

MINUTES OF MEETING
UTAH STATE BOARD OF REGENTS
UTAH VALLEY STATE COLLEGE
OREM, UTAH
September 11-12, 1997

Board Members Present

Kenneth G. Anderton, Chair
Pamela J. Atkinson
Aileen H. Clyde, Vice Chair
Andrew Croshaw
Ian M. Cumming
David J. Grant
Larzette G. Hale
L. Brent Hoggan
Karen H. Huntsman (Friday only)
Charles E. Johnson
David J. Jordan
Evelyn B. Lee
Victor L. Lund (Friday only)
Dale O Zabriskie

Board Members Excused

Paul S. Rogers
Jay B. Taggart

Office of the Commissioner

Cecelia H. Foxley, Commissioner
Don A. Carpenter, Associate Commissioner for Planning and Facilities
Fred R. Hunsaker, Associate Commissioner for Finance and Facilities
Chalmers Gail Norris, Associate Commissioner for Student Financial Aid
Michael A. Petersen, Associate Commissioner for Academic Affairs
Philip V. Bernal, Assistant Commissioner for Student and Minority Affairs
Joyce Cottrell CPS, Executive Secretary
Patricia S. Crane, Assistant Commissioner for Government/Media Relations
Lou Jean Flint, Academic Affairs Officer
Jerry H. Fullmer, Director of Information Technology
Max Lowe, Assistant Community for Applied Technology Education
Whitney J. Pugh, Budget Analyst
Phyllis C. Safman, Assistant Commissioner for Academic Affairs
Norman C. Tarbox, Assistant Commissioner for Finance and Facilities
Courtney White, Research Analyst

INSTITUTIONAL REPRESENTATIVES

University of Utah

Jerilyn S. McIntyre, Interim President
Paul T. Brinkman, Director of Planning and Political Studies
Raymond A. Haeckel, Executive Director, Government & Community Relations
W. Ralph Hardy, Director of Budgets
Thomas F. Nycum, Vice President for Administrative Services
David W. Pershing, Acting Vice President for Academic Affairs
V. Randall Turpin, Assistant Vice President for Administrative Services
Michael Harker, UIA Governor
Damond Watkins, Student Body President

Utah State University

George H. Emert, President

G. Jay Gogue, Provost
C. Blythe Ahlstrom, Assistant Provost
Richard W. Jacobs, Budget Director
Lynn E. Janes, Interim Vice President for Administrative Affairs
Wendell Morse, Director of Campus Planning
Patricia S. Terrell, Vice President for Student Services
Shelly Anderson, Student Body President

Weber State University

Paul H. Thompson, President
David Eisler, Provost
Carol J. Berrey, Executive Director of Government and Public Affairs
Carol V. Gaskill, Director, Budget and Institutional Research
Craig S. Hall, Associate Vice President for Physical Facilities
Marie L. Kotter, Vice President for Student Services
F. Ann Millner, Vice President for University Advancement and Continuing Education
Allen F. Simkins, Vice President for Administrative Services
Aaron B. Campbell, Student Body President

Southern Utah University

Steven D. Bennion, President
Terry Alger, Provost
Sterling R. Church, Vice President for Student Services
Michael D. Richards, Vice President for University Affairs
Gregory L. Stauffer, Vice President for Financial Affairs
Russell A. Kennedy, UCSP Lobbyist

Snow College

Gerald J. Day, President
Rick Wheeler, Vice President for Student Affairs
Richard L. White, Vice President for Instruction
Kristina Kurocik, Student Body President

Dixie College

Robert C. Huddleston, President
Max Rose, Academic Vice President

College of Eastern Utah

Grace S. Jones, President
Raelene Allred, Vice President for Finance
Karen Bliss, Dean of Institutional Advancement
Gail Glover, Dean of Administrative Services, San Juan Center
Brent Haddock, Academic Vice President
Don C. Larson, Dean of Instruction, San Juan Center
Grady A. McEvoy, Instructor of Theatre

Utah Valley State College

Kerry D. Romesburg, President
Gaya W. Carlton, Faculty Senate President
Dick L. Chappell, Vice President for Administration and Institutional Advancement

Gilbert Cook, Vice President for College Relations and Campus Support
Linda Makin, Director of Budgets
Marlon O. Snow, Trustee
Lucille Stoddard, Vice President for Academic Affairs
Ryan Thomas, Vice President for Student Services and Campus Computing
J. Karl Worthington, Associate Vice President for Academic Affairs
Douglas E. Warner, Executive Director, Budgets and Management Studies
J. Steven Beck, Student Body President

Salt Lake Community College

Frank W. Budd, President
Marjorie Carson, Vice President of Academic Services
Richard M. Rhodes, Vice President of Business Services
Dana Van Dyke, Budget Director

Others Present

Katherine Bryson, Utah House of Representatives
Gary Carlston, Governor's Office
Marjorie Cortez, *Deseret News*
Dan Egan, *Salt Lake Tribune*
Boyd Garriott, Office of the Legislative Fiscal Analyst
Rick James, DFCM
John Massey, Office of the Legislative Fiscal Analyst
LeRay McAllister, Utah Senate
Leo L. Memmott, Legislative Fiscal Analyst
Bradley A. Winn, Governor's Office of Planning and Budget

Thursday, September 11, 1997

Chair Kenneth G. Anderton called the meeting to order at 9:10 a.m. He thanked President Romesburg for hosting the Board on the UVSC Campus.

Administration of Oath of Office to New Regents

Chair Anderton administered the oath of office to Regents Andrew Croshaw, Charlie Johnson and David Jordan, after which he congratulated them and welcomed them to the Board of Regents. Regent Croshaw is a senior at Utah State University, where he is majoring in marketing. Regent Johnson is a Vice Chairman for Garff-Warner and recently served as Chief of Staff to Governor Leavitt. Regent Jordan is an attorney with Stoel Rives Boley Jones and Grey, and has been serving as Chair of the SUU Board of Trustees.

Reports/Recommendations of USHE Planning Task Forces

Faculty Workload. Chair Anderton asked Regent Hale, who chaired this task force, to report its progress to the Board. Regent Hale thanked the members of the task force for their work and called attention to Agenda Tab A. The first task was to define their charge, based on the directives of the 1998 Legislature and the Board of Regents. The task force determined a measurement system was needed to provide standardized data that would be comparable for all USHE institutions. A major task, then, was to develop and recommend a system which describes faculty teaching activities related to credit-bearing courses. Three committees were appointed, which were to report and make recommendations to the full task force on measurement, perceptions and national standards. Regent Hale thanked Dr. James McMahan (USU), Associate Commissioner Michael A. Petersen and Professor Suzanne Larson (SUU), respectively, for chairing these committees.

Regent Hale reviewed the Executive Summary and the full report of the task force. She said the recommended teaching workload guidelines found on page 3 of the report were suggestions only, and were not final. Determination

of the final figures will be made after the steps outlined on pages 5 and 6 of the report have been taken. For 1997, data will be collected in the fall and analyzed, with the goal of finalizing the guidelines by Fall 1998. Regent Hale said that by developing standardized measures, it is hoped the Legislature will not question the veracity of the data. The faculty members of the task force welcomed any measurement developed because Utah faculty are working much longer than the national average. Regent Hale referred to Appendix A on pages 7 and 8 of the report which compared Utah data with national data.

Regent Atkinson pointed out that many Legislators did not understand that teaching is only a part of faculty workload. She asked about possible plans to explain this to the Legislators who are expecting to be able to understand this report. Regent Hale responded that the Higher Education Campaign Task Force will help with this process. She said our task will be to get reasonable people to understand the difference between objective measurement which can be reported and self-reported data. If Legislators can understand and trust the reports on teaching workload, then we can point out that in addition to the objectively measured activities there are other things teachers do, such as class preparation. Regent Hale said Senator Hillyard was helpful by pointing out to the task force the similarities between an attorney preparing for a case and a teacher preparing for a class. Further, faculty have to engage in professional development activities so they can keep themselves renewed and current in their fields. Legislators on the task force will carry the message back to their colleagues.

Associate Commissioner Petersen pointed out that when a university faculty member has a teaching assignment of 9 to 12 credit hours, for example, it is a full-time job, when that teacher does the support work required outside the class. The same is true for community college teachers who are teaching 15 credit hours. In addition, there are administrative and governance work within the institution, and other work outside the classroom. The conclusion of the task force was that faculty in Utah have an appropriate load, although it is on the high side nationally.

Regent Lee asked how full-time faculty will be defined. Regent Hale said the task force had determined that this issue should be decided by the system chief academic officers. Regent Lee said it was important to keep in mind that some faculty worked a nine-month schedule, some six months, and some twelve months. Regent Hale said after conventions have been developed and there is agreement on how these things will be measured across the system, everyone will be collecting data the same way. Then we can determine what the teaching load is, as far as credit hours are concerned.

Vice Chair Clyde commended Regent Hale and the task force for the parameters which have been established to bring clarity to this process. She requested that a report be brought to the Board in the future explaining how this has been beneficial to the system. She said the "subtly powerful" report would help us as we go into the semester system. To have this in place by Fall 1998 will be a great task. It will also have to be refined as we continue. Regent Hale agreed, and encouraged the task force not to be afraid to create new ways of measurement. We will be paving new ground nationally, and Utah is not afraid to do that.

Regent Johnson asked if this was a management tool which is useful to a president or department head. Several presidents responded that it was indeed an effective management tool. President Emert said it allowed faculty the flexibility to remain current in their fields. Presidents Thompson and Budd said it was a management tool because it allowed the institutions to know how many hours their faculty were spending in the classroom every week and the number of students they taught.

Chair Anderton said this information will be very valuable to the system and to the Legislature. He acknowledged Representative Kathryn Bryson, who was in attendance, and said the Board was meeting in her district. He thanked Regent Hale for the excellent work of her task force.

Funding Approaches/Formulae Task Force. Chair Anderton excused Regent Taggart, whose wife was ill, and asked Commissioner Foxley to lead this discussion. Commissioner Foxley said Regent Taggart had chaired this task force and was very pleased with the work of the group. He was especially pleased that representatives of the Legislative Fiscal Analyst's and Governor's offices were involved with this task force.

The task force divided into subcommittees to focus on three major areas: 1) Performance Indicators: What should be rewarded in a budget sense? 2) Benchmarking the Base: Are we adequately funded? Overfunded? Underfunded? What about regional and national comparisons? 3) Budget Process: Presenting the budget to the Legislature and Governor.

One recommendation was to ask the Board of Regents to approve the budget earlier than in the past without the enrollment numbers, in order that the needs of higher education could be considered at the same time the needs of the entire state are being considered by the Governor's Office and the Fiscal Analyst's Office. The task force also felt more importance should be placed on institutional priorities. Success has been realized with system initiatives, such as the Library Initiative. This year there is a combination of system priorities and institutional priorities.

Associate Commissioner Hunsaker reported on the Benchmarking the Base subcommittee. He commended the members of the committee who had brought with them much experience and expertise. He called attention to the charge of the task force: To review the current approach to USHE funding and develop an approach which is equitable, appropriate and easily understood. The three sub-groups each had a specific segment to consider in this charge. The benchmarking group felt that there needed to be national and regional comparison data in evaluating the adequacy of the budget. Peer comparisons should continue to be evaluated and supplemented by national and regional comparisons. Mr. Hunsaker pointed out the recommendations on page 6 of the task force's report which will give a broader base for comparison. The group also recommended using IPEDS more in the future. The institutions have accepted assignments to do further work in this area.

Associate Commissioner Hunsaker also spoke of the budget process. Early Regent approval of the budget request is very important to the various entities who will be working with the budget because it would facilitate more adequate consideration of our needs by the Governor's office and the Legislature. The committee felt there is enough diversity in our institutions that more emphasis is needed on institutional priorities to carry out their missions. Each institution has an ongoing process of evaluating programs which leads to reallocation of resources in the appropriate situations. Mr. Hunsaker said we need to let it be known that this is an ongoing process at all the institutions. The challenge is our need for improved data to support the budgetary process. We need to emphasize students in our presentations to the Governor and the Legislature.

Assistant Commissioner Tarbox said the Utah System of Higher Education uses a base-plus budget — the base is set and discussions with the Governor and Legislature relate to the marginal amounts to be added to the base. The Budget Process sub-group evaluated formula funding, which has not been used broadly in Utah. A weakness of base-plus funding is that people outside the system have a hard time understanding what is in the base. Another weakness is only tangentially related to strategic planning. The purpose of benchmarking the base is to give the Governor and Legislature more comfort that the base budgets are being used appropriately when compared with any of our peer institutions. The committee's recommendation was to broaden those comparisons. This will also show efficiencies in Utah.

Performance Indicators: Performance-based funding is an attempt to tie the marginal amount of funding to strategic planning process of the Regents and the Legislature. These processes must be few in number and must tie the state planning efforts to the USHE budget. Mr. Tarbox briefly explained the Possible Statewide Goals and Indicators on page 4 of the task force's report. The task force recommended that the nature of the competition be an institution against its own base performance, rather than against another institution. There is recognition that the system is on the dramatic verge of a major change to the semester system. The recommendation asks that the first-year measure be the first year on the semester calendar so that comparisons can be consistent.

Chair Anderton thanked the committee for their fine work. He said it was of interest across the state and within the system.

Health and Dental Benefits. Regent Hoggan, chair of the task force, said it had been made up of administrators of benefit plans from the institutions, and representatives from the Legislative Fiscal Analyst's office and the Governor's office. Discussion focused on three areas:

1. Would it be advantageous for the entire system to adopt the Public Employees Health Plan (PEHP)? This option was explored in considerable depth. Several institutions have requested proposals from PEHP. In each instance, PEHP has been unsuccessful. The University of Utah offers PEHP as an alternative option. The task force concluded that we operate more efficiently with our present system. Institutions are free to request proposals from PEHP if they feel it is appropriate.

2. Could we achieve economies in administration by pooling several institutions or groups of institutions? This question was studied by a professional consultant in 1989. The Mercer study concluded that the system was operating efficiently with no opportunity to immediately reduce health care expenditures of a sizeable amount by pooling. Regent Hoggan said the task force agreed that there is still no advantage today. More than 80% of the premiums are for health benefits, with a relatively small amount for administrative costs. Several institutions have a network for comparison of their programs. The committee concluded that while pooling is not worth the effort to retool the system, institutions should continue to discuss the plan design and the benefits they offer.

3. For a number of years, the Governor recommended and the Legislature funded the total compensation package. If we could better manage our health care programs, we would have more money for salaries. As a result, the system achieved notable efficiencies over several years. Last year the Legislative Fiscal Analyst recommended, and the Legislature adopted, a plan whereby health care was funded separately. The task force recommended funding the total compensation package and letting institutions allocate that money as appropriate. This allows for creativity in meeting needs and makes institutions more accountable for health care cost increases. The task force recommended a one-on-one meeting with the Legislative Fiscal Analyst to convince him of the need to go back to funding total compensation as recommended by the Governor and Regents.

Regent Atkinson asked what the colleges and universities are doing to control costs through prevention. Regent Hoggan said this had been considered and discussed, but it was not the focus of the task force. Various incentives were mentioned. President Thompson said Weber State University reviewed their plan recently and changed it to include incentives for prenatal care, behavior change, etc. This has helped reduce the cost of increase in premiums from 12% to about 3%. Associate Commissioner Hunsaker said many institutions have programs in conjunction with health programs for prevention — wellness programs, clinic days, etc. A number of programs are already in place to foster preventative medicine.

Chair Anderton commended Regent Hoggan for the good work of the task force. The Board took a brief break.

Higher Education Campaign Task Force. Regent Zabriskie, chair, thanked members of the task force for their hard work in developing short-term and long-term plans for the campaign. Their focus was to develop ways of better telling our story — to the Legislature, media, students, alumni and the general public.

Short-range plans will be effected between now and the 1998 Legislative session. They include:

1. Finalize as Regents the recommendations of the various task forces.
2. Establish and implement a timetable of release to the media results of the task forces. Recommend focusing on task force items in Regents' meetings for media reporting.
3. Publish a report to the Legislature such as is being done in other states. Report to the Legislature what is being done in the various task forces.
4. Approach Legislative leadership with the request to take agenda items to the various caucuses on our issues.
5. Form a "Council of 1000" organization. Ask each of the nine institutions to identify 100 community leaders and supporters of higher education throughout the state, combined with 100 "at large" members. This group might want to form a non-profit organization to raise and expend private funds on behalf of higher education.
6. Determine message points for the Legislative session.
7. Make editorial board visits to the media throughout the state, responding to their questions.

Long-range plans might include hiring an outside consultant through the Council of 1000.

Regent Atkinson asked the time frame of the task force's recommendations. Regent Zabriskie said the task force had a goal of December. President Emert expressed his concern about waiting until December because the Legislative Fiscal Analyst is already having preliminary meetings and needs all our data as quickly as possible. Regent Zabriskie agreed, but pointed out the Board has to make some decisions first, based on final reports of the task forces. Many of these issues will be addressed at the Higher Education Assembly on October 17.

Regent Cumming pointed out the need for constant education of the Legislature, which changes membership regularly. We should stress lifelong learning and international competition. Our competitive advantage is to invest in higher education. Jobs now require significant technical and other kinds of training and postsecondary education.

Chair Anderton asked what the Regents could do in the next 30 to 60 days to help.

President Emert said he and some USU alumni have been touring and taking USU's priorities to state legislators and ask for their assistance. They have been trying to discuss the advantages which higher education gives the United States in the international marketplace. He agreed with Regent Cumming that we are losing the edge. He said he had spoken with 23 of the 29 counties and asked for their help. The trip has been very productive. The challenge now is to direct our focus so we can get a better share of the budget "pie."

Regent Zabriskie agreed with Regent Cumming that meetings between Regents and legislators need to take place. However, we must have answers to the questions the legislators will ask regarding faculty workload. The Regents as a group need to make these decisions before we can be productive.

Regent Lee said the legislators are getting a conflicting message, that higher education isn't really important in terms of getting a job when only six months of specialized training will suffice. That image is being promoted through the State Legislature. We need to talk with public education make sure we are all united in our message — Education is the key to every job, to promotion and lifelong learning. The legislators are not hearing our side as much as they are hearing that postsecondary education is not important.

Regent Cumming recommended putting together a "Contract with Higher Education" which Regents can carry with them and use in their meetings with Legislators.

Regent Atkinson asked, "What can we do now?" Regent Zabriskie said the Board needs to finalize its position on the work of the task forces. Those decisions will hopefully be made by October. Regent Hale moved that Regent Zabriskie be assigned to make the "Contract with Higher Education" cards and get them laminated, for which Regent Cumming offered to pay. Regent Atkinson seconded the motion, which carried unanimously. Regent Zabriskie said the Board could also move forward in assigning Regents to Legislators.

Chair Anderton thanked Regent Zabriskie for his good work and the work of the task force.

R220. Chair Anderton said that the task force, which he chairs, had met several times to discuss and consider revisions to Policy R220. This policy defines the relationship of the Regents, institutional Boards of Trustees, Presidents and Commissioner. Don Holbrook, who was an original member of the Board of Regents in 1969, and who served on the Board for 22 years, sat on the task force. He was able to offer a historical perspective to the work. The people who sponsored legislation to develop a Board of Regents thought it would do away with the Boards of Trustees. The intent to continue to have Boards of Trustees was an afterthought and allowed for Institutional Councils whose roles were deliberately not meaningful. There was no intent at that time to empower Boards of Trustees with significant responsibilities; they were merely to be advisory boards.

The task force took a new look at these relationships and responsibilities. Many Regents have sat on Boards of Trustees. Trustees are capable of judgment and experience and making great contributions to the system. The committee's thrust was to define the areas wherein Boards of Trustees could take more responsibility with regard to their institutions, to the extent it is appropriate. The committee was also asked to look at the possibility of giving Boards of Trustees more meaningful input into the selection of presidents. For this system to work, Chair Anderton explained, the Regents must maintain their governance role in the selection of presidents.

The role of the Commissioner is defined separately. The committee's consensus was that the definition of the role of the Commissioner should be included in the R220 document. The task force is working in this direction.

Regent Jordan said the task force was trying to be sensitive to the balance of power between Presidents and Boards of Trustees. There is a potential for impacting the relationship between them. The task force wants to maintain the Presidents' discretion and accountability, and not have Boards of Trustees micromanage matters which should be left to the administration of the Presidents. Chair Anderton agreed that this was critical to the work of the task force. The Regents have also spoken about their need not to micromanage inappropriately. Chair Anderton said a revised draft of the R220 document should be completed in October.

Privately Funded Capital Facilities

Revised SBR Policy R741, Capital Facilities Qualification and Prioritization (Q&P Process). Associate Commissioner Carpenter said the Q&P formula had been partially revised. He referred the Regents to Agenda Tab B. He reviewed sections 5.3.2 and 5.3.3 of the policy. Most private donors feel that the state has a responsibility to maintain a building. Private O&M funding generally is specialized, such as a museum, sports facility, etc. Non-state funded projects should be included in the Regents' budget process and should be funded separately. A list of non-state funded projects was found in Agenda Tab N. Dr. Carpenter said the Capital Facilities Task Force would continue to review the Q&P process. The Governor's office and representatives of the Legislative Fiscal Analyst's office have been unable to attend these task force meetings, so dialogue with them may be helpful. Chair Anderton thanked Dr. Carpenter for his report.

Commissioner Foxley said the task force had made three recommendations for changing and fine-tuning the Q&P policy. The process is very complex and needs to be fine-tuned regularly. Those recommendations, the first two of which are supported by the Council of Presidents and the Commissioner, were:

1. *Doing away with additional points a project can be awarded because it is a renovation project* (see section 5.3.2, page 13). Renovation projects already carry a lot of weight. When a building is renovated, that space is removed from the campus space, and this is figured into the formula.
2. *Points an institution can assign to highest priorities* (see section 5.5.2, page 16). This change requires a wider span of points which can be assigned to projects, causing at least three points' difference between priorities of an institution.
3. *Increasing the size of office and conference room space.* This recommendation is not endorsed by the Council of Presidents and Commissioner at this time.

Regent Hoggan moved approval of the policy as recommended. Regent Clyde seconded the motion. The motion carried.

Capital Facilities Prioritization (Results of Q&P Process) and Land Acquisitions. Commissioner Foxley called attention to Replacement Agenda Tab C, which was in the Regents' folders. She reminded the Board that money had been expended for planning and design on the first two items on the priority list (SUU's PE Building and SLCC's Jordan High Tech Center) and they were ready for construction funds. Those two items were not subject to reprioritization; however, the Board had asked for a rerun of the Q&P process on the remaining projects and for Dixie to be allowed to exchange an Art Classroom/Museum project for the Dixie Center. The COP has agreed with this request. Taking into consideration the life safety issues of the Cowles Building at the University of Utah, the Q&P was rerun and was shown in the cover letter to Replacement Tab C.

The Commissioner said if we go in unison to the Building Board and describe our process and why these are our priorities, we should have a very good chance of keeping them in this priority order with the Building Board. How far down the list we are funded depends on the funding availability and the willingness of the Legislature to bond. Last year \$43 million was funded. We have learned that phased funding is not effective. Because of phased funding, it took 12 years to fund Old Main at USU. The Governor and legislative leadership are in agreement that phased funding is not effective. Our hope is for full construction of projects 1 and 2, with design money for some of the other projects.

Regent Cumming moved approval of the capital development priorities for 1998-99 as shown in the agenda, and that the list be submitted to the State Building Board, the Legislature, and the Governor for consideration. Regent Grant seconded the motion, which carried. Regent Johnson abstained from voting, because he was not in attendance at the August meeting.

Tuition and Fees

Revised SBR Policy R510, Tuition and Fees. Commissioner Foxley welcomed the student body presidents, who had been having a leadership retreat at Bear Lake and who had a harrowing experience getting to Orem.

The Commissioner called attention to Agenda Tab D and said the existing policy R510 had set up relationship targets for tuition with the understanding that research institutions are more expensive and students who attend research institutions understand that and are willing to pay more. Many factors were taken into consideration — differing costs of instruction, comparison costs regionally, WICHE data, etc. The present relationship ratios were not quite on target. Because of the way tuition revenues are combined with general revenues to fund higher education, there was a perception that some of the tuition increases went to fund salaries or projects at other institutions. Looking at the need for reasonable tuition increases over several years rather than sporadic large increases, the Tuition and Fees Subcommittee recommended building more stability into the formula and looked at cost factors which could be applied across the board. The policy recommends looking at an inflationary factor and a CPI economic indicator. Tuition at Utah community colleges is still too high; in the future, perhaps these tuition rates can be reduced. The Commissioner invited members of the Tuition and Fees Subcommittee to make comments or ask questions.

Commissioner Foxley called attention to section 3.5 on page 2 of the policy. The Tuition and Fees Subcommittee and the Council of Presidents recommended that the dollar amount for non-resident students at all community colleges be removed.

Regent Atkinson said assuming that everyone can afford tuition is naïve. She recommended setting up an ad hoc committee to look at special funding for students affected by the high cost of tuition.

Regent Hoggan moved and Regent Cumming seconded adoption of the proposed changes to policy R510. The motion carried unanimously.

USHE — Tuition Increase Recommendation. Commissioner Foxley invited the students to speak to the recommended increase (see Agenda Tab E). She asked them to introduce themselves and said the way the students have worked together this year is very commendable.

Damond Watkins, speaking on behalf of the Utah Council of Student Body Presidents, commended the Commissioner's Office for bringing the students "up to speed" on key issues. Together we all want to increase the quality of higher education. The UCSP wants to keep that the focal point this year. The students recognize that they bear the brunt of most of the policies made, but they will support the proposed 2.7% increase in tuition. Marla Kennedy, Salt Lake Community College student body president, said she wholeheartedly hoped the Library and Technology Initiatives would be funded as requested, and that the Regents would address the issue of enrollment growth.

Commissioner Foxley said the students have been very responsible in considering the tuition increase and other priorities. The Tuition and Fees subcommittee looked at the Consumer Price Index (CPI), which they felt was reasonable. The proposal would increase tuition by 2.7% across the board and would generate about \$4 million in tuition revenues. The increase reflects about a \$58 increase at the University of Utah and \$27 increase for SLCC students. The students agreed this was a reasonable increase, and the subcommittee hoped the Governor and Legislature would see this as reasonable and fair.

Chair Anderton thanked the students for being at the meeting and for their participation. The Regents and Commissioner's office were unanimous in wanting the students to be kept informed and to be a part of this process.

On behalf of the students, Regent Croshaw said he appreciated the close look at Utah's students' ability to pay. Utah

students are anxious to see how the Legislature will feel about this and what kind of emphasis they put on education.

Chair Anderton said two years ago the Regents put a freeze on tuition. They hoped the Legislature would look at the students' fair share of instruction. Last year this strategy was not effective, and we had to increase tuition to cover the compensation of our employees. Students are paying more than their fair share.

Regent Lee said we monitor regularly the substantial increase in student loans which are being processed and handled through our institutions every year. This is a good indication that we need to realize that students cannot afford these higher tuitions without putting themselves into heavy debt.

Regent Cumming moved approval of the recommended tuition increase. Following a second by Regent Hoggan, the motion carried, with Regent Grant voting against the motion and Regent Atkinson abstaining.

FY 1998-99 Operating Budget

Commissioner Foxley called attention to Agenda Tab F and said the focus of this year's budget request is on institutional priorities and technology. The request does not include compensation; those numbers come from discussions with legislative leadership and the Governor's office. Neither is enrollment addressed in the budget request. Those numbers will be brought to the Board after third week enrollment reports are in. She pointed out that the Board's statutory charge regarding the operating budget (see page 2 of the cover letter to this agenda item) was to justify the educational institutions' requests as being consistent with their needs. She asked the Regents to realize that we do not bring to the Board everything which is needed. The Board is also charged to balance the economic picture of the state with the state's ability to meet its needs. Guidelines from the Governor restrict budget increases to two percent of the existing base, with some exceptions. With higher education, one of the exceptions is technology. Applied Technology Education (ATE) is included this time throughout the budget request, as requested by the Governor's office.

Commissioner Foxley called attention to page 3 of the request, FY 1999 Budget Recommendations, and briefly explained the general budget process. One of the basic components, and the focal point of this year's budget request, is technology. The Higher Education Technology Initiative (HETI) is in its third phase. She asked Associate Commissioner Petersen to briefly explain the Technology Initiative, and said other high priorities in institutional technology needs would be addressed by the Presidents.

Dr. Petersen referred to the Supplement to Tab F, found in the Regents' folders, entitled "USHE Technology Initiative, 1998-1999 Funding Request." He said the full text of the HETI can be found on the USHE web site (www.utahsbr.edu). This is the fourth year of funding for the Technology Initiative, and there is a significant change in the focus this year, which is explained in the supplement. We have previously requested one-time funds from the Legislature because our focus was primarily on facilities and equipment. The focus for 1998-99 will be overwhelmingly on ongoing funding. Dr. Petersen briefly explained the reasoning behind this change. Commissioner Foxley acknowledged Dr. Wayne Peay for his work with this Initiative. She also recognized Senator LeRay McAllister, who was in attendance.

The presidents explained their institutional priorities and responded to questions from the Regents. Chair Anderton thanked the presidents for their budget presentations. He said they reflect a very long and arduous process of collecting information from individual institutions to enable the Board to formulate a budget and submit it to the Legislature.

Regent Zabriskie moved, and Regent Cumming seconded, approval of the budget request. The motion carried unanimously.

Regent Cumming distributed copies of a newspaper article entitled "Rising Cost of College Imperils Nation." Chair Anderton and Commissioner Foxley reminded the Regents and Presidents of the dinner that evening to recognize retiring Regents. President Romesburg said offices or other facilities would be available to the Regents while they were waiting for dinner to make phone calls.

The meeting adjourned for the day at 4:45 p.m.

Friday, September 12, 1997

Following an executive session breakfast with the UVSC Board of Trustees, Chair Anderton called the meeting to order at 11:22 a.m. He administered the oath of office to Regent Lund, who was not present the previous day. Regent Lund is CEO of American Stores Company. Chair Anderton congratulated Regent Lund and welcomed him to the Board.

Report of the Chair

Chair Anderton said the Board had said goodbye the previous evening to Regents Doug Foxley, Cliff LeFevre, Jack Goddard and Brett Graham. We will miss them and appreciated our association with them. The Board is pleased to welcome new Regents David Jordan, Victor Lund, Charlie Johnson and Andrew Croshaw. Chair Anderton said the Board looks forward to their association with these new members of the Board and their contributions to this important cause.

Report of the Commissioner

Commissioner Foxley said a copy of a State Auditor's Report had been placed in the Regents' folders. The Presidents had already received a copy. One area of controversy with the Legislature was the institutions' carry-forward balances. The audit agreed that those balances were reasonable. The Auditor directed the institutions to have a better recording and reporting system. The Commissioner said she and the Presidents had been pleased with the outcome of the audit and are working diligently to make sure record-keeping and reporting of those carry-forward balances are appropriate.

Reports of Board Committees

Program and Planning Committee. This committee was chaired by Regent Dale Zabriskie, vice chair of the committee. Regent Zabriskie said Regent LeFevre had never missed a meeting during the eight years Regent Zabriskie had been vice chair, so he felt like a back-up to Joe Montana.

Dixie College — Associate of Applied Science Degree in Paramedic Training. Chair Zabriskie said the committee had discussed this proposal (see Agenda Tab G) and asked many questions, to which they received good answers. Weber State University also felt good about the answers. The committee voted to move this to action status, and Regent Zabriskie so moved, seconded by Regent Atkinson. The motion carried unanimously. Regent Zabriskie then moved approval of this item, seconded by Regent Atkinson. That motion also carried unanimously.

Utah Valley State College — One-Year Certificate in Computer Systems Maintenance. Chair Zabriskie said that after discussing this proposal (Agenda Tab H), the committee had decided to move this to action status, also. He so moved, seconded by Regent Clyde. Regent Jordan asked about the procedure of approving programs, and Chair Zabriskie explained the process. Vote on the motion was unanimous in the affirmative. Chair Zabriskie then moved approval of the proposed program. Following a second by Regent Clyde, the motion carried unanimously.

Weber State University — Change in Budget-Related Enrollment Reporting Status of Remedial Classes and Proposed Revision of Policy R506, Budget-Related and Self-Supporting Courses. Chair Zabriskie said the Board has followed a procedure whereby students taking remedial courses at universities pay tuition and an additional fee, while students taking remedial courses at the community colleges pay regular tuition. Weber has a two-tiered admissions policy which is comparable to community colleges for the WSU General College. The proposal in Agenda Tab I would eliminate the surcharge for WSU students taking remedial classes. Chair Zabriskie moved approval of the proposed change. The motion was seconded by Regent Atkinson and carried unanimously. Regent Atkinson requested a report breaking down the students coming straight from high school and non-traditional students who require remedial courses.

1997 Annual Report on Women in Faculty and Administrative Positions in the Utah System of Higher Education. Lou Jean Flint, Academic Affairs Officer in the Commissioner's Office, pointed out a correction to Table 6 on page 7 of this report (Tab J). Dixie College, Male, should be "-1" rather than "14," and Utah Valley State College, Male, should be

"0" rather than "-3." Ms. Flint said the study shows that 55 faculty have been lost under the definition of the Integrated Postsecondary Education Data System (IPEDS), compared with last year. These are teaching faculty positions, and most were lost due to lack of revenue. The result was a loss of .01% in female faculty. Utah is still below the national average, but moving up. The number of male faculty is slightly under the national percentages in higher ranks. Chair Zabriskie said this had been discussed at length in committee. Regent Lund requested additional information regarding the differential on the associate professor status, which will be provided to all Regents. Chair Zabriskie moved approval of this report. Regent Clyde seconded the motion, which carried unanimously.

Revised R220 Implications for Program and Planning Committee. Chair Zabriskie said the committee had discussed this issue (Agenda Tab K) at length. The consensus is that this is moving in the right direction and would be a step to free up some more time at Regent level for longer-range planning and give local issue approval to the Trustees. The Board of Regents would still need an idea of what is happening system-wide. He requested recommendations from the R220 Task Force on how this will happen.

Consent Calendar, Program and Planning Committee. Chair Zabriskie said a new item in the Regents' folders was added to the consent calendar. He moved that the Interlocal Agreement between University of Utah and Salt Lake County regarding management of Hansen Planetarium be moved to the consent calendar. Regent Hoggan seconded the motion, which carried unanimously. This is a three-year agreement. Sarah George, Director of the Museum of Natural History, will also be the director of the planetarium. Chair Anderton asked Vice President Pershing for a brief summary. Dr. Pershing explained that this was an opportunity to expand and integrate programs between the Museum of Natural History and the planetarium, using resources provided by the county and the state. Regent Zabriskie had asked in committee about private donations. Only one percent of the current planetarium budget comes from private donations.

Upon motion by Chair Zabriskie and second by Regent Lund, the following items were approved:

- a. University of Utah — Emphasis in American Sign Language for Baccalaureate Students in the Department of Communicative Disorders
- b. University of Utah — Interlocal Agreement between University of Utah and Salt Lake County regarding management of Hansen Planetarium

Chair Zabriskie thanked Regent Zabriskie for his good work.

Finance and Facilities Committee. The committee was chaired by Regent Brent Hoggan, vice chair.

Utah Valley State College — Campus Master Plan. Chair Hoggan said an addition to the master plan since last year is a proposal to establish some mobile units on the border of the campus (see Agenda Tab M). Utilities are already in place and negotiations are being conducted. This will require reallocation of internal funds. Chair Hoggan moved approval of the UVSC Master Plan. The motion was seconded by Regent Hale and carried unanimously.

Non-Funded Capital Facilities Projects. Chair Hoggan said this agenda item (see Tab N) had been discussed in four separate segments:

- a. UofU Eccles Broadcast Center Expansion — The programs associated with the Utah Education Network (EdNet) are growing and need room to expand. Financing will be provided by revenue bonds. Chair Hoggan moved approval of this request, seconded by Regent Jordan. The motion carried unanimously.
- b. UofU West Health Science Mixed-Use/Transitional Care Facility — Commissioner Foxley said the committee had agreed to have this discussed by the Building Board, but not enough details were available for the committee to feel comfortable in approving it. It will be brought back to the Board for approval in December. Regent Hoggan moved that this item be forwarded to the Building Board for discussion. Following a second by Regent Cumming, it carried unanimously.

- c. USU Jensen Historical Farm — Chair Hogan said Utah State University would like to use this farm as the site of the Festival of the American West. They also would like to have a museum and visitors' center located there. The University has \$500,000 to \$600,000 to begin this construction. The committee approved the land use on the condition that no new state O&M funds would be requested. Regent Hale seconded the motion, which carried unanimously. [In committee discussion, there was agreement that the policy issue of what types of projects should receive state O&M funding should be brought back to the Regents for discussion and action at a future meeting.]
- d. CEU San Juan Campus Conference Facility — Chair Hoggan said this project would be funded by a grant from the Utah Economic Development Agency. He moved approval of the O&M requirements. Regent Hale seconded the motion, which carried unanimously.

Spending Plans for 1997-98 Mineral Lease Funds. Chair Hoggan called attention to Agenda Tab O, and said statute requires annual Board approval of this report. He so moved, seconded by Regent Hale. The motion carried unanimously.

Student Financial Aid — Amendment of 1997-98 Loan Purchase Program Operating Budget. Chair Hoggan said this amendment (see Agenda Tab P) would allow for hiring additional personnel. The committee approved this amendment, and he so moved. Following a second by Regent Hale, the motion carried unanimously.

Student Financial Aid — Extension and Renegotiation of LPP Servicing Contract with UNIPAC Service Corporation. Chair Hoggan said UHEAA has had this contract for a number of years (see Agenda Tab Q), and the committee had unanimously approved the extension. He moved Board approval, and Regent Atkinson "seconded with enthusiasm." The motion carried unanimously.

Student Financial Aid — Selection of Senior Managing Underwriter and Management Group for Student Loan Bond Issues. Chair Hoggan called attention to Agenda Tab R and said the Student Finance Subcommittee had approved PaineWebber as senior management underwriter, and agreed to continue Smith Barney, First Security Bank of Utah and Zions First National Bank as co-managers. Regent Hoggan moved approval of these appointments. Regent Hale seconded the motion, which carried unanimously.

Need for Special Board of Regents Meeting. Chair Hoggan said the committee had approved a special meeting of the Board on September 30 to approve a bond issue, as explained in Agenda Tab S. He moved that the Board meet via conference call at 8:00 a.m., MDT. Commissioner Foxley said she hoped to have the materials mailed on September 23. Following a second by Regent Hale, the motion carried unanimously.

Report of the Audit Review Subcommittee (Tab T) was provided for information only and required no action.

Student Financial Aid — UHEAA Board of Directors Report (Tab U) was also provided for the Regents' information and required no action.

Student Financial Aid — Student Finance Subcommittee Report (Tab V) was an information item and required no action on the part of the Board.

Revised R220 Implications for Finance and Facilities Committee. Chair Hoggan said the committee did not have time to get to this agenda item (Tab W). It will be considered in a future meeting of the committee.

Consent Calendar, Finance and Facilities Committee. (Tab X) Upon motion by Chair Hoggan and second by Regent Jordan, the Board approved the following items:

- a. OCHE Monthly Investment Reports
- b. UofU and USU Capital Facilities Delegation Reports

Chair Anderton thanked Regent Hoggan for his good work and that of his committee.

General Consent Calendar

Upon motion by Regent Hoggan and second by Regent Atkinson, the Board approved the following items on the General Consent Calendar:

- a. Minutes. — Approval of the Minutes of the Regular Meeting of the Utah State Board of Regents held August 1, 1997, at Snow College in Ephraim, Utah
- b. Grant Proposals. — Approval to submit the following proposals:
 - a. Utah State University — State Funding for the Installation of the Digital Satellite System, \$2,000,000; Glen R. Wilde, Principal Investigator.
 - b. Utah State University — Development of a User-Driven Decision Support System for Water Availability and Quality Management, \$3,412,773; Upmanu Lall, Principal Investigator.
 - c. Utah State University — Improving Pastoral Risk Management on East African Range lands, \$3,010,359; Layne D. Coppeck, Principal Investigator.
- c. Executive Session(s). Approval to hold an executive session or sessions in connection with the meeting of the State Board of Regents to be held November 14, 1997, to consider property transactions, personnel performance evaluations, litigation, and such other matters permitted by the Utah Open and Public Meetings Act.

Proposed 1998 Meeting Schedule

Commissioner Foxley said the Regents' folders contained a proposed meeting schedule for next year and tentative schedule for 1999. She asked the Regents to check those dates with their calendars and call Joyce (321-7103) if they have major scheduling conflicts which cannot be moved. The proposed schedule would enable the Board to visit each campus during the year.

Hospitality

Chair Anderton said the Board had been privileged to be on the UVSC Campus. The Board had an excellent meeting earlier with the UVSC Board of Trustees, and the Regents had enjoyed that exchange. He expressed his appreciation to President Romesburg for the hospitality and the excellent food.

The meeting was adjourned at 12:00 noon.

Joyce Cottrell CPS
Secretary to the Board of Regents