. 89°55'05" E., 431.72 feet to the Northeast corner of Government Lot 4 of said Section 5, Township 1 South, Range 18 East, B.M.; thence  
 S. 00°46'53" E., 797.23 feet to the SE corner of said Government Lot 4; thence  
 S. 00°12'05" E., 2,646.00 feet to the Southeast corner of the SW1/4SW1/4 of said Section 5; thence  
 N. 89°45'01" W., 1,327.97 feet to the Southwest corner of Lot 5; thence  
 S. 00°17'07" E., 1,319.89 feet to the Southeast corner of the NE1/4NE1/4 of said Section 7; Township 1 South, Range 18 East, B.M.; thence  
 N. 89°51'19" W., 1,341.55 feet to the Southwest corner of the NE1/4N1/4 of said Section 7; thence  
 S. 00°21'43" E., 1,321.04 feet to the Southeast corner of the SW1/4NE1/4 of said Section 7; thence  
 N 89°54'14" W., 3,840.47 feet to the W1/4 corner of said Section 7; thence  
 S. 00°14'50" E., 2,655.25 feet to the REAL POINT OF BEGINNING.

Also known as Tax Lot 7508

AND

A parcel of land located in Blaine County, Idaho being a portion of the following Sections: Sections 1 and 2 Township 1 South, Range 17 East, Boise Meridian and Section 35, Township 1 North, Range 17 East, Boise Meridian, more particularly described as follows:

Beginning at the N1/4 corner of said Section 1; said point being the REAL POINT OF BEGINNING; thence  
 S. 00°51'47" E., 866.31 feet to the C1/4 of said Section 1; thence  
 S. 88°30'21" W., 1,311.87 feet to the Southwest corner of Government Lot 3 of said Section 1; thence  
 S. 00°32'03" E., 1,313.92 feet to the Southeast corner of the NW1/4SW1/4 of said Section 1; thence  
 S. 88°09'56" W., 1,319.52 feet to the Southwest corner of the NW1/4SW1/4 of said Section 1;

thence

S. 88°34'27" W., 2,642.47 feet to the Southwest corner of the NW1/4SE1/4 of said Section 2;

thence

N. 00°31'49" W., 1,321.99 feet to the C1/4 of said Section 2; thence

N. 88°34'44" E., 1,324.94 feet to the Southwest corner of Government Lot 1 of said Section 2;

thence

N. 00°32'45" W., 976.12 feet to the Northwest corner of Government Lot 1; thence

N. 89°55'28" W., 630.67 feet to the Southwest corner of the SE1/4SW1/4 of said Section 35;

thence

N. 00°46'53" E., 2,622.80 feet to the Northwest corner of the NE1/4SW1/4 of said Section 35;

thence

S. 89°59'18" E., 1,323.52 feet to the C1/4 of said Section 35; thence

N. 00°44'41" E., 1,307.07 feet to the Northwest corner of the SW1/4NE1/4 of said Section 35;

thence

N. 89°51'23" E., 2,629.00 feet to the Northeast corner of the SE1/4NE1/4 of said Section 35;

thence

S. 01°08'07" W., 1,314.34 feet to the E1/4 corner of said Section 35; thence

S. 00°04'55" W., 2,629.84 feet to the SE corner of said Section 35; thence

S. 89°52'57" E., 598.82 feet to the REAL POINT OF BEGINNING.

Also known as Tax Lot 7509

AND

A parcel of land located in the NW1/4 of Section 12, Township 1 South, Range 17 East, Boise Meridian, Blaine County, Idaho, more particularly described as follows:

Beginning at the C1/4 corner of said Section 12; said point being the REAL POINT OF BEGINNING; thence

N. 00°04'09" E. along the East boundary of the NW1/4 of said Section 12, 544.57 feet to the Centerline of existing Rock Creek Road; thence

Along said centerline the following 9 courses;

N. 73°05'12" W., 205.13 feet; thence

N. 83°27'56" W., 280.65 feet; thence

N. 61°45'29" W., 301.08 feet; thence

N. 52°46'12" 565.03 feet; thence

N. 58°05'19" W., 314.68 feet; thence

N. 43°51'11" W., 121.77 feet; thence

N. 33°57'32" W., 239.71 feet to a point of curvature; thence

Along a curve to the Right having a radius of 200.00 feet, a delta of 60°24'43" and an arc length of 210.88 feet; thence

N. 26°27'13" E., 944.55 feet to the North boundary of the NW1/4 of said Section 12; thence

Leaving said centerline of existing Rock Creek Road,

S. 87°49'45" W., 1,383.05 feet to the Northwest corner of said Section 12; thence

S. 00°00'12" W., 2,627.95 feet to the W1/4 corner of said Section 12; thence

N. 88°42'42" E., 2,650.12 feet to the REAL POINT OF BEGINNING.

Also known as Tax Lot 7510

AND



A parcel of land located in the W1/2E1/2 of Section 31, Township 1 North, Range 18 East, Boise Meridian, Blaine County, Idaho, more particularly described as follows:

Beginning at the N1/4 of said Section 31, said point being the REAL POINT OF BEGINNING;  
thence

N. 89°57'52" E., 1,320.32 feet to the Northeast corner of the NW1/4NE1/4 of said Section 31;

thence

S. 00°34'09" W., 2,657.28 feet to the Southeast corner of the SW1/4NE1/4 of said Section 31;

thence

S. 00°29'32" W. along the East boundary of the NW1/4SE1/4 of Section 31, 1,108.63 feet to the existing centerline of Glendale Road; thence

Along the said centerline the following 7 courses,

S. 49°45'31" W., 155.64 feet; thence

S. 28°50'45" W., 297.99 feet; thence

S. 69°25'51" W., 135.09 feet to a point of curvature; thence

Along a curve to the Left having a radius of 250.00 feet, a delta of 43°17'32" and an arc length of 188.90 feet; thence

S. 26°08' 18" W., 251.12 feet to a point of curvature; thence

Along a curve to the Right having a radius of 300.00 feet, a delta of 58°51'10" and an arc length of 308.15 feet; thence

S. 85°10'40" W., 452.22 feet to the West boundary of the SE1/4 of said Section 31; thence

Leaving said existing centerline of Glendale Road,

N. 00°32'51" E., 2,074.11 feet to the C1/4 of said Section 31; thence

N. 00°35'25" E., 2,654.13 feet to the REAL POINT OF BEGINNING.

Also known as Tax Lot 7511

EXHIBIT B to SPECIAL WARRANTY DEED

US Department of Interior Grazing allotments:

ID 80214 Kent Canyon  
ID 80215 Poison Creek  
ID 80239 Scattered Tracts  
ID 80237 Little Rock Creek

Idaho Department of Lands Grazing lease:

No. G700036

Water Rights:

All of the following described water rights which have been decreed in In Re: The General Adjudication of Rights to the Use of Water From the Snake River Basin Water System, Twin Falls District Court Case No. 3956 (the "SRBA"):

37-12157  
37-22398  
37-22464  
37-627  
37-1150  
37-1151B  
37-1151D  
37-1152  
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**Exhibit B-1**

**Repurchase Agreement**

*Must be attached prior to closing*

**EXHIBIT B-1 TO PURCHASE AND SALE AGREEMENT****REPURCHASE AGREEMENT**

This Repurchase Agreement (the “Agreement”) is entered into this \_\_\_\_\_ day of \_\_\_\_\_, 2018 by and between The Regents of the University of Idaho (“**University**”) and The Nature Conservancy, a non-profit corporation under the laws of the District of Columbia (“**Conservancy**”) and the Wood River Land Trust (“**WRLT**”). the Conservancy and WRLT are referred to collectively as the “**Conservation Parties**”.

**WHEREAS:**

- A. Simultaneously herewith the Conservation Parties have sold to the University approximately 10,394 acres of real property commonly referred to as the Rock Creek Ranch, including, without limitation, all improvements located thereon, located in Blaine County, Idaho and legally described in the attached ***Exhibit A*** (“**Property**”), RESERVING THEREFROM the right to reacquire the Property under the terms and conditions set forth in this Repurchase Agreement. The cash portion of the purchase price for the Property was One Million Two Hundred Fifty-Two Thousand Three Hundred and Eighty-Eight Dollars (\$1,252,388) (the “**Original Purchase Price**”). The parties mutually acknowledge that the Original Purchase Price was substantially less than the current fair market value of the Property. As additional consideration for the purchase and sale of the Property, the University has agreed to the terms and conditions set forth in this Agreement.
- B. The parties acknowledge that the University accepted the property AS IS and that the condition of the Property as conveyed to the University is generally documented in the following reports:
1. That certain report made by Assessment and Compliance Services (ACS) titled “Phase I Environmental Site Assessment of 10,400 Acres Along Rock Creek” dated November 2013, and ACS’s “Limited Follow-Up Sampling at the McCoy Mine Property, Blaine County, Idaho” dated 2/6/14;
  2. That certain “NRCS GRP Baseline Report” (No. 8302111301DF9) dated November 8, 2013;
  3. That certain NRCS GRP Baseline Report” (No. 8302111301DFS) dated November 11, 2013; and,
  4. That certain June, 2018 Update to the aforesaid Phase 1 Environmental Site Assessment.
  5. That certain “Current Conditions Report” documenting restoration work conducted by the Conservation Parties which shall be prepared by the Conservation Parties for review by the University prior to closing the purchase of the Property by the University and the University’s approval of which shall be a condition of closing of the purchase of the Property by the University.
- The parties further acknowledge that the intended use of the Property by the University is as described in Section 15 below and the Property has certain natural, scenic, conservation, wildlife habitat, and open space values which are protected by the terms of the Grasslands Reserve Program Easements in favor of the U.S. Natural Resources

Conservation Service which are of record on the Property (the “**Conservation Easements**”).

- C. The Parties acknowledge that the Conservation Parties have been engaged in preserving such natural, scenic, conservation, wildlife habitat, and open space values and have been providing managed public access to the Property; and, without otherwise expanding the obligations of the University as provided in this Agreement, the parties desire to ensure that the Conservation Parties will have the right to acquire fee simple title to the Property prior to any sale of the Property or portion thereof by the University to any other individual(s) or entity(ies) in order to protect the aforesaid natural, scenic, wildlife habitat, public access and open space values.

NOW, THEREFORE, for good and valuable consideration the receipt and sufficiency of which is hereby acknowledged, the parties agree as follows:

1. **RESERVATION OF PURCHASE RIGHT.** the University and the Conservation Parties acknowledge and agree that the Conservation Parties and their successors and assigns have reserved a right to purchase (“**Purchase Right**”) the Property upon the terms and conditions contained in this Agreement.

A. **Notice.** In the event that the University at any time desires to sell all or any portion of the Property, the University shall give the Conservation Parties written notice of the University's intent to sell all or any portion or interest in the Property (a “**Sale**”) prior to executing any binding agreements to sell. For the purposes of this Agreement a Sale shall include (i) the conveyance of fee title to all or any portion of the Property, or (ii) a lease, easement, license to use or other possessory interest in the Property for a term which, including tenant's right to renew, exceeds ten (10) years. This written notice shall be delivered to the Conservancy and to WRLT at the addresses provided below. The notice shall describe the portion of the Property or interest therein subject to the Sale and shall include any disclosure by the University as described in Section 14 of this Agreement.

B. **Exercise.** One or both of the Conservation Parties may give written notice to the University within sixty (60) days from receipt of the University's notice of intent to sell the Property that such party or parties desires to exercise the right to purchase the Property, for the purchase price established pursuant to Section 1.C. below (the “**Repurchase Notice**”). The parties agree that either Conservation Party shall have the right, separately, to exercise the Purchase Right but if both Conservation Parties desire to exercise the Purchase Right they must do so jointly as tenants-in-common or in such form as otherwise agreed by the Conservation Parties. If either or both of the Conservation Parties exercises their Purchase Right, closing of the purchase of the Property shall be in accordance with the terms and conditions described below and other terms and conditions in the area where the Property is located. The party exercising the Purchase Right, whether it be the Conservation Parties jointly, or either of them separately, shall be referred to herein as the “**Purchasing Party**.”

C. **Purchase Price.** The price for the Property to be paid by the Purchasing Party to the University at the closing hereunder shall be One Million Two Hundred Fifty-Two Thousand Three Hundred and Eighty-Eight Dollars (\$1,252,388), plus an amount equal to interest thereon at the rate of Two Percent (2%) per annum from the date hereof to the date of the closing of the purchase (the “**Repurchase Price**”). If the Sale of the Property is for only a portion of the Property, the purchase price for the remainder of the Property shall be prorated based on the number of acres previously sold as compared to the total acreage of the Property as of the date hereof.

D. AS IS. The Property shall be conveyed AS IS and without any warranties, express or implied, save and except only warranties made in this Agreement.

E. SHARING IN SALES PROCEEDS.

(i) In the event that the Notice referred to in Section 1.A above is delivered to the Conservation Parties within the first ten (10) years following the date of the closing of the Conservation Parties' original sale of the Property to the University, and the Conservation Parties decline their right to repurchase the Property, as provided in this Agreement, and the University sells the Property, then the proceeds from the University's sale shall be allocated and distributed as follows:

- (1) First, to the University's costs of closing the sale, including closing costs, attorneys fees and commissions;
- (2) Second, to the University up to the amount of the Repurchase Price;
- (3) Third, the balance, if any, to the Conservation Parties.

(ii) In the event that the Notice referred to in Section 1.A above is delivered to the Conservation Parties after the elapse of the first ten (10) years following the date of the closing of the Conservation Parties' original sale of the Property to the University, the following provisions shall apply:

(a) If the Conservation Parties, or either of them, exercise their right to repurchase the Property, as provided in this Agreement, and the Purchasing Party resells the Property within five (5) years after the Repurchase Closing, as defined below, then the proceeds from the resale shall be allocated and distributed as follows:

- (1) First, to the Purchasing Party's costs of closing the resale, including closing costs, attorneys fees and commissions;
- (2) Second, to the Purchasing Party up to the amount of the Repurchase Price plus The Nature Conservancy's initial investment made in acquiring the Property (\$1,110,000) that subsequently allowed for the University's initial purchase at substantially below fair market value;
- (3) Third, the balance to be divided equally by thirds to the University and the Conservation Parties.

(b) If the Conservation Parties decline to exercise their right to repurchase the Property, as provided in this Agreement, and the University sells the Property, then the proceeds from the University's sale shall be allocated and distributed as follows:

- (1) First, to the University's costs of closing the sale, including closing costs, attorneys fees and commissions;
- (2) Second, to the University up to the amount of the Repurchase Price;
- (3) Third, to The Nature Conservancy up to the amount of their initial investment made in acquiring the Property (\$1,110,000);
- (4) Fourth, the balance divided equally by thirds to the University and the Conservation Parties.

2. WAIVER. If neither of the Conservation Parties exercise the Purchase Right described in Section 1. A-D above, within sixty (60) days after receipt of the notice described in Section 1.A. above, the Purchase Right described in this Agreement with respect to that portion of the Property referenced in the notice described in Section 1.A. shall automatically and, without further action by any party, terminate and the University shall be free to sell or otherwise convey such portion of the Property and this Agreement shall have no further effect upon completion of such sale or conveyance with regard to the portion of the Property or interest therein so conveyed, except as provided in Section E above. Upon request, the Conservation Parties shall execute a quit claim deed or other document evidencing the termination of this Agreement with regard to the portion of the Property or interest therein so conveyed, and deliver it to the escrow agent handling the closing, to be released to the University simultaneously upon the closing of the sale. Notwithstanding the foregoing, if the University does not actually sell or convey such portion of the Property within one (1) year after the date of the notice described in Section 1A above then the Purchase Right described in this Agreement shall be reinstated and this Agreement shall be in full force and effect with respect to any future Sale of such portion of the Property. If only part of the Property or a partial interest in the Property is sold or conveyed, this Agreement shall remain in full force and effect with respect to the portion of the Property or interest in the Property not sold or conveyed.

3. MORTGAGES. The University may mortgage or otherwise encumber the Property as security for any debt of obligation of the University without triggering the Conservation Parties' rights under this Agreement, provided that such mortgage or encumbrance shall be subject and subordinate to the Conservation Parties' rights hereunder and shall specifically recognize and acknowledge such rights in a manner reasonably acceptable to the Conservation Parties.

4. CLOSING DATE. Closing on any exercise of the Purchase Right will be within one hundred twenty (120) days after the date the Purchasing Party gives notice of its intent to purchase as provided in Section 1.B. above or as soon thereafter as the conditions for closing set out in this agreement have been met (the "**Repurchase Closing**"). Closing may be held in escrow through an agent designated by the Purchasing Party or as otherwise agreed to by the parties.

5. EVIDENCE OF TITLE. Upon exercise of the Purchase Right, the Purchasing Party will obtain a preliminary title insurance commitment covering the portion of the Property subject to the Sale from a title insurance company (the "**Title Company**") selected by the Purchasing Party. At closing, the Title Company shall issue to the Purchasing Party an ALTA Owner's Policy of Title Insurance in the amount of the Purchase Price, insuring fee simple title to the Property being conveyed, subject only to the Purchasing Party Permitted Encumbrances, as defined in Section 6 below (the "**Title Policy**"). The cost of the title insurance commitment and the final policy to be issued at closing shall be the responsibility of the University.

6. TITLE. At closing, the University will convey good, insurable and marketable title to the Property. "Good, insurable and marketable title" for purposes of this Agreement shall mean the condition of the title to the Property at the time of the University's acquisition of the Property, subject to the "Permitted Encumbrances" as defined in the Purchase and Sale Agreement executed by the parties on or about \_\_\_\_\_, 2018 together with any encumbrances placed or allowed to be placed on the Property by the University which the Purchasing Party elects to accept (together, the "**Purchasing Party Permitted Encumbrances**").

7. TITLE DEFECTS. If for any reason the University cannot deliver title at closing as required by Sections 5 and 6 above (i.e. subject only to the Purchasing Party Permitted Encumbrances), the Purchasing Party may elect to: a) accept the Property with title as it exists or b) require the University to diligently pursue all reasonable efforts to correct the problem, including bringing any necessary quiet

title actions or other lawsuits. If an objection to title is based upon outstanding oil, gas or mineral leases, interests or reservations created during the University's ownership of the Property the Purchasing Party may alternatively require the University to obtain such surface waiver or non-drilling agreements from the owner(s) of the outstanding interests as the Purchasing Party deems necessary. Without limitation, the Property shall not be considered to be in compliance with this Agreement's title requirements unless all structures and improvements, including any driveways and accessory structures placed on the Property during the University's ownership of the Property, if any, are located within the lot lines of the Property and do not encroach upon or under any property not within such lot lines

8. DOCUMENTS FOR CLOSING. The University shall execute and deliver at closing a Special Warranty Deed warranting title to the Property consistent with the provisions of Sections 5, 6 and 7 above; evidence reasonably satisfactory to the Purchasing Party and the Title Company of the University's authority to sell the Property; a FIRPTA Affidavit (as defined in the University's Representations and Warranties Section below); and, any other documents reasonably necessary to close in accordance with the terms of this Agreement. These documents will be prepared at the University's expense.

The proposed deed and other documents to be prepared by the University for closing must be submitted to the Purchasing Party at least 30 days before closing. Any documents to be prepared by the Purchasing Party shall be provided to the University at least 30 days before closing.

9. PROPERTY TAXES. To the extent any of the following exist, any delinquent real property taxes, all real property taxes which are due in the year of closing and all levied assessments and any recoupment of taxes due because of assessment of the property as agricultural land are the University's responsibility and should be satisfied of record by the University at or before closing, if possible. Any real estate taxes assessed against the property in the year of closing, but which are not yet due and payable, will be prorated to the date of closing based upon the most recent available tax statements.

10. MISCELLANEOUS CLOSING EXPENSES. The Purchasing Party will pay any escrow or closing fees and recording fees.

11. POSSESSION. The University will deliver possession of the Property to the Purchasing Party at closing subject only to: (a) any leases or reserved rights which have been granted by the University for land uses and/or activities which are allowed by the terms of the Grassland Reserve Program Conservation Easements which are of record on the Property; and, (b) rights created prior to the University's acquisition of the Property and subject to which the University took title to the Property.

12. CONDITION OF PROPERTY/RISK OF LOSS. After the University's receipt of the Repurchase Notice, the University shall not transfer or encumber any interest in the Property prior to the closing of such purchase. The University shall make reasonable efforts to remove from the Property prior to closing all rubbish or trash placed on the Property by the University during the University's ownership of the Property, and to remove any hazardous or toxic chemical substances or materials which the University has caused to be stored on the Property. The University shall otherwise keep the Property in the condition in which it existed at the time of the University's receipt of the Repurchase Notice until closing.

In the event of any adverse change in the condition of the Property occurring between the University's receipt of the Repurchase Notice and the closing of the Purchasing Party's purchase which change is caused by the actions of the University, the Purchasing Party may elect to: a) accept the Property as is, or b) require restoration of the Property to its condition at the time of the University's receipt of the Repurchase Notice.



The above provisions notwithstanding, the parties acknowledge that activities may occur on the Property during the University's ownership of the Property prior to or after the University's receipt of the Repurchase Notice over which the University does not and cannot exercise control. By way of example and not limitation, these might include activities pursuant to rights which were created prior to the University's acquisition of the Property and subject to which the University took title to the Property and actions of the public. The parties agree that the University shall not be responsible for such activities or any remediation or restoration which may be required as a result of such activities.

13. RIGHT OF ENTRY AND INSPECTION. The Purchasing Party and its agents shall have the right to enter upon the Property at reasonable times for surveying, conducting an environmental inspection and assessment to detect hazardous or toxic substances, conducting an inspection of the buildings on the Property to determine the condition and performance of the buildings' condition, structure and systems, and other reasonable purposes related to this transaction.

14. THE UNIVERSITY'S REPRESENTATIONS AND WARRANTIES. the University currently warrants and represents to the Purchasing Party and will warrant and represent to the Purchasing Party at the time of closing, the following matters; and , subject to the limitations imposed by law, including but not limited to Idaho Code 6-901 through 6-929, known as the Idaho Tort Claims Act, the University agrees to indemnify, defend and hold the Purchasing Party harmless from any loss or liability resulting from these matters, with the intent that these representations, warranties and indemnities shall survive closing for a period of one year following closing:

a. Hazardous Substances. To the best of the University's knowledge:

(i) Other than as specifically disclosed to Purchasing Party by the University, there has been no production, use, treatment, storage, transportation, or disposal of any Hazardous Substance (as defined below) on the Property during the University's ownership of the Property by the University or an agent of the University except in compliance with applicable laws and regulations;

(ii) Other than as specifically disclosed to Purchasing Party by the University, there has been no release by the University or an agent of the University of any Hazardous Substance, pollutant or contaminant into, upon, or over the Property or into or upon ground or surface water at the Property or within the immediate vicinity of the Property during the University's ownership of the Property save and except a release made or remediated in compliance with applicable laws and regulations;

(iii) Other than as specifically disclosed to Purchasing Party by the University, the Property is not subject to any "superfund" or similar lien or any claim by any government regulatory agency or third party related to the release or threatened release of any Hazardous Substance.

The term "**Hazardous Substance(s)**" means any substance that is defined as a hazardous substance, hazardous material, hazardous waste, petroleum product, pollutant or contaminant under any environmental law, including but not limited to the Comprehensive Environmental Response, Compensation and Liability Act of 1980, as amended, 42 U.S.C. § 9601 et. seq., the Resource Conservation and Recovery Act, as amended, 42 U.S.C. § 6901 et. seq., the Clean Water Act, 42 U.S.C. § 1251 et seq., the Clean Air Act, 42 U.S.C., Section 7401 et seq., the Toxic Substances Control Act, 15 U.S.C. § 2601 et seq., the Safe Drinking Water Act, 42 U.S.C. § 300(f) et seq., and any and all regulations promulgated thereunder, or any similar federal, state or local laws, ordinances or regulations adopted under these acts.

b. Tanks/Wells. Other than as specifically disclosed to Purchasing Party by the University, the University has not placed or caused to be placed any underground or aboveground storage tanks, septic tanks or wells located on or under the Property, or if there have been any such tanks or wells located on the Property their location has been identified to the Purchasing Party in writing, they have been properly registered with all appropriate authorities, they are in full compliance with all applicable statutes, ordinances and regulations, and they have not resulted in the release of any Hazardous Substance into the environment, save and except releases made or remediated in compliance with applicable laws and regulations.

c. Non-foreign Status. To inform the Purchasing Party that withholding of tax is not required under § 1445(b)(2) of the Internal Revenue Code and regulations thereunder and under penalties of perjury, the University hereby certifies that the the University is not a non-resident alien or a foreign corporation, foreign partnership, foreign trust or foreign estate as those terms are defined for purposes of federal income tax law. At closing, the University agrees to deliver to the Purchasing Party an affidavit certifying the University's non-foreign status, together with the University's social security number/federal taxpayer identification number (**FIRPTA Affidavit**). The University consents to the delivery of such affidavit to the Purchasing Party and understands that this certification may be disclosed to the Internal Revenue Service and that any false statement made could be punished by fines, imprisonment or both.

d. Government Farm Programs. Other than as specifically disclosed to Purchasing Party by the University, the Property is not enrolled in the Direct and Countercyclical Payment Program, the Conservation Reserve Program, the Wetland Reserve Program or any other program of the United States Department of Agriculture except the Conservation Easements granted to the NRCS. The Property is not subject to any government cost-share contracts or other agreements that restrict either the use of the Property or the modification of any improvements.

Survival. The provisions of this Section 14 shall survive the Closing for a period of one year after closing.

15. NATURAL, SCENIC AND OPEN SPACE VALUES. The Parties agree that the natural, scenic, conservation, wildlife habitat, and open space values referenced herein are the conservation values protected by the Conservation Easements. The University and its permitted successors and assigns will continue to engage in agricultural and related uses of the Property, will further use the Property to establish a sustainable rangeland research and education facility in the heart of Idaho where ranching, conservation, and recreation interests intersect. and may also engage in any other land uses not prohibited by the terms of the Conservation Easements. The rangeland research and education facility will focus on innovative, interdisciplinary and collaborative approaches to address important challenges impacting ranching and conservation on western rangelands, should continue to provide opportunities for managed public access and recreation on portions of the Property and should serve as a podium for education on conserving and enhancing fish and wildlife habitat and livestock management on Idaho rangelands. The above provisions notwithstanding, the parties acknowledge that activities may occur on the Property during the University's ownership of the Property over which the University does not and cannot exercise control. By way of example and not limitation, these might include activities pursuant to rights which were created prior to the University's acquisition of the Property and subject to which the University took title to the Property and actions of the public. The parties agree that such activities and actions shall not create any liability or obligations for the University under the terms of this Agreement.

16. REMEDIES. The Conservation Parties have the right to enforce the provisions of this agreement through an action for specific performance, injunctive relief, damages, contribution or any other available proceedings in law or equity. The election of any one remedy available under this agreement shall not constitute a waiver of other available remedies.

17. REPRESENTATION BY COUNSEL. the University acknowledges that the Conservation Parties have advised the University to have the University's attorney review this Agreement and all attached exhibits, and that the Conservation Parties are not acting on behalf of or advising the University in this transaction.

18. ATTORNEYS FEES. If any party hereto commences any action against any other party arising out of or in connection with this Agreement or institutes any proceeding in a bankruptcy or similar court which has jurisdiction over the other party or any or all of its property or assets, the prevailing party shall be entitled to have and recover from the losing party reasonable attorneys' fees and court costs. The fees recoverable, as provided above, shall include fees incurred on appeal and any other post-judgment proceeding.

19. EXHIBITS. The following exhibits are attached to and incorporated into this Agreement by this reference: Exhibit A – Legal Description, Exhibit B - Memorandum of Repurchase Agreement. Any recital or preliminary statement in this Agreement is an integral part of and is incorporated by reference into this Agreement.

20. NOTICE. Any notice, consent or approval required or permitted to be given under this Agreement shall be in writing and shall be deemed to have been given upon (i) hand delivery, (ii) one (1) business day after being deposited with Federal Express or another reliable overnight courier service, with receipt acknowledgment requested, (iii) upon receipt if transmitted by facsimile telecopy, with a copy sent on the same day by one of the other permitted methods of delivery, or (iii) upon receipt or refused delivery deposited in the United States mail, registered or certified mail, postage prepaid, return receipt required, and addressed as follows:

University of Idaho  
Brian Foisy, Vice President, Finance & Administration  
875 Perimeter Dr MS3168  
Moscow, ID 83844-3168

The Nature Conservancy  
Hailey Office  
116 1st Ave. North  
Hailey, ID 83333

And  
The Nature Conservancy  
559 East South Temple  
Salt Lake City, UT 84102  
attn: Legal Department

Wood River Land Trust  
119 East Bullion Street  
Hailey, ID 83333

or to such other addresses as the parties may designate in writing.

21. BINDING EFFECT. This agreement becomes effective when signed by the parties and shall then apply to and bind the parties and their heirs, executors, administrators, successors, and assigns.

22. COMPLETE AGREEMENT. This instrument constitutes the sole and complete agreement between the parties and cannot be changed except by written amendment. No representation or promise not included in this instrument or any written amendment shall be binding upon the parties.

23. MEMORANDUM OF REPURCHASE AGREEMENT. The parties shall execute and cause to be recorded with the Office of Recorder of Blaine County, Idaho the Memorandum of Repurchase Agreement which is attached hereto as *Exhibit B*.

24. ASSIGNMENT. This Agreement may not be assigned by the Conservations Parties without the prior written consent of the University, which consent shall not be unreasonably withheld.

25. CONDEMNATION: In the event that the Property, or any portion thereof, is taken by means of condemnation, then the owner of the Property at the time of the condemnation shall provide the other parties hereto with written notice of the proposed condemnation and the owner of the Property shall be entitled to the compensation and any related fees paid by the condemning authority (the "Proceeds"), provided:

A. The distribution of the Proceeds shall recognize the rights of the U.S. Natural Resources Conservation Service under the terms of the Conservation Easements;

B. Subject to such rights as may exist under the Conservation Easements:

(i) If the University is the owner of the Property being condemned, then the Proceeds shall be distributed pro rata to the parties in accordance with their interests as defined in Section 1, E (i) above; and,

(ii) If the Conservation Parties, or either of them is the owner of the Property being condemned and acquired ownership of the Property from the University within the immediately preceding five (5) years, then the Proceeds shall be distributed pro rata to the parties in accordance with their interests as defined in Section 1, E (ii)(a) above.

IN WITNESS WHEREOF, the parties have hereunto set their hands as of the day and year first above written

**Board of Regents of the University of Idaho**

Dated: \_\_\_\_\_, 2018

By: \_\_\_\_\_  
Brian Foisy,  
Vice President of Finance and Administration

**Wood River Land Trust**

Dated: \_\_\_\_\_, 2018

By: \_\_\_\_\_  
Scott Boettger, Executive Director

**The Nature Conservancy**

Dated: \_\_\_\_\_, 2018

By: \_\_\_\_\_  
Toni Hardesty, State Director

**Exhibit B-2**

**Memorandum of Repurchase Agreement**

*Must be attached prior to closing*

**Exhibit C**

**Special Warranty Deed**

*Must be attached prior to closing*

RECORDING REQUESTED BY AND  
WHEN RECORDED MAIL TO:

The Regents of the University of Idaho

Attn: \_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

Please reserve space above for Recorder's use only.

### SPECIAL WARRANTY DEED

FOR VALUE RECEIVED, WOOD RIVER LAND TRUST COMPANY, an Idaho nonprofit corporation, also known as the WOOD RIVER LAND TRUST, with an address of 119 East Bullion Street, Hailey, ID 83333, as to an undivided FIFTY PERCENT (50%) TENANCY IN COMMON INTEREST and THE NATURE CONSERVANCY, a District of Columbia nonprofit corporation, with an address of 4245 North Fairfax Drive, Arlington, VA 22203, as to an undivided FIFTY PERCENT (50%) TENANCY IN COMMON INTEREST, (collectively "**Grantor**"), does hereby grant, bargain, sell and convey to BOARD OF REGENTS OF THE UNIVERSITY OF IDAHO a public corporation, educational institution, and a body politic and corporate organized and existing under the Constitution and laws of the state of Idaho, with an address of \_\_\_\_\_, ("**Grantee**"), that certain real property located in Blaine County, Idaho, and more particularly described on Exhibit A attached hereto and incorporated herein by reference (the "**Property**") RESERVING THEREFROM the right to reacquire the Property under the terms and conditions set forth in that certain Repurchase Agreement of even date herewith between Grantor and Grantee. A Memorandum of Repurchase Agreement has been executed by the parties and is being recorded with the Office of Recorder of Blaine County, Idaho of even date herewith.

TO HAVE AND TO HOLD the Property, with all appurtenances unto the Grantee and Grantee's successors and assigns forever all minerals and mineral rights, timber and timber rights, and other surface and subsurface rights, permits, hereditaments, easements, incidents and appurtenances belonging thereto. The appurtenances to which Grantor makes no covenant and DISCLAIMS ALL WARRANTIES OF TITLE are listed on the attached EXHIBIT B;

SUBJECT ONLY TO taxes for the year 2018, and thereafter (a lien not yet due and payable), and those easements of record, mineral rights, rights reserved in federal patents, state or railroad deeds, building or use restrictions, building and zoning regulations and ordinances of any governmental unit, and other encumbrances shown in Schedule B of that certain Commitment for Title Insurance issued by Stewart Title Guaranty Company effective \_\_\_\_\_, 2018 (File No. \_\_\_\_\_), as supplemented prior to or at the closing of this transaction.

Grantor covenants and warrants to the Grantee that Grantor is the owner in fee simple of the Property and has a good and lawful right and power to sell and convey the same, that the same is free and clear of all encumbrances, except as stated above, and the Grantor will forever warrant and defend the title thereto and quiet possession and enjoyment thereof against the lawful claims and demands of all persons claiming by, through or under Grantor.



IN WITNESS WHEREOF, the Grantor has executed this instrument on this \_\_\_\_ day of \_\_\_\_\_, 20\_\_.

GRANTOR:

WOOD RIVER LAND TRUST COMPANY

By: \_\_\_\_\_  
(sign above line)

\_\_\_\_\_  
(print name and title above line)

STATE OF IDAHO                    )  
  )       ss.  
County of Blaine                 )

On this \_\_\_\_ day of \_\_\_\_\_, 20\_\_, before me, a Notary Public in and for said State, personally appeared \_\_\_\_\_, known or identified to me to be the \_\_\_\_\_ of WOOD RIVER LAND TRUST COMPANY, an Idaho nonprofit corporation, whose name is subscribed to the within instrument, and acknowledged to me that he/she executed the same in the name of and on behalf of said corporation.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my official seal the day and year in this certificate first above written.

\_\_\_\_\_  
Notary Public for Idaho  
Residing: \_\_\_\_\_  
Commission Expires: \_\_\_\_\_

GRANTOR:

THE NATURE CONSERVANCY

By: \_\_\_\_\_  
(sign above line)

\_\_\_\_\_  
(print name and title above line)

STATE OF IDAHO                    )  
  )       ss.  
County of Blaine                 )

On this \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_, before me, a Notary Public in and for said State, personally appeared \_\_\_\_\_, known or identified to me to be the \_\_\_\_\_ of THE NATURE CONSERVANCY, a District of Columbia nonprofit corporation, whose name is subscribed to the within instrument, and acknowledged to me that he/she executed the same in the name of and on behalf of said corporation.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my official seal the day and year in this certificate first above written.

\_\_\_\_\_  
Notary Public for Idaho  
Residing: \_\_\_\_\_  
Commission Expires: \_\_\_\_\_

EXHIBIT A to SPECIAL WARRANTY DEED

PARCEL I

Subparcel A

TOWNSHIP 1 NORTH, RANGE 17 EAST, BOISE MERIDIAN, BLAINE COUNTY, IDAHO.

Section 14: SW1/4NE1/4, NW1/4SE1/4, SW1/4NW1/4, W1/2SW1/4, E1/2SE1/4

Section 15: E1/2E1/2

Section 22: NE1/4NE1/4

Section 23: SE1/4SE1/4, SW1/4SE1/4, W1/2, SW1/4NE1/4, NW1/4SE1/4

Section 24: N1/2SW1/4, SW1/4SW1/4, SE1/4SW1/4, SW1/4SE1/4

Section 25: W1/2, W1/2E1/2, E1/2SE1/4

Section 26: E1/2NE1/4, W1/2NE1/4, SE1/4, W1/2

Section 27: E1/2SE1/4, E1/2NW1/4, NE1/4

Section 34: S1/2NE1/4, NE1/4NE1/4

Section 35: NW1/4, NW1/4NE1/4

TOWNSHIP 1 NORTH, RANGE 18 EAST, BOISE MERIDIAN, BLAINE COUNTY, IDAHO.

Section 30: Lots 2, 3, 4, SE1/4NW1/4, E1/2SW1/4

Subparcel B

TOWNSHIP 1 NORTH, RANGE 17 EAST, BOISE MERIDIAN, BLAINE COUNTY, IDAHO.

Section 13: NW1/4, N1/2NE1/4

Subparcel C

TOWNSHIP 1 NORTH, RANGE 17 EAST, BOISE MERIDIAN, BLAINE COUNTY, IDAHO.

Section 1: Lot 1, S1/2NE1/4, SE1/4, S1/2SW1/4

Section 2: SE1/4

Section 11: NE1/4, NE1/4SE1/4

Section 12: N1/2, N1/2SW1/4, SE1/4SW1/4, SW1/4SE1/4

TOWNSHIP 1 NORTH, RANGE 18 EAST, BOISE MERIDIAN, BLAINE COUNTY, IDAHO.

Section 7: Lot 1, NE1/4NW1/4

Section 6: Lots 4, 5, 6 and 7, E1/2W1/2

TOWNSHIP 2 NORTH, RANGE 18 EAST, BOISE MERIDIAN, BLAINE COUNTY, IDAHO.

Section 31: Lots 3 and 4, E1/2SW1/4

Subparcel D

TOWNSHIP 1 NORTH, RANGE 17 EAST, BOISE MERIDIAN, BLAINE COUNTY, IDAHO.

Section 13: S1/2NE1/4, N1/2SE1/4

Section 14: NW1/4NE1/4, SW1/4SE1/4, E1/2W1/2

Section 15: SW1/4NE1/4, SW1/4, W1/2SE1/4

Section 21: Lot 1, NE1/4NW1/4, N1/2NE1/4, S1/2N1/2, S1/2

Section 22: Lots 1, 2, 3, NW1/4NW1/4, NW1/4NE1/4, S1/2NE1/4, S1/2

Section 23: N1/2NE1/4, SE1/4NE1/4, NE1/4SE1/4

TOWNSHIP 1 NORTH, RANGE 18 EAST, BOISE MERIDIAN, BLAINE COUNTY, IDAHO.  
Section 18: Lot 2

TOWNSHIP 1 NORTH 17 EAST, BOISE MERIDIAN, BLAINE COUNTY, IDAHO  
Section 22: Guy Lode Patented Mining Claim - Lot No. 37 - Surface Rights Only

### PARCEL II

A parcel of land located within Section 13, Township 1 South, Range 17 East, Boise Meridian, Blaine County, Idaho and also within Section 18, Township 1 South, Range 18 East, Boise Meridian, Blaine County, Idaho, more particularly described as follows:

Commencing at a brass cap marking the one-quarter corner common to said Section 13 and 18, which point is the REAL POINT OF BEGINNING; thence North 89°39'14" East, 2,488.38 feet along the North boundary of the SW1/4, said Section 18, Township 1 South, Range 18 East, Boise Meridian, to a one-inch diameter iron pipe marking the center one-quarter corner, said Section 18; thence North 89°39'15" East, 1,328.71 feet along the North boundary of the SE1/4, said Section 18, Township 1 South, Range 18 East, Boise Meridian to a one-inch diameter iron pipe marking the center - east one-sixteenth corner of said Section 18; thence South 0°24'42" East, 1,977.57 feet along the east boundary of the W1/2SE1/4, said Section 18 to a one inch diameter pipe on the northerly right-of-way of Idaho State Highway No. 20; thence The following five courses and distances along said northerly boundary of said Idaho State Highway No. 20;

South 55°08'47" West, 132.69 feet to a right-of-way monument; thence North 79°19'13" West, 2,329.75 feet to a right-of-way monument; thence North 79°18'53" West, 2,565.20 feet to a right-of-way monument; thence North 49°52'49" West, 284.19 feet to a right-of-way monument; thence North 79°18'23" West, 373.18 feet to the approximate centerline of Rock Creek on the easterly Boundary of Idaho State Fish and Game property; thence North 6°00'52" West, 828.13 feet along said easterly boundary of Idaho State Fish and Game property to the North boundary of said SE1/4, Section 13, Township 1 South, Range 17 East, Boise Meridian; thence North 88°28' 11" East, 1,759.18 feet along said north boundary of the SE1/4, Section 13 to the POINT OF BEGINNING.

Also known as Tax Lot 7912

### PARCEL III

A parcel of land located in Blaine County, Idaho, being a portion of following Sections: Sections 12 and 13 located in Township 1 South, Range 17 East, Boise Meridian; Section 5, Section 6 and Section 7 located in Township 1 South, Range 18 East, Boise Meridian; Section 31, Township 1 North, Range 18 East, Boise Meridian and all of Section 36, Township 1 North, Range 17 East, Boise Meridian, Blaine County, Idaho more particularly described as follows:

Beginning at the Northeast corner of said Section 13, Township 1 South, Range 17 East, Boise

Meridian, said point being the REAL POINT OF BEGINNING; thence  
 S. 00°30'48" E., 2,643.25 feet to the E1/4 corner of said Section 13; thence  
 S. 88°45'57" W., 2,630.50 feet to the C1/4 corner of said Section 13; thence  
 N. 00°17'58" W., 2,644.64 feet to the N1/4 corner of said Section 13; thence  
 N. 00°04'09" E., along the West boundary of the SE1/4 of said Section 12, Township 1 South,  
 Range 17 East, B.M. 3,196.40 feet to the centerline of existing Rock Creek Road; thence  
 Along said centerline the following 9 courses,  
 N. 73°05'12" W., 205.13; thence  
 N. 83°17'56" W., 280.65 feet; thence  
 N. 61°45'29" W., 301.08 feet; thence  
 N. 52°46'12" W., 565.03 feet; thence  
 N. 58°05'19" W., 314.68 feet; thence  
 N. 43°51'11" W., 121.77 feet; thence  
 N. 33°57'31" W., 239.71 feet to a point of curvature; thence  
 Along a curve to the Right, having a radius of 200.00 feet, a delta of 60°24'43" and an arc length  
 of 210.88 feet; thence  
 N. 26°27'13" E., 944.55 feet to the North boundary of the NW1/4 of said Section 12; thence  
 Leaving said centerline of existing Rock Creek Road  
 S. 87°49'45" W., 55.84 feet to the Northeast corner of the NW1/4NW1/4 of said Section 12;  
 thence  
 N. 00°32'03" W., 2,627.84 feet to the Northwest corner of the NE1/4SW1/4 of said Section 1,  
 Township 1 South, Range 17 East, B.M.; thence  
 N. 88°30'21"E., 1,311.87 feet to the C1/4 corner of said Section 1; thence  
 N. 00°51'47" W., 866.31 feet to the N1/4 corner of said Section 1; thence  
 N. 89°52'37" W., 598.82 feet to the Southwest corner of Section 36, Township 1 North, Range  
 17 East, B.M.; thence  
 N. 00°04'55" E., 2,629.84 feet to the W1/4 corner of said Section 36; thence  
 N. 01°08'07" E., 2,628.69 feet to the NW corner of said Section 36; thence  
 S. 89°45'37" E., 2,643.23 feet to the N1/4 corner of said Section 36; thence  
 N. 89°06'18" E., 2,667.38 feet to the NE corner of said Section 36; thence  
 S. 00°01'06" W., 2,642.15 feet to the E1/4 corner of said Section 36; thence  
 S. 01 °09'07" W., 2,659.02 feet to the SE corner of said Section 36; thence  
 S. 89°59' 57" W., 2,106.92 feet to the NW corner of said Section 6, Township 1 South, Range 18  
 East, B.M; thence  
 S. 01°18'36" E., 787.55 feet to the W1/4 corner of said Section 6; thence  
 S. 00°18'36" E., 1,320.26 feet to the SW corner of Government Lot 5 of said Section 6; thence  
 S. 89°46'53" E., 1,180.67 feet to the SE corner of Government Lot 5; thence  
 S. 00°52'05" W., 1,320.27 feet to the SE corner of Government Lot 6 of said Section 6; thence  
 N. 89°46'55" W., 1,153.53 feet to the SE corner of said Section 6; thence  
 S. 00°21 '00" E., 1,324.83 feet to the SW corner of Government Lot 1 of said Section 7,  
 Township 1 South, Range 18 East, B.M.; thence  
 S. 89°50'35" E., 1,155.60 feet to the Southeast corner of Government Lot 1; thence  
 N. 00°26'25" W., 1,323.62 feet to the Northwest corner of Government Lot 1; thence  
 S. 89°46'55" E., 1,343.15 feet to the N1/4 corner of said Section 7; thence  
 N. 00°23'09" E., 1,320.18 feet to the Northwest corner of the SW1/4SW1/4 of said Section 6,  
 Township 1 South, Range 18 East, B.M; thence  
 S. 89°47'38" E., 1,337.90 feet to the Northeast corner of the SW1/4SW1/4 of said Section 6;  
 Thence  
 N. 00°09'02" E., 1,319.86 feet to the Southwest corner of Government Lot 1 of said Section 6;  
 thence

N. 00°25'50" W., 797.81 feet to the Northwest corner of Government Lot 1; thence  
 S. 89°51'30" E., 896.14 feet to the S 1/4 corner of said Section 31, Township 1 North, Range 18 East, B.M.; thence  
 N. 00°32'51" E. along the West boundary of the SE1/4 of said Section 31, 586.58 feet to the centerline of existing Glendale Road; thence  
 Along said centerline the following 7 courses  
 N. 85°10'40" E., 452.22 feet to a point of curvature; thence  
 Along a curve to the Left having a radius of 300.00 feet, a delta of 58°51'10" and an arc length of 308.15 feet; thence  
 N. 26°08'18" E., 251.12 feet to a point of curvature; thence  
 Along a curve to the Right having a radius of 250.00 feet, a delta of 43°17'32" and an arc length of 188.90 feet; thence  
 N. 69°25'51" E., 135.09 feet; thence  
 N. 28°50'45" E., 297.99 feet; thence  
 N. 49°45'31" E., 155.85 feet to the Easterly boundary of the NW1/4SE1/4 of said Section 31; thence  
 Leaving said centerline of existing Glendale Road,  
 S. 00°29'32" W., 1,551.55 feet to the Southeast corner of the SW1/4SE1/4 of said Section 31; thence  
 S. 89°55'05" E., 431.72 feet to the Northeast corner of Government Lot 4 of said Section 5, Township 1 South, Range 18 East, B.M.; thence  
 S. 00°46'53" E., 797.23 feet to the SE corner of said Government Lot 4; thence  
 S. 00°12'05" E., 2,646.00 feet to the Southeast corner of the SW1/4SW1/4 of said Section 5; thence  
 N. 89°45'01" W., 1,327.97 feet to the Southwest corner of Lot 5; thence  
 S. 00°17'07" E., 1,319.89 feet to the Southeast corner of the NE1/4NE1/4 of said Section 7; Township 1 South, Range 18 East, B.M.; thence  
 N. 89°51'19" W., 1,341.55 feet to the Southwest corner of the NE1/4N1/4 of said Section 7; thence  
 S. 00°21'43" E., 1,321.04 feet to the Southeast corner of the SW1/4NE1/4 of said Section 7; thence  
 N 89°54'14" W., 3,840.47 feet to the W1/4 corner of said Section 7; thence  
 S. 00°14'50" E., 2,655.25 feet to the REAL POINT OF BEGINNING.

Also known as Tax Lot 7508

AND

A parcel of land located in Blaine County, Idaho being a portion of the following Sections:  
 Sections 1 and 2 Township 1 South, Range 17 East, Boise Meridian and Section 35, Township 1 North, Range 17 East, Boise Meridian, more particularly described as follows:

Beginning at the N1/4 corner of said Section 1; said point being the REAL POINT OF BEGINNING; thence  
 S. 00°51'47" E., 866.31 feet to the C1/4 of said Section 1; thence  
 S. 88°30'21" W., 1,311.87 feet to the Southwest corner of Government Lot 3 of said Section 1; thence  
 S. 00°32'03" E., 1,313.92 feet to the Southeast corner of the NW1/4SW1/4 of said Section 1; thence  
 S. 88°09'56" W., 1,319.52 feet to the Southwest corner of the NW1/4SW1/4 of said Section 1;

thence

S. 88°34'27" W., 2,642.47 feet to the Southwest corner of the NW1/4SE1/4 of said Section 2;

thence

N. 00°31'49" W., 1,321.99 feet to the C1/4 of said Section 2; thence

N. 88°34'44" E., 1,324.94 feet to the Southwest corner of Government Lot 1 of said Section 2;

thence

N. 00°32'45" W., 976.12 feet to the Northwest corner of Government Lot 1; thence

N. 89°55'28" W., 630.67 feet to the Southwest corner of the SE1/4SW1/4 of said Section 35;

thence

N. 00°46'53" E., 2,622.80 feet to the Northwest corner of the NE1/4SW1/4 of said Section 35;

thence

S. 89°59'18" E., 1,323.52 feet to the C1/4 of said Section 35; thence

N. 00°44'41" E., 1,307.07 feet to the Northwest corner of the SW1/4NE1/4 of said Section 35;

thence

N. 89°51'23" E., 2,629.00 feet to the Northeast corner of the SE1/4NE1/4 of said Section 35;

thence

S. 01°08'07" W., 1,314.34 feet to the E1/4 corner of said Section 35; thence

S. 00°04'55" W., 2,629.84 feet to the SE corner of said Section 35; thence

S. 89°52'57" E., 598.82 feet to the REAL POINT OF BEGINNING.

Also known as Tax Lot 7509

AND

A parcel of land located in the NW1/4 of Section 12, Township 1 South, Range 17 East, Boise Meridian, Blaine County, Idaho, more particularly described as follows:

Beginning at the C1/4 corner of said Section 12; said point being the REAL POINT OF BEGINNING; thence

N. 00°04'09" E. along the East boundary of the NW1/4 of said Section 12, 544.57 feet to the Centerline of existing Rock Creek Road; thence

Along said centerline the following 9 courses;

N. 73°05'12" W., 205.13 feet; thence

N. 83°27'56" W., 280.65 feet; thence

N. 61°45'29" W., 301.08 feet; thence

N. 52°46'12" 565.03 feet; thence

N. 58°05'19" W., 314.68 feet; thence

N. 43°51'11" W., 121.77 feet; thence

N. 33°57'32" W., 239.71 feet to a point of curvature; thence

Along a curve to the Right having a radius of 200.00 feet, a delta of 60°24'43" and an arc length of 210.88 feet; thence

N. 26°27'13" E., 944.55 feet to the North boundary of the NW1/4 of said Section 12; thence

Leaving said centerline of existing Rock Creek Road,

S. 87°49'45" W., 1,383.05 feet to the Northwest corner of said Section 12; thence

S. 00°00'12" W., 2,627.95 feet to the W1/4 corner of said Section 12; thence

N. 88°42'42" E., 2,650.12 feet to the REAL POINT OF BEGINNING.

Also known as Tax Lot 7510

AND

A parcel of land located in the W1/2E1/2 of Section 31, Township 1 North, Range 18 East, Boise Meridian, Blaine County, Idaho, more particularly described as follows:

Beginning at the N1/4 of said Section 31, said point being the REAL POINT OF BEGINNING;  
thence

N. 89°57'52" E., 1,320.32 feet to the Northeast corner of the NW1/4NE1/4 of said Section 31;

thence

S. 00°34'09" W., 2,657.28 feet to the Southeast corner of the SW1/4NE1/4 of said Section 31;

thence

S. 00°29'32" W. along the East boundary of the NW1/4SE1/4 of Section 31, 1,108.63 feet to the existing centerline of Glendale Road; thence

Along the said centerline the following 7 courses,

S. 49°45'31" W., 155.64 feet; thence

S. 28°50'45" W., 297.99 feet; thence

S. 69°25'51" W., 135.09 feet to a point of curvature; thence

Along a curve to the Left having a radius of 250.00 feet, a delta of 43°17'32" and an arc length of 188.90 feet; thence

S. 26°08' 18" W., 251.12 feet to a point of curvature; thence

Along a curve to the Right having a radius of 300.00 feet, a delta of 58°51'10" and an arc length of 308.15 feet; thence

S. 85°10'40" W., 452.22 feet to the West boundary of the SE1/4 of said Section 31; thence

Leaving said existing centerline of Glendale Road,

N. 00°32'51" E., 2,074.11 feet to the C1/4 of said Section 31; thence

N. 00°35'25" E., 2,654.13 feet to the REAL POINT OF BEGINNING.

Also known as Tax Lot 7511



EXHIBIT B to SPECIAL WARRANTY DEED

US Department of Interior Grazing allotments:

ID 80214 Kent Canyon  
ID 80215 Poison Creek  
ID 80239 Scattered Tracts  
ID 80237 Little Rock Creek

Idaho Department of Lands Grazing lease:

No. G700036

Water Rights:

All of the following described water rights which have been decreed in In Re: The General Adjudication of Rights to the Use of Water From the Snake River Basin Water System, Twin Falls District Court Case No. 3956 (the "SRBA"):

37-12157  
37-22398  
37-22464  
37-627  
37-1150  
37-1151B  
37-1151D  
37-1152  
37-1212  
37-4192  
37-11303  
37-11305  
37-11306  
37-11308  
37-11309  
37-11310  
37-11311  
37-11312  
37-22264  
37-22465  
37-22501  
37-22502



**Exhibit D**

## Grants with on-going obligations for Seller

Grants with ongoing funds or monitoring/reporting requirements					
Granting Agency	Agreement Number/Name	Purpose	Implementation Timeline	Obligations that will survive transfer	Notes
Office of Species Conservation - Sage-Grouse funding	FY 2017, Rock Creek Ranch Sage-Grouse Mesic Meadow and Spring Restoration (Awarded 10/6/2016)	Repair springs and water resources in Hill Pasture; fencing	completed	Monitor for 3-5 years, photo points, weed mapping, vegetation surveys. Send reports on year 1(2017), 3(2019) and 5(2021)	
Office of Species Conservation - Sage-Grouse funding	FY 2018, Rock Creek Ranch Fence Collision Removal (Awarded 5/18/2018)	Wildlife friendly fencing along Betts Meadow	June 2019	Completion report on or before June 1, 2019, and send 2-year monitoring report (2020), 3 photo points	PROJECT IN PROGRESS. Invoice on or before funds. Set up 3 photo points and monitor before
US Fish & Wildlife Service	F16AC00664-01	Spring developments	completed	Must keep and maintain funded improvements until October 2026	WRLT is a sub-recipient to the Cooperative Agricultural Wildlife Service and Idaho Cattle Association - or pending changes in ownership (ownership agreement) must maintain the habitat restore

US Fish & Wildlife Service	F16AC00664-02	Betts Meadow ditch work	Spring/summer 2018	Must keep and maintain funded improvements until June 2028	PROJECT IN PROGRESS. Must notify USFW in ownership (ownership will not change the maintain the habitat restored under
Blaine County Land, Water & Wildlife Program	Instrument #647968; Rock Creek Ranch Restoration – Phase I (Awarded 10/12/2017)	Upper diversion, middle diversion, upper reconnect ion, weed control	12/31/2018	Monitoring reports due 12-31-2018, 12-31-2019, and final report due 12-31-2020	Per the Grant Agreement, the Mobilization/General 100%. All other expenses have had 30% with incrementally upon receipt of the 2018, 2019 \$4800 to spend on weed management. We will writing 15 days prior to change
Idaho Dept of Fish and Game	Access Yes Lease Agreement (dated 7/7/2016)	Habitat improvement projects	July 19	Must continue to allow Public Access through 2019 as part of this grant	PROJECT IN PROGRESS. Flow monitoring a Potential to use the rest as match for new NFW working on - for tributary restoration or ot
Idaho Heritage Trust	Rock Creek Ranch Barn (Awarded 11/8/2017)	Barn stabilization	11/1/2020	Submit in-progress and final work photos, work must comply with Secretary of the Interior's checklist	PROJECT IN PROGRESS

**Integra Realty Resources**  
**Boise**

**Appraisal of Real Property**

**Rock Creek Ranch**  
Vacant Land  
NNA Hwy. 20/26  
Bellevue, Blaine County, Idaho 83313

**Prepared For:**  
University of Idaho

**Effective Date of the Appraisal:**  
May 11, 2018

**Report Format:**  
Summary

**IRR - Boise**  
File Number: 163-2018-0065





May 30, 2018

University of Idaho  
Mr. Gerard Billington  
875 Perimeter Dr. MS 3162  
Moscow, ID 83844

SUBJECT:       Market Value Appraisal  
                  Rock Creek Ranch  
                  NNA Hwy. 20/26  
                  Bellevue, Blaine County, Idaho 83313  
                  IRR - Boise File No. 163-2018-0065

Dear Mr. Billington:

Integra Realty Resources – Boise is pleased to submit the accompanying appraisal of the referenced property. The purpose of the appraisal is to develop an opinion of the market value as is, as encumbered, of the fee simple interest in the property. The existing encumbrance relates to a GRP Easement on the property through the NRCS. The appraisal is intended to conform to the requirements of the Uniform Standards of Professional Appraisal Practice (USPAP). This letter is accompanied by a complete appraisal report describing the findings and results.

### **Brief Statement of Scope**

The appraisal is intended to conform with the Uniform Standards of Professional Appraisal Practice (USPAP), the Code of Professional Ethics and Standards of Professional Practice of the Appraisal Institute.

To report the assignment results, we use the Appraisal Report option of Standards Rule 2-2(a) of the 2018-2019 edition of USPAP. As USPAP gives appraisers the flexibility to vary the level of information in an Appraisal Report depending on the intended use and intended users of the appraisal, we adhere to the Integra Realty Resources internal standards for an Appraisal Report – Standard Format. This type of report has a moderate level of detail. It summarizes the information analyzed, the appraisal methods employed, and the reasoning that supports the analyses, opinions, and conclusions. It meets or exceeds the former

Mr. Gerard Billington  
May 30, 2018  
Page 2

Summary Appraisal Report requirements that were contained in the 2012-2013 edition of USPAP.

### **Synopsis of the Appraisal Problem**

The subject is a parcel of vacant land containing an area of 10,394.07 acres. The property is zoned RR-40, Rural Remote, which permits agricultural and rural residential use.

The scope of this assignment includes the valuation of the subject property under an easement encumbrance. It will reflect a scenario of maximizing the value considering all physical and legal aspects of the property.

### **Land Area Assumptions**

The subject's land area is derived from the information provided by the client based on a survey by Brian Yeager of Galena Engineering.

### **Value Conclusions**

Based on the valuation analysis in the accompanying report, and subject to the definitions, assumptions, and limiting conditions expressed in the report, our opinion of value is as follows:

Mr. Gerard Billington  
 May 30, 2018  
 Page 3

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**Value Conclusions**


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Appraisal Premise	Interest Appraised	Date of Value	Value Conclusion
Market Value After Encumbrance		May 11, 2018	\$11,435,000

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**Extraordinary Assumptions and Hypothetical Conditions**


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The value conclusions are subject to the following extraordinary assumptions that may affect the assignment results. An extraordinary assumption is uncertain information accepted as fact. If the assumption is found to be false as of the effective date of the appraisal, we reserve the right to modify our value conclusions.

1. I assume that the acreages provided by the client and as determined by survey are accurate.  
 The value conclusions are based on the following hypothetical conditions that may affect the assignment results. A hypothetical condition is a condition contrary to known fact on the effective date of the appraisal but is supposed for the purpose of analysis.
  1. The after value assumes that the GRP easement as described in this report is in place.
- 

Respectfully submitted,

**Integra Realty Resources - Boise**



Brad Janoush, MAI, SRA  
 Certified General Real Estate Appraiser  
 Idaho Certificate # CGA 19  
 Telephone: 208-342-2500  
 Email: bjanoush@irr.com



**BUSINESS AFFAIRS AND HUMAN RESOURCES**  
**OCTOBER 18, 2018**

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**LEWIS-CLARK STATE COLLEGE**

**SUBJECT**

Approval of final budget and construction phase of Lewis-Clark State College (LCSC) Career Technical Education (CTE) Center

**REFERENCE**

December 2016	The State Board of Education approved the addition of the Career Technical Education Center to Lewis-Clark State College's Six-Year Capital Plan.
June 2017	The State Board of Education approved the planning and design phase of the Career Technical Education Center
August 2018	The State Board of Education approved the Development Agreement which provides the infrastructure for Lewis-Clark State College's Career Technical Education Center.

**APPLICABLE STATUTE, RULE, OR POLICY**

Idaho State Board of Education Governing Policies & Procedures, Section V.K.3 b & c.

**ALIGNMENT WITH STRATEGIC PLAN**

The request aligns with the following State Board of Education Strategic Plans: Goal 1: A Well-Educated Citizenry. The corresponding Objective is: Objective D: Quality Education.

**BACKGROUND/DISCUSSION**

Lewis-Clark State College requests approval from the Board of its construction budget and requests authorization to begin construction of its Career Technical Education (CTE) Center.

Design development is complete for the new 80,967 square foot Career Technical Education Center (73,000 square feet of buildable space) that will be located on a new undeveloped site just east of campus a few miles adjacent to the new Lewiston High School and the City of Lewiston's Parks & Recreation site. Currently the City of Lewiston is managing the engineering and construction of the new roads and infrastructure to the entire development, while the new Lewiston High School is now under construction. Construction for LCSC's project is scheduled to begin early Spring of 2019 with occupancy in the late Spring of 2020, ready for classes to begin the Fall of 2020.

**BUSINESS AFFAIRS AND HUMAN RESOURCES**  
**OCTOBER 18, 2018**

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The building construction will be a combination of traditional steel framing for classrooms and offices, while programs such as auto mechanics will be located inside pre-engineered metal buildings. A central circulation spine will connect the different types of construction. Metal panels, concrete masonry veneer, and storefront glass systems will be used as cost effective and low maintenance building envelope materials.

During the design development phase, the cost estimate was over budget. Value engineering was completed with cost reductions in: the type of metal siding; less asphalt paving; less landscaping; fewer operable walls; and sealed concrete floor finish, to name a few items. None of the cost reduction items changed the programs, look of the building, nor site plan circulation. After this exercise LCSC decided that any further cost reductions would hinder the academic programs, thus the College added \$1,000,000 of local funds to the project, pending Board approval. The project allows LCSC to complete the CTE Center without incurring debt.

Integrus Architecture has completed the design development for the project. Currently Kenaston-Leone & Keeble's (CMGC) base construction estimate is \$15,671,709, which falls within the project construction budget of \$15,673,000. With the current estimate right at budget, add alternates will be formulated prior to bid.

**IMPACT**

The fiscal impact of this effort will be \$21,000,000 in total expenditures, broken out as follows:

***Overall Project***

<b><u>Funding</u></b>		<b><u>Estimated Budget</u></b>	
Permanent Building Fund	\$10,000,000	AE/Consultant Fees	1,692,000
Federal (Grant)	1,520,000	Construction	18,142,000
Gifted Funds	3,190,000	Construction Cont.	1,132,000
Institutional Funds	<u>6,290,000</u>	Project Cont.	<u>34,000</u>
Total	<u>\$21,000,000</u>	Total	<u>\$21,000,000</u>

**ATTACHMENTS**

Attachment 1 – Design Documents

**STAFF COMMENTS AND RECOMMENDATIONS**

The CTE Center is included in LCSC's six-year capital budget plan. The original project budget estimate provided in the six-year capital project plan and subsequent planning and design approval for the project was \$20,000,000.

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Following completion of the planning and design phase, the final budget for the project is \$21,000,000. The Permanent Building Fund appropriation for FY 2018 (S1194) included \$10,000,000 for this project under the condition that the pledged matching funds have been confirmed. LCSC sent a letter to the Division of Public Works on July 19, 2017 that confirmed the matching funds.

Staff recommends approval.

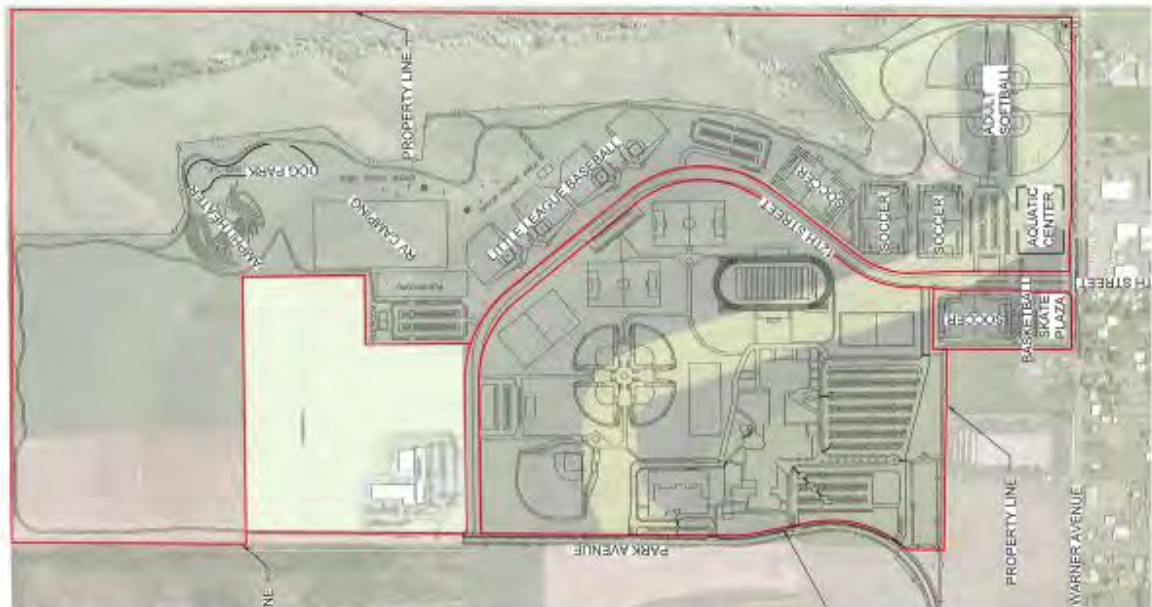
**BOARD ACTION**

I move to approve the request by Lewis-Clark State College to implement the bidding and construction phases of the capital project to design and construct a proposed Career Technical Education Center, as described in Attachment 1, and to authorize the Vice President for Finance and Administration to execute all necessary and requisite consulting contracts to bid, award, and complete the construction phase of the project for an amount not to exceed \$21,000,000.

Moved by \_\_\_\_\_ Seconded by \_\_\_\_\_ Carried Yes \_\_\_\_\_ No \_\_\_\_\_

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ATTACHMENT 1



**LCSC Career & Technical Education Center**

DPW Project No. 17154

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ARCHITECTURE



Site Plan

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ARCHITECTURE

LCSC Career & Technical Education Center

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**ATTACHMENT 1**



Floor Plan – Level 1

integrus

LCSC Career & Technical Education Center



Floor Plan – Level 2

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LCSC Career & Technical Education Center



Floor Plan – Level 3

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LCSC Career & Technical Education Center



Southwest Perspective

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Northeast Perspective

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Interior Perspective – Reception

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LCSC Career & Technical Education Center

