
MINUTES OF MEETING
UTAH STATE BOARD OF REGENTS
UTAH VALLEY STATE COLLEGE
OREM, UTAH

October 15, 1998

Board Members Present

Kenneth G. Anderton
Pamela J. Atkinson
Charles E. Johnson, Chair
Aileen H. Clyde, Vice Chair
Larzette G. Hale
L. Brent Hoggan
David J. Jordan
Evelyn B. Lee
Victor L. Lund
Robert K. Reynard
Paul S. Rogers

Board Members Excused

David J. Grant
Karen H. Huntsman
Jay B. Taggart
Dale O Zabriskie

Office of the Commissioner

Cecelia H. Foxley, Commissioner
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, Director of Student Services and Minority Affairs
Joyce Cottrell, Executive Secretary
Harden R. Eyring, Executive Assistant to the Commissioner
Linda Fife, Academic Affairs Program Officer
Jerry H. Fullmer, Director of Information Systems
Norman C. Tarbox, Assistant Commissioner for Finance and Facilities
Bradley A. Winn, Assistant Commissioner for Academic Affairs

INSTITUTIONAL REPRESENTATIVES

University of Utah

J. Bernard Machen, President
David W. Pershing, Senior Vice President for Academic Affairs
Paul T. Brinkman, Director, Planning & Political Studies
Arnold B. Combe, Interim Vice President for Administrative Services (Friday)
Raymond A. Haeckel, Executive Director, Government and Community
Relations
Sarah Michalak, Director, Marriott Library
V. Randall Turpin, Assistant Vice President for Administrative Services
(Friday)

Utah State University

George H. Emert, President
G. Jay Gogue, Provost
C. Blythe Ahlstrom, Assistant Provost
Lee H. Burke, Assistant to the President

Robert L. Gilliland, Vice President for University Extension
Lynn E. Janes, Interim Vice President for Administrative Affairs
Richard W. Jacobs, Director, Budget Office
Jay Nielson, Assistant Director for Campus Planning and Engineering (Friday)
Patricia S. Terrell, Vice President for Student Services
Joe Vande Merwe, Assistant Director, Budget Office

Weber State University

Paul H. Thompson, President
David L. Eisler, Provost
Anand Dyal-Chand, Vice President for Student Services
Carol J. Berrey, Executive Director of Government Relations/Assistant to the President
Carol V. Gaskill, Director of Budgets and Institutional Research

Southern Utah University

Steven D. Bennion, President
Ray Reutzel, Provost
Dennis R. Klaus, Budget Director
Michael D. Richards, Vice President for Planning and Technology
Gregory L. Stauffer, Vice President for Administrative/Financial Services

Snow College

Gerald J. Day, President
Gary C. Arnoldson, Controller
Larry J. Christensen, Vice President for Administration
Carl M. Holmes, Snow College South
Richard White, Vice President for Academic Affairs

Dixie College

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

College of Eastern Utah

Grace S. Jones, President
Raelene Allred, Vice President of Financial Services
Karen Bliss, Dean of Institutional Advancement
Don Burge, Vice President of Academic Services
Don C. Larson, Dean of Instruction, San Juan Campus

Utah Valley State College

Kerry D. Romesburg, President
Gilbert E. Cook, Vice President for College Relations
Robert L. Loveridge, Assistant Vice President for Student & Academic Support
Linda L. Makin, Associate Director of Budgets
Lucille Stoddard, Vice President for Academic Affairs
Ryan Thomas, Vice President for Student Services and Campus Computing
Douglas E. Warner, Executive Director of Budgets

Salt Lake Community College

Frank W. Budd, President
Marjorie Carson, Vice President of Academic Services
Richard M. Rhodes, Vice President of Business Services
Rand A. Johnson, Assistant to the President

Representatives of the Press

Marjorie Cortez, *Deseret News*
Dan Egan, *Salt Lake Tribune*
Jennifer Gallagher, *Ogden Standard Examiner*
Miriam Rand, *Logan Herald Journal*

Others Present

Thomas C. Anderson, Office of the Attorney General
Gary Carlston, Governor's Deputy for Education
David Colvin, Office of the Legislative Fiscal Analyst
Boyd Garriott, Office of the Legislative Fiscal Analyst
Debra Headden, Office of the Legislative Fiscal Analyst
Lynne N. Koga, Director, Governor's Office of Planning and Budget
Leo L. Memmott, Legislative Fiscal Analyst
Brad Mortensen, Governor's Office of Planning and Budget
Kenneth E. Nye, Program Director, DFCM
Kevin Walthers, Office of the Legislative Fiscal Analyst

Chair Johnson called the meeting to order at 1:13 p.m. He excused Regents Huntsman, Taggart, and Zabriskie for both days, Regent Grant for Thursday, and Regents Lund and Rogers and President Machen for Friday. He thanked President Romesburg and his staff for their gracious hospitality.

Panel Discussion: Implications of Technology for Higher Education in the Future

Chair Johnson asked Regent Lund, who chairs the USHE Master Planning Task Force on Technology, to introduce the panel and moderate the ensuing discussion. Regent Lund thanked Commissioner Foxley and Associate Commissioner Petersen for their help in preparing for this discussion. A panel of experts was brought in to help focus the afternoon's discussion on key areas of the future of technology in higher education. Regent Lund introduced Dr. Donald M. Norris, President of Strategic Initiatives, Inc., and Dr. James R. Mingle, Executive Director of State Higher Education Executive Officers (SHEEO). Dr. Sally Johnstone, Director of WICHE's Western Cooperative for Educational Telecommunication, had prepared a videotaped presentation.

Regent Lund explained that the panel would be addressing three major areas: (1) The impact of technology on higher education, (2) policy issues, and (3) five key issues on which the Regents should focus. He asked that the Regents and Presidents hold their questions until after the panel's presentation and announced that following a short break, Associate Commissioner Petersen would lead a discussion on the briefing paper which was included with the agenda materials (Tab A).

Impact of Technology on Higher Education

Dr. Johnstone explained that through technology, target campuses can reach out to other campuses and to non-traditional students who are not included in the traditional campus environment. Students become less a part of a formal arrangement while still using campus facilities and providers. Through the use of technology, both traditional and non-traditional students demand higher quality services. Students also enjoy the convenience of taking classes online instead of on campus. Some faculty members use technology to facilitate learning while others provide electronic course work.

Dr. Johnstone listed the functions of higher education providers as: (1) Curriculum development, (2) curriculum content development, (3) information delivery systems, (4) mentoring and tutoring students in other kinds of materials, (5) student services specializations, (6) administrative functions, and (7) assessment. This range of providers requires a larger range of resources — facilities, partnerships with business, and others.

Dr. Norris pointed out that in the United States, the term "technology" generally refers to "IT" — information technology. Europe refers to it as "ICT" — information communication technology. Communication is vital to this process. Technology enables a fusion of activity to an extent never before realized. This will lead to a different approach to learning, which Dr. Norris called perpetual learning. In this approach, information is distributed everywhere through physical and virtual means, and every place will be a learning place. Perpetual learning will be interactive and will replace programmed delivery as the driving force in higher education.

We are moving from distance education to distance-free education. Dr. Norris described "distributed learning" as many-to-many rather than one-to-one. The higher education industry is evolving into a knowledge industry, formed by a focus on education, entertainment, and information, creating enriching, experience-filled, exciting experiences integrated with active people leading active lives. This has tremendous implications for higher education because learning is a huge growth industry.

Dr. Mingle complimented Dr. Johnstone and Dr. Norris on their vision for the future, which he said was tremendously creative. Technology is an evolving dynamic, and no one is sure where it is going. Higher education is responsible for many pioneering efforts in the field of technology. The people who conceived of and manufactured computers were research institutions. Colleges and universities were among the first to create databases for their libraries, and the first to use network computers and PCs. Higher education has been in the forefront of the technology revolution.

This has made a significant impact on the teaching and learning side of education as well. Dr. Mingle said he had visited many colleges and universities to discuss the impact of technology on the teaching and learning process. There is a rejuvenation of commitment to teaching and learning among our premiere faculty. There is a trade-off between instruction and technology — How can we apply this tool to sustain our commitment to the population as a whole to participate in quality higher education? What is its potential? Utah is facing tremendous demand from population growth and in-migration. Can technology respond to part or all of that demand? Dr. Mingle responded that technology was the solution to part of this demand, but not all of it. In many states, this is defined as an access issue to distance learning. The greatest utilization of IT is currently among the native student populations.

Dr. Mingle posed the question, To what degree would a rich use of asynchronous learning through the Internet expand the carrying capacity of the schools in the Utah System of Higher Education? Is it possible for us to work toward a goal that one-fourth of the curriculum (each course) would be in an asynchronous mode? Rather

than meeting on campus three times a week, for example, might a class meet once a week, with the balance of its course work done through technology? Students love the convenience of taking classes via computer, but they still want the contact with faculty and other students. Even employees who telecommute are finding that they miss the interaction with fellow workers.

Policy Issues Related to Technology

Regent Lund said the policy issues the panelists were asked to address were: What is the role of the Regents? Should the USHE provide primarily for the needs of Utah residents, or should it look outside the state? Should all institutions be assigned distance education roles, or should it be limited? What should be our major policy positions? What about pricing of these courses?

Dr. Norris said it was too early to assess institutions such as the Western Governors University (WGU). There will be a trade-off between new technology and buildings. Space becomes more important with the opportunity of providing convenient delivery. A new generation is springing up of facilities which are learning places where learning is fused with other activities. Dr. Norris suggested strongly that the Regents look at community learning centers throughout the state, not just in community colleges. Space will become extremely important.

There is tremendous pressure to reduce costs through accelerated progress toward completion of programs. This is a great opportunity to move forward with capability. If the WGU is successful, it can be a major force in distributed learning in Utah. It would augment traditional education through competency-based learning and mentoring. Regarding the role of the Regents, Dr. Norris suggested that they find out and support the capacity of the [public] schools for greater ability to attract investors and strategic allies. The role of the USHE must be to serve Utah residents first, especially the under-served population. Distributed learning should be used to reach out to broader populations. All USHE institutions should provide distance learning. Regarding policy issues, Dr. Norris said the issue was not control, but how to create the capacity to go after new opportunities in new ways. He suggested Wisconsin, Indiana (?) and Virginia Tech as examples. If costs are not continually driven by the marketplace, competitors can undercut institutions in price. The ultimate goal should be market pricing. Dr. Norris said it was very important to take the correct initial steps. He suggested that the Regents add broader opportunities and enrich the power of the institutions to capitalize on them.

Dr. Johnstone responded to the question, How can technology change the teaching and learning process on campus? Technological tools permit asynchronous communication between students and faculty. When students share and critique each other's written work, the quality of writing increases and students are more productive. Team assignments work well with technology. Campus-based students and faculty can reach out through distance learning. The technologies which work best are dissemination of materials, interaction among students and instructors, secure testing, and working with what is already in place.

What about comparability between traditional vs. technologically-delivered courses? This depends on the type of course and environment. On-campus courses follow many models, some better than others. Technology is not the critical variable. The critical variable is pedagogical design — ways in which learning materials are developed. For further information, Dr. Johnstone recommended the following web site:

www.tenb.mta.ca/phenom/phenom.html .

Should campuses buy the computers for their students, or should the students own

them? The US Congress just voted to allow federal financial aid for students to buy their own computers. Campuses should maintain the infrastructure for computer access. What will be the impact of WGU on the USHE institutions? The WGU can offer greater access to more types of resources. Utah institutions can offer their course work outside the state without articulation issues. Western Governors University is only one potential resource for Utah students. Others are the University of Phoenix, Open Learning Agency, Knowledge University, California Virtual University, Magellan University, Kentucky Commonwealth Virtual University, Monterey Tech (Spanish-speaking), and the Open University. The Open University has been in operation in the United Kingdom for over 30 years. The US branch is undergoing accreditation review by the Middle States Association.

Referring to policy issues, Dr. Johnstone said various states had taken different approaches. Colorado has formed an electronic community college, which has not taken away degree-granting activities of the other institutions, but provides programming and issues degrees of its own. In Virginia, the Higher Education Coordinating Board went to the institutions which provide baccalaureate programs, and one university was selected. Kentucky has formed their Commonwealth University after legislators and a task force concluded that the higher education institutions were unlikely to serve the needs of the citizens electronically by themselves. In California, the public institutions work with the private institutions to promote students' access to all of them. In British Columbia, higher education is provided to the provinces through the Open Learning University, which offers web-based course development and materials.

Which is the best policy position for system-level coordination? The critical need is to design the goal and then develop and offer incentives. In South Dakota, 5% of the higher education budget has been put into an incentive pool. In Nebraska, the institutions cooperate in their budget review process. In Oregon, the Legislature decided that all public programs must avoid the detrimental duplication of having an adverse impact on the private sector. Public institutions there must prove a need, and the private institutions are preferred. This decreases the public expenditure on higher education while allowing for access to students. The costs of that access is not borne by the students. Competition is more likely than cooperation, according to Dr. Johnstone. Institutions already compete for students. Through distance learning, interstate and intrastate competition will be open to international competition.

Dr. Johnstone asked, do we know the real costs of either a traditional course or a distance learning course? Models are available, such as standard tuition and market-based pricing. The goal must be set first.

Dr. Mingle urged the institutions not to worry about the online institutions mentioned by Dr. Johnstone. All of this will increase demand. Enrollment projections will be too low. There is an exploding demand for learning experiences, including credentials, across the country. How many institutions, or types of institutions, should offer technologically delivered instruction? Initially, all three types should. In Utah, given the fact that distance learning receivers are our own students, it is a responsibility for all institutions. However, cost dynamics on some technologies require strategic investment decisions. The most popular program in the country right now is a baccalaureate degree program in Virginia targeting nursing students. Dr. Mingle favored an RFP process because in some cases the break-even point is 100 students per class.

Dr. Mingle said the Regents' first responsibility was not to make a profit, but to serve the needs of the people of Utah. That will dictate the pricing. Some programs will have to be increased in cost. The market seeks paying customers. The Regents' role is

to look at market shortcomings and to fill the gap. Some programs must be subsidized.

What are the top five key issues on which the Regents should be focusing?

Dr. Norris: First, the Regents should support the creation of "skunk works" — a place where you can operate for a time under different rules that encourage innovation. The driving metaphor is "expeditionary." In our current environment, we plan for three months for prototype programs which are expected to continuously change so that the programs are dramatically different in five years. Western Governors University will probably evolve as an expeditionary program with potential global international constituents and/or providing distributed learning to traditional students to supplement their learning experiences. The Regents should figure out how to create different kinds of cultural places where distributed learning can gestate.

Second, support the capacity of the institutions to form a broader area of institutional alliances. Perhaps they should start with IT companies. Third, the Regents should enhance the capacity of the system and the institutions to attract investors to participate in these expeditions. Fourth, enrich traditional campus experiences and reduce costs; market pricing for distributed learning will be less expensive than traditional costs of learning. This will also reduce the time for completion of a degree. Fifth, Dr. Norris strongly urged the Regents to support the use of mutually-used community learning places. Create an atmosphere to link institutions and other community learning centers to create a rich set of relationships which touch every community.

Dr. Mingle: The first issue is how to assure that the next generation of students have the same opportunities as past generations. The challenge is to make them better. Technology is part of that capacity. Second, make sure the institutions and outlying areas which we serve develop an infrastructure which is ubiquitous and which provides equitable access. This will ameliorate the issue of bringing the system together. The third issue is sustainability. Dr. Mingle endorsed Dr. Norris's ideas. Fourth, invest in areas where the gaps are and fill the gaps. The fifth issue is the people's capacity to utilize these resources. Utah has far more technological capacity than people capacity to utilize it.

Dr. Johnstone: First, how do you manage the distribution of state resources to encourage strong learning centers throughout the state? Second, how can Utah help potential distance learning students become informed consumers? We need to help the students to understand how to evaluate their many options. Third, with all the distance learning opportunities which are available, how will the Regents ensure that the non-high volume but critical programs are readily available to Utah citizens? Some areas have lots of opportunities in business, and many more in information/computer sciences. There are numerous opportunities in nursing, and in teacher education. There is much competition for these programs. The role of a state planning group is ensuring that the most profitable distance learning courses are not the only ones which are accessible to Utah residents. Agriculture, chemistry, and biology are also important.

Fourth, is the role of the Regents really to ensure support for Utah-based higher education institutions, or to ensure access to high quality learning opportunities for Utah citizens? Fifth, how can state policies encourage inter-institutional collaboration within Utah as opposed to deterring it? There is competition for students and resources. Very expensive program development will require collaboration and the removal of the disincentives for institutions to work together.

Dr. Johnstone thanked the Board for the opportunity to share her ideas. She

encouraged those who have further questions to check WICHE's web site at www.wiche.edu/telecom/telecom.htm.

Regent Lund asked Dr. Norris and Dr. Mingle how they had seen other bodies tackle these issues. Dr. Mingle said the key is good quality staff and the combination of a good staff with outside experts. Dr. Norris asked, how do we get the resources to make these opportunities available? We should demand and expand far greater than our expectations. Be focused on landlocked institutions which need more property disbursed to provide learning centers and make them more accessible. Be mindful of the state's need to balance quality issues, such as higher education, the arts, etc.

Following a brief break, Regent Lund invited the Regents and Presidents to ask questions of the two panelists. Details of those questions and responses are on file in the Commissioner's office.

Regent Lund thanked Dr. Mingle and Dr. Norris for their participation and excused them to catch airline flights.

Briefing Paper: Distance Education in the USHE

Associate Commissioner Petersen referred to the briefing paper which was distributed with the agenda and said he was very desirous of approaching this carefully while suggesting progress where appropriate. This is a status report of distance education, followed by initial committee decisions which need to be made in charting a course for the future. Some policy recommendations had been made, and some of them may be premature. Dr. Petersen recognized Steve Hess, Ted Capener and George Brown for their leadership in the Utah Education Network, an endeavor first started by the University of Utah over a decade ago to begin work on distance education. The UEN is for the benefit of public education and all Utah citizens as well as higher education. Associate Commissioner Petersen referred to the summary data for distance education courses last year, which was shown on the table on page 2. This report indicated a 31% increase over the previous year, including a dramatic growth in online courses.

Issue 1: The Primary Purposes of Distance Education

Dr. Petersen said consensus was needed from the Board on what the primary goal of the USHE should be in trying to meet the needs of this state more effectively and offering distance education capability to non-residents. Do we want to be motivated by an international market? The general feeling is that the primary responsibility should be to meet the needs of Utah residents. Meeting others' needs is secondary. He invited questions from the Regents and Presidents.

President Thompson suggested using the term "technologically delivered instruction" rather than "distance learning" throughout the document. Everyone agreed that this was a better choice. Everyone agreed that the policy recommendation which was shown on pages 3 and 4 of the briefing paper reflected the primary purposes of distance education.

Issue 2: Mission and Role Assignments

Associate Commissioner Petersen said Utah has an infrastructure for technologically-delivered instruction (TDI) at every institution. Every institution and high school has this capability in ways which may not be available at other areas of the country. All institutions should be aggressively involved. He referred to the three options shown on page 4. President Emert said he thought a general consensus would be to eliminate

the third option completely.

Regent Lund pointed out that a fourth option might be a mechanism to coordinate the activities in the state. He challenged the Presidents, CAOs, and system staff to study the possibility of coordinating a technologically-backed method of working together to make possible a way for all students to complete the first two years of education electronically without being attached to a particular institution. Chair Johnson clarified the challenge: Find a way that any student could complete his first two years of education through technologically-delivered instruction and any four-year granting institution would accept that as part of the transfer and articulation process. Regent Lund challenged the institutions to study this and determine a mechanism which would be necessary and the challenges which must be overcome for this to happen.

President Thompson said a Weber student can complete an associate degree on TDI which will be accepted at any institution in the state. However, the school does not offer every lower division major. President Budd said agreements had been made between the universities and community colleges to accept associate degrees, many of which can be earned electronically. However, major requirements are different. Community colleges only offer lower division courses and do not offer most major courses at a lower division. Regent Lund said he was not speaking only of general education. His intent was for a student to complete the first two years of programs and not be behind native students upon transfer to a four-year institution.

President Machen suggested that this issue be referred to the CAOs. Program development is very complicated when it gets beyond general education. The CAOs are already analyzing the amount of collectivity in the system. President Emert asked that the CAOs advise the Presidents as well as Regents on these issues.

Regent Lund moved that the Regents ask the CAOs to study this issue so that the Regents can understand the challenges and opportunities which will be made upon the institutions in trying to collaborate the development of new courses. Chair Johnson suggested that a recommendation from the CAOs would be even better. The motion was seconded by Regent Lee.

Issue 3: Central Coordination, Collaboration, or Competition

Associate Commissioner Petersen said the third policy issue relates to collaboration. He referred to Option 1 on page 5 of the document and said an appropriate model is a collaboration model with the CAOs to work out the details.

President Romesburg said everyone was committed to the use of technology to the full extent of utilizing our opportunities. The institutions are well positioned and on their way to do this without unnecessary course duplication. The key is development and collaboration and how it is marketed to the students. The students need to know it is available. Campuses must embrace it and students must become involved. The budget request contains a line item to request money from the Legislature for the Utah Electronic Community College. There is no great incentive for faculty to refer students to a course at a sister institution. We should decide on a direction, then provide incentives.

Associate Commissioner Petersen clarified that Regent Lund's recommendation was a specific project to see how effectively institutions can collaborate. Increasing availability of an associate degree and general education and other major areas is an excellent beginning point on which to focus. Chair Johnson asked that a time frame be attached to the motion. Regent Lund amended the motion to include a December goal date. Vote was taken on the motion, which carried unanimously.

Vice President White said the first step is already underway. We already have a policy which calls for faculty representatives from various disciplines to begin the process of identifying common courses at lower division levels which would be acceptable at any of the universities, to be taught at the colleges and universities, and that students' transfer be accepted upon completion of those courses. He commended Dr. Petersen for his leadership in this role.

Associate Petersen asked for agreement that the establishment of a tenth degree-granting institution is unnecessary. We need recognition of the unique role each institution plays. All institutions would have a role in TDI. There must be a recognition that some institutions have unique strengths which would allow them to play a powerful national or international role. USU has one such program. We do not want to minimize individual institutional strengths.

President Romesburg suggested that the second and third policy issues be tied together.

Issue 4: Exceptions to Institutional Service Area Policy

Associate Petersen said this recommendation would exempt technologically-delivered instruction from the institutional service area policy presently in existence. That policy continues to require that institutions bring programs offered beyond their normal service boundaries to the Board for approval. Regent Jordan requested clarification: Would all Internet courses need to come to the Board for approval? Dr. Petersen said specific courses would not, but programs which proposed to award degrees would require Board approval.

Issue 5: Tuition

Associate Commissioner Petersen commended the UECC effort. It addresses a very important problem for Utah residents and enables students to pay a lower cost than they would if they were to take less than a full load from each institution. UEN uses the same tuition schedule for TDI as for regular courses. The panelists felt that the only solution is market-driven tuition. Dr. Petersen suggested that the UECC be watched carefully in its approach. With a better history and a better knowledge, a recommendation can be made later. A recommendation now is premature in terms of a Board direction at this time.

Other Policy Issues

Associate Commissioner Petersen said he would have revised recommendations coming from the earlier policy discussion. Chair Johnson suggested that the policy recommendation portion be taken and a rewritten paper come back to the Board in November. Regent Lund said he would also like to hear in November the ideas of the institutional staffs about how the issues raised in this meeting be adopted. A strategic framework for higher education institutions is necessary in order to proceed. Full-time resources will have to be dedicated. Chair Johnson said we need to work on investment pools in order to get this going.

Chair Johnson pointed out the list of online courses which are already available and directions to register for these courses, which were included in the Regents' folders. He reminded each Regent and President that they made a commitment to take a technologically-delivered course.

Chair Johnson commended Regent Lund, Associate Commissioner Petersen and those who were involved in putting together the excellent, productive discussion on

technology. He also commended the members of the USHE Master Planning Task Force on Technology.

University of Utah Budget Highlights

Chair Johnson said the budget recommendations were on the agenda for the following day. President Machen would not be able to be at the meeting Friday, so Chair Johnson suggested that the University of Utah budget request be taken out of sequence and discussed briefly.

President Machen distributed a handout of the University's budget request. This has been cut in half from last month's figure. If it were possible for the state to meet the University's needs, he said he would be very supportive of the budget system which allowed this to occur. However, a different method of distributing the base budget was proposed. Whatever non-personnel funds could be realized would be used to offset this list.

Chair Johnson said this would be included with the budget discussion Friday. He requested specific questions of President Machen. There were none.

Announcements

Chair Johnson announced that Regent Hale's daughter, Gina Hale, had just been elected as the National President-Elect of Administrative Law Judges of America. Regent Hale paid tribute to Utah Supreme Court Justice Christine Durham, who mentored Gina and was president of the association when her daughter joined. Gina will be the first state ALG to serve as president-elect of this organization. She will become president in 1999. Chair Johnson asked Regent Hale to convey the congratulations of the Regents, including a round of applause. Regent Hale asked friends of Utah's women judges to let them know how grateful she was for Gina's mentoring and development.

Working Dinner Meeting and Progress Reports of USHE Master Planning Task Forces

Following a delightful dinner prepared and served by the Culinary Arts Students in Greg's Kitchen, Chair Johnson asked for brief progress reports of the other three master planning task forces.

Funding Mechanisms

Chair Johnson said a report would be given Friday as part of the budget process.

Accountability

Associate Commissioner Petersen said there had been an agreement to explore the possibility of using the CAAP test on a pilot program. The task force is looking at possible ways this might be used at the various kinds of institutions. The national director of the CAAP program for ACT was scheduled to hold a workshop for institutional representatives the following week. Assessment, the use of the CAAP test, challenges the various institutions have faced and how they can be overcome will

be discussed. Then the institutions will bring forth proposals for pilot-testing this test at their institutions. Dr. Petersen said he hoped a number of institutions would explore that option later this academic year, probably during spring term.

A second activity is measurement of faculty workload. The Board adopted a policy to do this at the last meeting. The institutions are collecting data to be used to complete that report. There will be two parts to the report — one will be driven by the schedule of courses of instructors. This will generate a report of faculty contact hours and student credit hours, to be divided by lower division, upper division, graduate level, types of institutions, and rankings of the instructors. The second faculty activity report will show the percentage of time spent on non-teaching activities such as class preparation, research and service activities, administrative assignments, etc. The report will present a more complete picture for the Regents and Legislature. The data will be gathered in November and a report will be ready for presentation to the Board and to the Legislature by the end of Fall Semester.

Chair Johnson asked the Presidents to comment on these activities. President Budd said the number of SLCC students taking the ACT test is so small that the CAAP will not help them. SLCC is thinking that pre- and post-tests can be done on the Computerized Placement Exam currently required. He agreed to give the CAAP test if so directed by the Board. President Budd said he had not heard any complaints from the SLCC faculty about activity reports.

President Huddleston said Dixie College had made attempts on pre- and post- tests with limited success. Faculty are not supportive because no incentives have been found to make it work. Associate Commissioner Petersen said student motivation would definitely be addressed. President Budd said credit was insignificant. Of the 10,500 students who entered SLCC last year, only 1500 had taken the ACT test. That group cannot be followed because of drop-outs or delayed education. Dr. Petersen said this was an opportunity to look at several ways in which the CAAP may work. We are aware that it is not perfect for all institutions. There is flexibility to explore several approaches and learn from them and apply them in assessment in the future.

Missions/Roles

Vice Chair Clyde thanked Assistant Commissioner Brad Winn for his help to the task force. She distributed the written report of the task force. A major focus of the task force since the last Board meeting has been whether or not we have the right number and types of institutions in the best locations for the immediate and long-term uses of students in the state of Utah. The task force has been collecting and analyzing data to provide the foundation on which to make recommendations to the Board. No recommendations were being made yet, but the task force is making progress. Two subcommittees have been developed, which include people from outside the system, to share ideas regarding criteria for access. These groups have made recommendations to the task force, which will be used to assist in making decisions regarding the addition of four-year programs in the state.

Vice Chair Clyde referred to page 3 of the handout, Summary of Report on Bachelors Education Quality, which included the planning principles and recommendations brought forward by the subcommittee. That group will meet once again. Quality is a major concern and fits into this discussion. She read the implications listed on page 4 of the report and urged the Board's support of those implications. The next step for the task force is to set up a third subcommittee to study bachelors education costs, variance within the state, and policy planning in the future to keep access and costs in balance.

A second subcommittee is the Higher Education ATE Subcommittee, chaired by Regent Atkinson. Vice Chair Clyde asked Regent Atkinson to report on the activities of that subcommittee. Regent Atkinson said the Joint Liaison Committee was an excellent place to start and that both public education and higher education are represented on the subcommittee. She asked that Debra Headden from the Legislative Fiscal Analyst's office be added to the list of members on Attachment 2. President Budd represents the USHE presidents. Other presidents were asked to nominate someone from their institutions who was involved with ATE. One of the most valuable pieces of data is the ATE and ATC offerings by county. Not much duplication was noted. This has not yet been analyzed to find the gaps in meeting the needs. The group is looking at the 1997 population by county and growth projections. A presentation had been made by John Matthews on job growth and opportunities. Projections have been made to 2003. The subcommittee discussed public education costs vs. higher education costs. Their report will be shared with the Board in the November meeting. In 1997-98 there were 10 million contact hours in ATE in higher education throughout the state. There was an early consensus by the subcommittee that we need to be careful that additional ATCs do not duplicate programs already provided. The regions will make a report so that public education can understand what is being done. All members of the subcommittee have been willing to share data.

Chair Johnson said he had thought at the beginning that the limiting factor would be staff availability to get this work done. He complemented the institutional staff members for their cooperation with the task forces. He also applauded the Commissioner and her staff for their valiant efforts. Commissioner Foxley said there had been a lot of help and ongoing attendance at task force meetings by the Regents, Presidents, Legislative Fiscal Analyst's Office, Governor's staff, and institutional representatives. The groups are all well focused. This has been challenging for the Commissioner's small office. She recognized the assistance of Dave Colvin, who is on loan part-time to the Commissioner's Office from the Legislative Fiscal Analyst's Office. Much has been accomplished in a short time due to this collaborative effort.

The meeting was recessed for the day at 7:07 p.m.

October 16, 1998

Board Members Present

Kenneth G. Anderton
Pamela J. Atkinson
Charles E. Johnson, Chair
Aileen H. Clyde, Vice Chair
David J. Grant
Larzette G. Hale
L. Brent Hoggan
David J. Jordan
Evelyn B. Lee
Robert K. Reynard

Board Members Excused

Karen H. Huntsman
Victor L. Lund
Jay B. Taggart
Paul S. Rogers
Dale O. Zabriskie

Office of the Commissioner

Cecelia H. Foxley, Commissioner

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, Director of Student Services and Minority Affairs
Joyce Cottrell, Executive Secretary
Linda Fife, Academic Affairs Program Officer
Jerry H. Fullmer, Director of Information Systems
Angie Loving, Program/Fiscal Officer
Max S. Lowe, Assistant Commissioner for Applied Technology Education
Whitney J. Pugh, Budget Analyst and Personnel Officer
Norman C. Tarbox, Assistant Commissioner for Finance and Facilities
Bradley A. Winn, Assistant Commissioner for Academic Affairs
Courtney White, Research Analyst

INSTITUTIONAL REPRESENTATIVES

University of Utah

David W. Pershing, Senior Vice President for Academic Affairs
Paul T. Brinkman, Associate Vice President, Budget and Planning
Ted Capener, Vice President for University Relations
Arnold B. Combe, Interim Vice President for Administrative Services
Clifford J. Drew, Associate Vice President for Academic Affairs
John Francis, Associate Vice President for Undergraduate Programs and Deputy
Chief Academic Officer
Leland Kay Harward, Associate Vice President for Student Affairs
Raymond A. Haeckel, Executive Director, Government and Community
Relations
W. Ralph Hardy, Assistant Vice President, Budget and Resource Planning
Doug Dubitsky, Student Body President
Matt Canham, *Daily Chronicle*

Utah State University

George H. Emert, President
G. Jay Gogue, Provost
C. Blythe Ahlstrom, Assistant Provost
Richard W. Jacobs, Budget Director
Patricia S. Terrell, Vice President for Student Services
Ryan Dent, Student Body President

Weber State University

Paul H. Thompson, President
David L. Eisler, Provost
Anand K. Dyal-Chand, Vice President for Student Services
Carol J. Berrey, Executive Director of Government Relations / Assistant to the
President
Carol V. Gaskill, Director of Budget and Institutional Research
Brian Brown, Student Body President

Southern Utah University

Steven D. Bennion, President
Ray Reutzler, Provost
Michael D. Richards, Vice President for Planning and Technology

Gregory L. Stauffer, Vice President for Administrative/Financial Services
Treion Muller, Student Body President, UCSP President

Snow College

Gerald J. Day, President
Larry Christensen, Vice President for Administrative Services
Rick White, Vice President for Academic Affairs
Gary Arnoldson, Controller
Rob Peterson, Student Body President

Dixie College

Robert C. Huddleston, President
Max H. Rose, Academic Vice President
Stanley J. Plewe, Vice President, Administration & Information Technology
William D. Fowler, Vice President, Student Services
Thales A. "Tad" Derrick, Associate Director, Institutional Advancement
Jocelyn Palmer, Student Body President

College of Eastern Utah

Grace S. Jones, President
Raelene Allred, Vice President of Financial Services
Karen K. Bliss, Dean of Institutional Advancement
Don Burge, Vice President of Academic Services
Gail Glover, Dean of Administrative Services, San Juan Campus
Brad King, Dean of Students, Price Campus
Jared Haddock, Student Body President

Utah Valley State College

Kerry D. Romesburg, President
Dick L. Chappell, Vice President for Institutional Advancement
Gilbert E. Cook, Vice President for College Relations
Lucille Stoddard, Vice President for Academic Affairs
Ryan Thomas, Vice President for Student Services and Campus Computing
Linda L. Makin, Associate Director of Budgets
Douglas E. Warner, Executive Director of Budgets
J. Karl Worthington, Associate Vice President for Academic Affairs
Marlon Snow, Board of Trustees
Jodi Dreher,
Stephanie Larson, Associated Students
Dave Nabrotzky, Student Body President
Robby Schow, Utah Council of Student Body Presidents

Salt Lake Community College

Frank W. Budd, President
Marjorie Carson, Vice President of Academic Services
Judd D. Morgan, Vice President of Student Services
Richard M. Rhodes, Vice President of Business Services
Rand A. Johnson, Assistant to the President
Peter Boltz, Faculty Senate President-Elect
Shari Sowards, Faculty Senate President
Dana Van Dyke, Budget Director

Sim Aguirre, Student Body President

Representatives of the Press

Jeffrey P. Haney, *Deseret News*
Dan Egan, *Salt Lake Tribune*

Others Present

Shannon Bittler, SBR/SBE Joint Liaison Committee
Thomas C. Anderson, Office of the Attorney General
Brian Bowers, Student Body President, Brigham Young University
Gary Carlston, Governor's Deputy for Education
Boyd Garriott, Office of the Legislative Fiscal Analyst
Matt Harker, President, Utah Intercollegiate Assembly
Debra Headden, Office of the Legislative Fiscal Analyst
Paul D. Henderson, American Federation of Teachers
Brad Mortensen, Governor's Office of Planning and Budget
Steve Nelson, Student Body President, Westminster College
Kevin Walthers, Office of the Legislative Fiscal Analyst
Kacey Widdison, UCSP Secretary, Brigham Young University

Chair Johnson called the meeting to order at 9:00 a.m. The Regents had met in executive session with the UVSC Board of Trustees immediately preceding this meeting.

Announcements

Chair Johnson announced that the Carnegie Foundation had named USU's Mark L. Damen, Associate Professor of History and Theater Arts, as 1998 Utah Professor of the Year. This is the fourth consecutive year a USU professor has won this prestigious honor. He asked President Emert to convey the congratulations of the Board of Regents to Dr. Damen. President Emert said Dr. Damen was a wonderful teacher and he was very pleased at his recognition.

Student Leaders' Presentation

Commissioner Foxley introduced Treion Muller, the SUU student body president and president of the Utah Council of Student Body Presidents. He introduced the other student body leaders at the meeting and expressed his appreciation for the opportunity to speak to the Board. He introduced Robert Schow, the new student lobbyist and USHE intern, and recognized Regent Reynard and UIA Governor Matt Harkness. Following the individual presentations, he invited questions from Regents and Presidents.

Privacy. Doug Dubitsky said the UCSP had spoken with their students and learned that there is a serious problem with privacy on campus - student record privacy and personal information privacy. What kind of information is collected and for what purpose? How is it used and who has access to it? The use of Social Security numbers for identification purposes is a timely topic on Utah campuses and throughout the country. The students recognize that it is necessary to use Social Security numbers for such things as federal financial aid; however, a different number is preferred for identification on campuses. Access to student records by unauthorized persons also

puts students at risk. Students felt it was vital that the Regents look at the records collection process to protect the students from violation of their privacy.

Commissioner Foxley recognized Phil Bernal from her staff, who completed a survey of how each institution is handling the student privacy issue, in response to a request from Regent Jordan. Mr. Bernal said most campuses have a very strict access program on student academic records. Access is limited to advisors, admissions officers, etc. All institutions use Social Security numbers on academic records as the best identifier, especially when transferring records between institutions. Four campuses use ID numbers without showing Social Security numbers. Some campuses still use that number on the student ID cards. Jerry Fullmer has been working with a firm who takes care of Student Information Systems for some of the campuses to see if it is economically feasible to add another area on student records for a separate ID number. Mr. Bernal assured the Regents that the campuses are working on this problem. The Student Services vice presidents had a meeting via Ednet in which the only agenda item was student privacy and access to records. They are trying to be sure that this is addressed and handled properly. The University of Utah has a new software program which makes this easier, and the other campuses are also working on it.

Regent Jordan asked if the student body presidents feel this is moving fast enough and if they were satisfied with the progress being made. Mr. Muller said the students were willing to wait to see what improvements were forthcoming.

Financial Aid. Mr. Muller reported that the students support the UCOPE program. Present funding for that program is \$1.4 million. The students requested an additional \$1.5 million be put into UCOPE funding. Regent Atkinson asked if there was evidence to prove that students are unable to obtain financial aid and the number who have had to drop out of school or decrease their credit load because of lack of financial aid. Mr. Muller said no data was available. Regent Atkinson asked if financial aid directors could collect this data on a systemwide basis. Associate Commissioner Norris said when this was done a few years ago, we were between \$50 and \$100 million short of meeting our need. Since then the problem has eroded. One of the contributing factors is the fact that students work more and take fewer credit hours to complete their education. Regent Atkinson asked if it would be possible to trace the students who drop out or decrease their load; Mr. Norris said it was possible.

Technology. Brian Brown and Sim Aguirre explained that a solid base budget for technology was vital to the students. Software and hardware become obsolete in 18 months, but it is taking three to five years to replace them on our campuses. Ongoing base funding is required for hardware maintenance and software support, as well as hardware and software acquisition. The Governor has agreed that more funding is needed but cautioned the students not to expect all they wanted from the Legislature. Many graduates are unfamiliar with the software used by employers because of the outdated software which is still taught at the schools.

Y2K is also a major concern to the students. The students looked at computers which were usable and unusable and asked how many of the usable computers were Y2K-compliant. Thirty-five percent of the institutional computers are considered usable, which means 65% cannot be upgraded as required. Of the 35% which are usable, about 30% were Y2K-compliant. Computer support has diminished as the institutions have acquired more computers. A recent Novell survey showed that USHE institutions were 25% below the required support. Valuable manpower is being wasted on the obsolete computers. This presents a large financial burden which cannot be solved in one year. However, base funding would help the schools tremendously. Computer lab staffing is another problem. Students are willing to increase their fees to cover part of this deficit.

Regent Grant asked the students which was their higher priority - financial aid (UCOPE) or increased funding for computer support. The students agreed that financial aid was their higher priority.

Libraries. Rob Peterson and Jocelyn Palmer said the Utah Academic Library Consortium is an excellent program which the students completely support and appreciate. The smaller schools are limited in many areas, one of them being libraries. The UALC has technical and scholarly data which is important to the students. At Dixie College, 90% of their library materials are from the UALC. Interlibrary loans are very helpful, especially for smaller schools with smaller library space. The problem with interlibrary loans is that it takes two to six weeks to get a book on loan. Many books are used extensively by faculty and administrators. Students do not always have that much time to wait for a book. The UALC feels that with increased funding they can decrease the lead time. They urged the Regents' support of the UALC in the budget request. Regent Jordan asked why the interlibrary loan program was taking so long now and why increased funding would cut that time. The delay is partly due to the book rate for postage and isolated distances. Increased funding would allow for a contract with a freight service to provide quicker service specifically to deliver books throughout the state.

Mr. Muller expressed the students' appreciation for being able to make their presentation. Mr. Brown pointed out that many students had to quit their jobs a month earlier this summer because of the change to the semester calendar. He urged Regents' support of increased financial aid and computer funding so the students are not in a double bind.

Regent Anderton asked the students to comment on the progress of the semester calendar. Mr. Muller said it had made a definite impact on enrollment. Losing an extra month of work has been a burden. Students hope their fees are not increased too heavily this year because of their lack of available personal funds. Mr. Dubitsky reinforced the fact that students had received a "double whammy" because of less time to work and being forced to pay a larger share of their tuition at the beginning of the year. This is a big reason why enrollment is down.

Regent Atkinson asked the presidents if an arrangement had been made to assist the students who were forced to quit their jobs a month early in paying for their books and tuition, and if the students were being made aware of this effort. Mr. Dubitsky said he was not sure of the provisions to give financial aid but the University of Utah had held off on holds for failure to pay this semester and next semester. Mr. Brown said Weber had started "Tuition by Ten" which was an offer for students to pay tuition in ten installments rather than in one lump sum. He expressed his dismay at the Legislature's desire to penalize students for taking longer to graduate. The reason for this delay is that students are having to work longer hours and taking fewer classes because costs have risen so dramatically.

Chair Johnson thanked the students for their great comments. The group applauded the students for their hard work and the excellent way they represented their fellow students.

Regent Jordan asked if the Commissioner's staff could work with the UALC to determine demand for interlibrary loans and to explore possible ways to increase funding to speed up the process. He asked if the schools could pool their money for acquisitions and pool some funding for interlibrary loans. He asked for assurance that this had been thoroughly studied and would be cost-effective. Associate Commissioner Petersen said the UALC had spent a substantial amount of time working on this issue. The students' proposal was based on the work of the Consortium. They have been

developing at a system level the resources needed to work better collectively to accomplish these things. Interlibrary loans disproportionately impact research universities' collections. It is very difficult to have funding at the institutional level; this program works better at a system level. An additional funding request is being made this year to address the research universities' challenge to keep their collections current as well as making this a system-level solution. A two- to three-day delivery is needed, rather than two to three weeks. Sarah Michalak, Director of the UALC, previously reported that increasing the share of resources which is available for online texts is also extremely important.

The students were excused and Chair Johnson outlined the schedule for the remainder of the day.

USHE 1999-2000 Operating Budget Recommendations and Discussion

Chair Johnson reviewed the Regents' responsibility to recognize the needs of the system and balance those needs with the financial capability of the state. System needs will always exceed the state's ability to fund them. He said he had met with Lynne Koga about the state's ability to fund this year. She indicated that economic growth had slowed in Utah and we can expect less than the pattern established in the last five years. He asked the Regents to determine which items had the most importance.

The USHE Master Planning Task Force on Funding Mechanisms suggested a new proposal for funding higher education. Chair Johnson called attention to Replacement Tab C in the Regents' folders. He reviewed Attachment 1, which compared USHE's present funding system with the public education financing method. The proposed minimum state-supported higher education funding plan was shown on page 3 of the attachment. In the proposed plan, a higher portion of higher education funding would be allocated by formula and less in targeted areas. The largest difference in the proposed plan would be the possibility of shifting funding to the Regents and then on to the institutions. An attendant benefit would be to shift an investment pool to benefit the system as a whole. Chair Johnson said this was sound policy for the state in higher education and could tie the system together better than ever before.

Regent Atkinson asked if the Governor's office and Higher Education Appropriations Subcommittee had looked at this with approval or cautious optimism. Chair Johnson said the task force includes representation from the Governor's office, Legislative Fiscal Analyst's office and two Legislators, Rep. Marty Stephens and Senator Lyle Hillyard. Collectively they have indicated that this was the right concept. Regent Lee asked if this would depoliticize the budget process. Chair Johnson responded that Legislators will still be cautious and increase the Regents' accountability and responsibility for results. The Council of Presidents had unanimously and enthusiastically endorsed this concept, as had the task force. Chair Johnson briefly explained some scenarios and asked for comments.

Regent Grant asked how much under the current system would come by formula using this approach. Chair Johnson said 80% of all costs are compensation costs, and therefore by formula. President Romesburg explained that the figures would be based on the previous spring, existing summer and existing fall terms. This is a much improved estimate of enrollments. President Thompson said this would place increased responsibility on the Commissioner and the Presidents to decide the allocation and creation of system pools.

Chair Johnson asked for approval of the concept, recognizing that the task forces still need to work out some details. If the Regents approve the concept of the new plan,

Chair Johnson will share it with the Governor's office, Executive Appropriations, and others. Vice Chair Clyde moved approval of the minimum state-supported funding plan concept, seconded by Regent Atkinson. The motion carried unanimously.

Following a short break, the meeting resumed at 11:07 a.m. Chair Johnson reminded the Board that institutional presentations had been made in August at Utah State University. The present discussion would be to answer questions raised in that meeting and approve the budget request.

One issue to be discussed was compensation and whether or not the Board had information to support the need for additional growth. A handout which dealt with salary equity (Supplement to Tab C) was in the folders. Regent Jordan commended the University of Utah for a powerful presentation and message and encouraged the other presidents to follow the same format. The presidents agreed.

Regent Atkinson stressed that quality is an important component of higher education. The quality of faculty determines the quality of the education offered. To hire and retain top faculty we must be able to pay them what they can get in the private sector. We cannot continue to address quality without making this a top priority. Regent Hale said without our support, the quality of our faculty will erode. We have some of the best faculty in the nation, and we need to keep them here.

Regent Lee requested more information and a larger range for comparison. Chair Johnson asked the presidents to place an emphasis on state-supported institutions but not to ignore private institutions.

Regent Atkinson pointed out that we have been very fortunate in recruiting and retaining outstanding faculty and staff because of the uniqueness and low cost of living in Utah. The low cost of living is gone. Indeed, the cost of living in Utah is higher than in many other states.

Chair Johnson asked for a discussion of the Y2K budget request. Associate Commissioner Hunsaker said the campuses had used external consultants in some cases to determine the greatest risk of failure. The numbers shown in the report reflect the extent of the problem and the best method of solving our problems. He referred to page 23 of Replacement Tab C, USHE Y2K One-time Costs. The true problem and best method of solving it was determined on an institutional basis. Mission-critical mainframe systems were identified, as well as some new software which has been installed and tested. There is a great need in two large areas: network PCs and embedded chips. Maintenance and security systems and telecommunications systems have embedded chips which could cause them to shut down on January 1, 2000. The best method of solving these problems has been identified by the institutions but they have not yet been solved.

Chair Johnson said realistically, we will not get \$45 million to solve our Y2K problem. He asked for the critical figure which must be funded this year. What will crash, and what will it take to fix it? Regent Jordan said the table shown would not be particularly helpful to the Legislature. He asked for specific examples and the dollars attached to each one. Regent Anderton commended Associate Commissioner Hunsaker for doing this preliminary work to bring this need to the Regents' attention. He asked that the absolute bottom-line figure be identified at the next Board meeting. Chair Johnson asked the presidents if they had those figures. Senior Vice President Dave Pershing said the number indicated for the University of Utah was the mission-critical need since the University of Utah accepted the assignment to become Y2K-compliant. The University is committed and cannot decide not to do this and is in the process of

complete system overhaul. A large part of PeopleSoft is Y2K related. Other presidents gave examples from their campuses: At UVSC, 54 of the 208 heating units will stop unless replaced. For CEU, all communication with the San Juan Campus would cease.

President Romesburg pointed out electronic classes will stop if only mission-critical needs are met. Regent Atkinson requested that the next list include the ramifications of not getting this funding for the complete \$45 million, from each institution.

Commissioner Foxley said the Finance and Facilities Committee would be reviewing a report compiled by Jerry Fullmer, who has worked with all of the institutions to get these numbers. She asked for authority to go with the revised numbers in meeting with Legislative Leadership the following week. The numbers will be refined and categorized. We asked for \$13 million last year to address this issue and received nothing. The institutions have advanced money for the analysis and improvements and costs made to date. The Legislature needs to help solve this problem.

Regent Hoggan asked if we had some idea of the state's response to the problem across the state. Dr. Gary Carlston said Dave Moon, the Governor's Chief Information Officer, is working very hard on this problem throughout state government. He previously spoke to public education superintendents about a seven-point plan to be addressed in school districts and is available to assist higher education with this problem.

Jerry Fullmer said the report was complicated. It includes problems just in computers, not necessarily embedded chips. The students already pointed out that computers are old and they need to be trained on up-to-date equipment and software. The state government has 16,000 computers. Higher education has 30,000 to 35,000 computers. Our networks are quadruple the state's volume. Five-year licensing agreements have been signed on software maintenance.

Regent Hale pointed out that the state had a surplus for years and higher education did not receive any of it. Perhaps we could get some of the surplus for these critical issues.

Regent Anderton asked to what extent private industry would help us with this problem. President Romesburg said industry is helping, but they are also helping themselves. Bids for working on the Y2K problem are variable, and prices accelerate dramatically the longer we wait.

Regent Jordan suggested breaking out our Y2K request with descriptions of what is included and what stops working if we are not funded. This will help the Legislators understand our priorities and our needs. Chair Johnson asked the Commissioner's staff to send information to the presidents clarifying this request.

Chair Johnson referred to page 10, the proposed 1999-2000 USHE budget request structure and funding level. He pointed out a number of differences from last month's projections. Commissioner Foxley referred to the orange handout in the Regents' folders, which showed that the US Congress took action to put funding for SSIG and Carl Perkins back into the bill for the President's signature. Therefore, the amount which we need to make up from state monies for matching funds would be \$406,000, rather than \$1.6 million. The SVATC growth requirement is unknown at this time. She asked the presidents to identify what might be covered in the 20% non-compensation part of the formula. President Romesburg asked the Regents to consider costs such as increases to water, garbage, etc, individually because they are costs which must be paid and which may exceed the 3% increase. Regent Atkinson pointed out that with \$400,000 in funding, we would still not be ADA-compliant.

Chair Johnson clarified that this was a work in process and it would be modified as needed. He asked the presidents about the \$7.5 million tuition shortfall. Did they consider it appropriate to be included with the Y2K request for supplemental funding? President Emert said budgets and in some cases, services, will have to be cut to deal with the tuition shortfall. Our credibility as leaders with the faculty will be deteriorated. We need to make an effort to let the Legislature know that there will be consequences for this tuition shortfall. The presidents generally agreed that politically it would be better to point it out but make Y2K a higher priority.

Chair Johnson said the Board would normally approve a detailed budget at this meeting. Based on the preceding discussion, that would be difficult. A budget presentation will be made to the Governor's office on November 2. He suggested that the budget be reworked and submitted to the Regents and a telephone conference call meeting be scheduled to approve the revised budget. President Day suggested that the conference call be tied to the next Council of Presidents meeting on November 27.

The Board recessed to lunch at 12:25 p.m., followed by committee meetings.

The Committee of the Whole reconvened at 2:05 p.m. following a delightful luncheon and meetings of the board committees. Chair Johnson announced that an executive session would be necessary for the Regents and Presidents to discuss a legal matter at the conclusion of the meeting. Regent Jordan so moved, seconded by Regent Hale. The ensuing vote carried unanimously.

Chair Johnson announced that the Regents would meet to approve the budget via conference call at 4:00 p.m. on Tuesday, October 27.

President Budd suggested that the state bond for the Y2K problem with interest rates so low. A question had been raised during lunch on the WPU model. He asked if higher education was going to weight pupils or the cost of instruction. Chair Johnson said a single number of FTEs would be presented, but a weighting of the costs of instruction would be included.

Reports of Board Committees

Program and Planning Committee

Regent Atkinson chaired the Program and Planning Committee.

Utah State University - Orphan Minor in Personal Financial Planning (Tab D). Regent Atkinson commended USU for their attempt to meet the state demand. The proposal was not approved in committee, but rather adopted. She moved that the Board adopt this proposal. The motion was seconded by Regent Anderton and carried unanimously.

Weber State University - Existing Bachelor of Science Degree in Manufacturing Engineering Technology at the Raytheon Corporation in Salt Lake City (Tab E)

Regent Atkinson commended WSU and SLCC for their collaboration on this project. Weber will be offering upper division courses and SLCC the lower division courses. The term would be for the duration of the need. She complimented the Raytheon Corporation for arranging for this training. Regent Atkinson moved approval of the program. The motion was seconded by Regent Jordan. Regent Grant asked that the motion be amended so that approval would be given for WSU to offer this program in Salt Lake City. Regent Atkinson restated the motion and Regent Jordan concurred. Regent Jordan commended the two institutions for their collaboration. Vote was taken; the motion carried unanimously.

Southern Utah University - Bachelor of Science Degree in Construction Management (Tab F). Regent Atkinson said SUU had clearly stated the need for this program. Construction Management is the sixth of the 25 fastest-growing occupations in the country. She moved program approval. Following a second by Regent Lee, the motion carried unanimously.

Utah Valley State College - Bachelor of Science Degree in Fire Service Administration (Tab G). Regent Atkinson said the need was there. The committee heard that there is an urgency for a number of four-year degrees at UVSC but this is a high priority. There would be no cost, as this program would be funded by a grant from UVSC's Fire Academy. Regent Atkinson moved approval of the program. The motion was seconded by Regent Lee and carried unanimously.

Consent Calendar, Program and Planning Committee (Tabs H and I). Upon motion by Regent Atkinson and second by Regent Jordan, the following items were approved on the committee's consent calendar:

- A. Weber State University - Permanent approval of the William H. Child Center for Entrepreneurship.
- B. Utah State University - Programs exceeding credit hour limits
- C. Weber State University - Bachelor of Science in Clinical Laboratory Sciences via the Internet
- D. Weber State University - Associate of Applied Science in Medical Records Technology via the Internet

University of Utah - Department of Sociology Two-Year Progress Report (Tab J). In March 1997 the Regents raised a number of serious concerns about the leadership, research productivity, morale and mission of the Sociology Department. Department members had addressed the committee and explained that they would be ready to reinstate the program in a couple of years. Regent Atkinson moved that the Regents receive the responses of the Academic Vice President, Academic Dean and Graduate Council and that the next report be received in Spring 1999. The motion was seconded and unanimously approved.

Annual Report on the Terrel H. Bell Teaching Incentive Loan Program (Tab K). Regent Atkinson said the report was exciting. This is an effort to encourage highly qualified high school and college students to choose teaching as a profession.

Chair Johnson thanked Regent Atkinson for her depth and dispatch in making her report.

Finance and Facilities Committee

Utah Valley State College - Campus Master Plan (Tab L). Chair Hoggan said the major change from the previous year was the addition of 16 acres of donated land on the northwest part of the campus. This is presently separated from the rest of the campus by a road. That road will be closed and traffic routed around north and east to incorporate this 16 acres into the rest of the campus. Chair Hoggan moved approval of the UVSC Master Plan. The motion was seconded by Regent Hale and carried unanimously.

Study of Institutional Office Supply Purchases (Tab M). The state has a centralized purchasing system. The question was whether higher education should be included in that system. The recommendation of the report was that it should be used on an individual institutional basis when it is advantageous. Otherwise, institutions should proceed as they do now. Chair Hoggan moved adoption of the recommendation. The motion was seconded by Regent Hale and carried unanimously.

Student Financial Aid - Proposed Amendment of Policy R610, Board of Directors of the Utah Higher Education Assistance Authority (Tab N). This proposal was to incorporate the new Higher Education Tuition Assistance Program enacted by the 1998 Legislature and to keep the larger group formed by the addition of the Student Finance Subcommittee to the UHEAA Board. This larger board has proved to be effective. Chair Hoggan moved approval of these amendments to Policy R610. The motion was seconded by Regent Lee and carried unanimously.

Consent Calendar, Finance and Facilities Committee (Tab O). Upon motion by Chair Hoggan and a second by Regent Hale, the following items were approved on the committee's consent calendar:

- a. OCHE Monthly Investment Reports
- b. Southern Utah University - Fuel and Power Reallocation

USHE - Summer and Fall Enrollment Reports (Tab P). Chair Hoggan said this report was for information only and required no action. It was thoroughly discussed in committee. The general feeling is that the decline in enrollments was expected by the transition to a semester calendar. Summer sessions were higher for most institutions. A truer picture will be reflected at the conclusion of the fall term.

USHE - Year 2000 Report (Tab Q). Chair Hoggan said this item, which was discussed at length in Committee of the Whole earlier in the day, was provided for information only and required no action.

Report of the Audit Review Subcommittee (Tab R). Chair Hoggan chairs this committee, which meets quarterly to review institutional audits. He moved approval of the report. The motion was seconded by Regent Hale. Regent Grant asked that one more Regent be appointed to the subcommittee. Chair Johnson and Commissioner Foxley will follow up. Vote was taken on the motion, which carried unanimously.

Board of Regents Student Loan Bonds, Taxable Auction Rate Certificates (ARCs), 1997 Series E-1, 1997 Series E-2 and 1998 Series J (New agenda item). Chair Hoggan moved that the student loan bond indenture be added to the agenda as an action item. The motion was seconded by Regent Anderton and carried unanimously. Material was provided in the Regents' folders. Chair Hoggan explained that these were taxable auction rate certificates. Loans go to the market periodically to borrow money. That rate is determined at an auction rate. Present indenture provides that we cannot pay a rate at auction in excess of 120 points over the 91-day Treasury bill. Three days ago, it appeared we would have to pay more than that rate. As it turned out, that would not have been necessary. However, the policy needed to be amended in case on any given day the spread is over that amount. The Board Executive Committee met in emergency session as provided in Regents policy R120 and approved this action. Chair Hoggan moved ratification of the Executive Committee's decision on behalf of the Board and approval of the indenture. The motion was seconded. Regent Anderton emphasized the need for the Board to ratify the action of the Executive Committee. It is critical that the Executive Committee be able to make these decisions on an emergency basis and that they are ratified by the entire Board. Vote was taken on the motion, which carried

unanimously.

Chair Johnson thanked Chair Hoggan for his stellar report.

General Consent Calendar

On motion by Regent Hoggan and second by Regent Atkinson, the Board approved the following items on the General Consent Calendar (Tab S). Regent Hoggan noted the efforts of Utah State University in grants exceeding \$100 million. USU is running 26% ahead of last year. Regent Atkinson noted some amendments to the August minutes, which were noted and which will be made.

A. Minutes

1. Approval of the Minutes of the Regular Meeting of the Utah State Board of Regents held August 27-28, 1998, at Utah State University in Logan, Utah.
2. Approval of the Minutes of the Special Meeting of the Utah State Board of Regents held September 29, 1998, via teleconference.
3. Approval of the Minutes of the Emergency Meeting of the Executive Committee of the Utah State Board of Regents held October 12, 1998, via teleconference.

B. Grant Proposals - Approval to submit the following proposals:

1. Utah State University - Global Wind Profiles from Space, \$1,000,000; Vincent B. Wickwar, Principal Investigator.
2. Utah State University - Department of Education, Financial Aid Office, \$2,929,420; Judy Lecheminant-Shelby, Principal Investigator.
3. Utah State University - Implementation of Western Region Sustainable Agriculture Research and Education (SARE) Program. \$1,770,715; V. Philip Rasmussen, Principal Investigator.
4. Utah State University - International Cooperative Technology Experiments, \$1,420,112; David A. Burt, Principal Investigator.
5. Utah State University - Crating a National Library of Interactive, Web-Based Virtual Manipulatives for K-8 Mathematics, \$1,295,360; Larry Cannon, Principal Investigator.
6. Utah State University - Proposal for Airborned Infared Analysis, Measurement and Instrument Operation, Modification and Maintenance, \$4,526,887; Joe Kristl, Principal Investigator.
7. Utah State University - SBIRs Low PD Calibration Support for Northrop Grumman Co., \$1,286,223; Mike Bartlett, Principal Investigator.
8. Utah State University - Project S.O.S. (Safe and Orderly Schools): A Demonstration of a Comprehensive and Intensive Model of Violence Prevention, \$3,771,335; Richard P. West, Principal Investigator.

9. Utah State University - ARCH - Advanced Reconnaissance Compression Hardware, \$1,487,401; Neil Holt, Principal Investigator.
10. Salt Lake Community College - Welfare to Work, \$3,257,079; Sterling Francom, Principal Investigator.
11. Salt Lake Community College - Carls Perkins Formula, \$1,041,490; Elwood Zaugg, Principal Investigator.
12. Salt Lake Community College - Empowerment Zone, \$10,000,000; J. Preston, 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 on November 13, 1998, at Weber State University, to consider property transactions, personnel performance evaluations, litigation, and such other matters permitted by the Utah Open and Public Meetings Act.

Adjournment

Chair Johnson thanked everyone for a great job and a great meeting. He expressed the Board's appreciation to President Romesburg and his staff for their food and hospitality. The meeting went into executive session at 2:37 p.m. and adjourned from there.

Joyce Cottrell CPS
Executive Secretary to the Board of Regents