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**MINUTES OF MEETING  
UTAH STATE BOARD OF REGENTS  
REGENTS BOARD ROOM, 3 TRIAD CENTER  
SALT LAKE CITY, UTAH**

February 10, 1999

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Board Members Present

Kenneth G. Anderton  
Pamela J. Atkinson  
Aileen H. Clyde  
David J. Grant  
Larzette G. Hale  
Charles E. Johnson  
David J. Jordan  
Evelyn B. Lee  
E. George Mantes  
Robert K. Reynard  
Paul S. Rogers  
Jay B. Taggart  
Dale O Zabriskie

Board Members Excused

L. Brent Hoggan  
Karen H. Huntsman

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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  
Joyce Cottrell, Executive Secretary  
Philip V. Bernal, Director of Student Services and Minority Affairs  
David R. Colvin, Academic Affairs Program Officer  
Harden R. Eyring, Executive Assistant to the Commissioner  
Linda Fife, Academic Affairs Program Officer  
Jerry H. Fullmer, Director of Information Systems  
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

**INSTITUTIONAL REPRESENTATIVES PRESENT**

University of Utah

J. Bernard Machen, President  
Paul T. Brinkman, Associate Vice President for Budget and Planning  
Raymond A. Haeckel, Executive Director, Government & Community  
Relations

Utah State University

George H. Emert, President

Weber State University

Paul H. Thompson, President  
Carol J. Berrey, Executive Director of Government Relations/Assistant to the President

Southern Utah University

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

Snow College

Gerald J. Day, President

Dixie College

Robert D. Huddleston, President

College of Eastern Utah

Grace S. Jones, President

Utah Valley State College

Kerry D. Romesburg, President  
Lucille T. Stoddard, Vice President of Academic Affairs  
Gilbert E. Cook, Vice President, College Relations and Campus Support  
Douglas E. Warner, Executive Director, Budgets and Management Studies

Salt Lake Community College

Frank W. Budd, President  
Rand A. Johnson, Assistant to the President

*Representatives of the Press*

Dan Egan, *Salt Lake Tribune*  
Jeff Haney, *Deseret News*

Chair Johnson called the meeting to order at 10:10 a.m. He called the roll and declared the presence of a quorum.

**Legislative Update**

**Capital Facilities.** Chair Johnson asked Associate Commissioner Fred Hunsaker to give a brief update of capital facilities issues. Mr. Hunsaker said the Capital Facilities Appropriations Subcommittee appeared to be giving serious consideration to the Regents' priorities, with the first three items on the Board's list remaining intact. He briefly spoke about capital developments, non-state funded projects, and capital improvements. Mr. Hunsaker reported that Ed Alter, Utah State Treasurer, had addressed the subcommittee the previous week about the state bond rating and indebtedness. Mr. Alter commented that taking care of existing needs would be more important than the state's indebtedness. He indicated that a failure to maintain,

renovate and repair existing buildings and to add space where needed would be more detrimental to the state's bond rating than the current ongoing proposal before the subcommittee. Associate Commissioner Hunsaker said the new bond amount would undoubtedly be less than the amount being paid off in 1999, so the bond level would not go up.

Although there has been no official action by the Legislature to ratify the concept that design and construction is one continuous process, it appears to have widespread acceptance. The Legislature has rejected the notion that planning money is a commitment for design funding the following year. No proposals are being entertained by the subcommittee for additional design this year. The bill for the Dixie Arts Center was sent to the Workforce Services Committee, then sent back to Rules for further consideration.

A higher education land bank was not recommended by the Legislative Fiscal Analyst (LFA). Subcommittee members are sensitive to the need for institutions' flexibility to exercise purchase options; however, that issue is rated below the most likely funding level.

**Pending Legislation.** Commissioner Foxley referred to the summary list of bills behind Tab A and asked the institutional legislative representatives to assist her in making brief comments on the bills they were tracking. The Commissioner distributed copies of the Attorney General's statement on the statutory role of the Regents in determining institutional missions and roles as assigned by the Legislature. She also distributed a recent editorial from the Deseret News in support of the Regents' role. Regent Hale mentioned that an editorial had been published in The Herald Journal the previous evening; Commissioner Foxley said she would have copies of it sent to the Regents.

***HB32, Dixie College Name Change,*** passed the House and is in Senate Rules. It was discussed by the Senate Education Committee on Friday, February 5, but because the bill had not been formally released from the Senate Rules Committee, there was no vote taken. Commissioner Foxley, Regent Clyde and Regent Mantes met with the Democratic caucus and Senator Lorin Jones and had a good discussion. The Legislators were asked to not short-circuit the Regents' planning process for any area of the state, and to let the Regents carry out the role they have been assigned by statute. Commissioner Foxley distributed a list of Critical Needs for Access to Higher Education in Utah. Many areas of the state need increased access to higher education opportunities. The Regents have made a commitment to complete the master planning process by early fall. Master plans are to be submitted to the Legislative Strategic Planning Task Force from both public education and higher education by September 1, if S.B.114 passes. The Commissioner commended Regent Mantes, who was very effective with his colleagues in the Senate in discussing governance and master planning.

Commissioner Foxley, Associate Commissioner Fred Hunsaker, Associate Commissioner Gail Norris, Assistant Commissioner Brad Winn, and Institutional legislative representatives Carol Berry, Ray Haeckel and Rand Johnson commented briefly on the bills from the "A" List which they were tracking. Of particular note were the following:

***HB159, Mental Health Insurance Parity.*** This bill would potentially have a fiscal impact on some of the institutions; however, the full extent of this impact is not yet known. Regent Rogers moved that the Regents remain neutral on HB159, pending further fiscal information. Vice Chair Clyde seconded the motion. Regent Atkinson pointed out that some insurance companies already provide some coverage for

mental illnesses, so not all premiums would be increased. The motion passed unanimously. Chair Johnson reminded the Regents that we need to monitor the fiscal impact of this bill.

***SB80, Higher Education Faculty.*** Commissioner Foxley said Harden Eyring had drafted a substitute bill, which higher education representatives were instrumental in having considered. The substitute bill would allow faculty to receive a fifty percent reimbursement on their tuition for graduate classes, provided they were accepted into the program, the classes contributed to their professional development, and they received approval from their home institution. This would be viewed as a pilot project. The American Federation of Teachers (AFT) was opposed to the substitute bill. In the Senate Education Committee meeting, Senator Howard Stevenson proposed that the same benefits be extended to USHE staff. Higher education officials were supportive of this addition. If the substitute bill passes, participation would be limited by the \$27,000 fiscal note.

***HB291, Higher Education Reorganization Act.*** Although this is a "box car" bill, Representative Hickman appears to be proposing to do away with the State Board of Regents as it is now structured if HB32 does not pass. The chairs of the institutional Boards of Trustees would form a coordinating council. That concept was not effective 30 years ago, and it would not be effective now.

***SJR12, State Board of Regents Membership Resolution.*** Senator Howard Nielson would like a greater geographical representation on the State Board of Regents. Commissioner Foxley said he is willing to work informally with the Governor, Legislators, and Regents so that all parts of the state are represented.

**Funding.** Chair Johnson distributed a one-page comparison of the 1999-2000 Regents' budget request, Governor's recommendation and Legislative Fiscal Analyst's recommendation. The Higher Education Appropriations Subcommittee will set their priorities this afternoon and go to Executive Appropriations for additional funding, then return for another priority-setting session. Chair Johnson asked the Regents to keep the morning of February 19 on their calendars for a possible Board meeting in the Governor's Board Room. The meeting will probably take most of the morning and will be confirmed next week. The three priorities the Regents set this year are: (1) enrollment funding and increasing the formula, (2) funding for students already in the system, and (3) flexibility in institutional priorities. Commissioner Foxley invited the Regents and Presidents to meet with the Higher Education Appropriations Subcommittee that afternoon at 2:00 p.m. in room 223 of the State Capitol.

### **Administration of Oath of Office to Regent George Mantes**

Chair Johnson administered the official oath of office to Regent George Mantes, who had been confirmed by the Utah State Senate the previous week, and welcomed him as a full member of the Board of Regents.

### **Proposed Tuition Increase for 1999-2000**

Chair Johnson referred to Tab B. The Governor's budget recommendation presumed a 2.5% tuition increase, which would match his proposed compensation increase. The Legislative Fiscal Analyst is recommending a 4% increase. The Funding Mechanisms Task Force, based on the recommendation of the USHE Tuition and Fee Subcommittee, approved a 3% tuition increase last summer. That

recommendation was endorsed by the Council of Presidents.

Regent Reynard said he had been present when the Tuition and Fee Subcommittee had recommended a 3% tuition increase. The Utah Council of Student Body Presidents (UCSP) endorsed the recommendation at that time, based on the Regents' support of a \$1.5 million increase in UCOPE funding.

Regent Atkinson said it was too early to know the extent to which students would be affected after fee increases had been included. Some students may have to take fewer classes or drop out of school because of the financial limitations this increase would impose. It will especially be a burden on the lower income students. Chair Johnson said student fees had been discussed by the Council of Presidents. The Presidents would like to keep fees in line with tuition.

Regent Lee asked if the task force had considered additional increases for non-resident students. Chair Johnson said many institutions already exceed the Regents' policy of charging non-resident students at three and one-half times the resident tuition rate. Regent Lee asked if there was a problem with overload in any programs by non-resident students. The Presidents responded that, to the contrary, their non-resident student enrollments were down.

Regent Mantes asked if USHE tuition rates were in line with other institutions in the area. Chair Johnson responded that, according to the Legislative Fiscal Analyst's office, BYU was raising their tuitions by 4%. Commissioner Foxley said a recent WICHE report had indicated tuition increases between two and four percent for the western states. In response to Regent Mantes' question, she stated that Utah community college tuition is too high, compared with neighboring institutions, and university tuition is comparable. Regent Atkinson pointed out that the LFA had not looked at the total tuition of neighboring states in determining his recommendation for a 4% tuition increase. When the students supported a 3% increase, there was a fair amount of assurance that \$1.5 million would be available for additional UCOPE funding. Regent Reynard agreed that the students were initially not supportive of a 3% tuition increase; however, they agreed to support an increase at that level if the \$1.5 million was received for UCOPE financial aid.

Stating that raising tuition was always painful but that a 3% increase appeared to be an economic necessity, Regent Anderton moved that tuition be increased by 3% at USHE institutions for 1999-2000. The motion was seconded by Vice Chair Clyde.

Regent Lee asked if the revenue derived from this increase would be used for more than compensation. Assistant Commissioner Tarbox confirmed that there would be approximately \$1.5 million in addition to what was needed for compensation, assuming a 2.5% compensation increase.

Vote was taken on the motion to approve a 3% tuition increase for USHE institutions. The motion carried, with Regent Atkinson voting in opposition.

### **University of Utah -- Proposed Selective Graduate Tuition Surcharge**

Chair Johnson reminded the Regents that they had previously approved a proposal that graduate tuition could be raised independently of undergraduate tuition, with the funding to remain with the institutions and with the programs. He asked President Machen to explain the request found in Tab C.

President Machen said several points had been made in the LFA's presentation about

graduate tuition. Graduate tuition covers less of the cost of instruction than undergraduate tuition. The University's tuition for graduate courses is significantly less than that charged by peer institutions. The Legislative Fiscal Analyst had recommended an increase in graduate tuition and that those funds be kept within the institution and within the specific programs. There was a question on implementation and significant dialogue about whether the surcharge would be implemented at once or phased in over a two- to three-year period. The University's proposal was for a \$2500 increase, with the administration working on an equitable plan for currently enrolled students.

Regent Lee recommended increasing tuition rather than assessing a surcharge for high-demand, competitive programs where access may be limited. She asked if this would be setting a precedent for assessing a surcharge. President Romesburg responded that a tuition surcharge had been in place for upper division classes at UVSC for the past five years. President Machen said with the new recognition in writing by the LFA that tuition of this type can be sequestered, it need not be called a surcharge.

Regent Atkinson asked if the proposed 10% increase for nursing programs would be a deterrent. President Machen said Dean Amos was comfortable with the proposed increase. Each program will set aside 10-15% of the increase for need-based scholarships.

Regent Lee said the Regents had previously requested funding for Urgent Student Support. Commissioner Foxley said the category of Urgent Student Support had included tuition funds not used for compensation. The institutions looked at the category which supports students where there was an urgent need for additional funding. The institutions and students greatly appreciated the Urgent Student Support request, although the Legislature did not support it. She agreed to send the Regents a report of how those funds had been used.

Regent Atkinson moved approval of the proposal. The motion was seconded by Regent Reynard and carried unanimously. Chair Johnson said when this information is presented to the Legislature, it would include an emphasis on UCOPE funding as well as the contingency that the increased graduate tuition funds remain with the institutions.

### **General Consent Calendar**

Upon motion by Regent Lee and seconds by Regents Clyde and Atkinson, the following items were approved on the General Consent Calendar (Tab D):

- A. Minutes -- Approval of the Minutes of the Regular Meeting of the Utah State Board of Regents held January 14, 1999, at Salt Lake Community College in Salt Lake City, Utah.
- B. Executive Session -- Approval to hold an executive session or sessions in connection with the meetings of the State Board of Regents to be held on February 19, 1999 at the Utah State Capitol (if necessary), and on March 11-12, 1999 at Dixie College in St. George, Utah, to consider property transactions, personnel performance evaluations, litigation, and such other matters permitted by the Utah Open and Public Meetings Act.

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The meeting was adjourned at 11:28 a.m.

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Joyce Cottrell CPS  
Executive Secretary to the Board of Regents