

**MINUTES OF MEETING
UTAH STATE BOARD OF REGENTS
SNOW COLLEGE**

April 23, 1999

Board Members Present

Charles E. Johnson, Chair
Aileen H. Clyde, Vice Chair
Kenneth G. Anderton
Pamela J. Atkinson
David J. Grant
Larzette G. Hale
L. Brent Hoggan
Karen H. Huntsman
James S. Jardine
David J. Jordan
Evelyn B. Lee
E. George Mantes
Robert K. Reynard
Winn L. Richards
Paul S. Rogers
Maria Sweeten
Dale O Zabriskie

Board Members Excused

Jerry C. Atkin
Michael R. Jensen
Jay B. Taggart

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
Don A. Carpenter, Associate Commissioner
Joyce Cottrell, Executive Secretary
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
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
John G. Francis, Associate Vice President for Academic Affairs
Raymond A. Haeckel, Executive Director, Government and Community Relations

Utah State University

George H. Emert, President
G. Jay Gogue, Provost

Lynn E. Janes, Interim Vice President for Administrative Affairs
Richard W. Jacobs, Budget Director

Weber State University

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

Southern Utah University

Steven D. Bennion, President
Sterling R. Church, Vice President for Student Activities
Gregory L. Stauffer, Vice President for Administrative and Financial Affairs

Snow College

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

Dixie College

Robert C. Huddleston, President
Max H. Rose, Academic Vice President
Thales A. Derrick, Associate Director, Institutional Advancement
Dwan Serrano, Student

College of Eastern Utah

Grace S. Jones, President
Raelene Allred, Vice President of Finance and Administrative Services
Karen Bliss, Dean of Institutional Advancement
Gail Glover, Dean of Administrative Services, San Juan Campus
Brad King, Dean of Students

Utah Valley State College

Kerry D. Romesburg, President
Gilbert E. Cook, Vice President for College Relations and Campus Support
Ryan L. Thomas, Vice President for Student Services & Campus Computing
Val Peterson, Associate Vice President for College Relations
Douglas E. Warner, Executive Director, Budgets/Management Studies
J. D. Davidson, Dean, School of Humanities, Arts & Social Sciences
Jane Fillmore, Chair, Behavioral Science Department

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 Media

Dan Egan, *Salt Lake Tribune*
Anne Golden, *Daily Herald*
Jeff Haney, *Deseret News*
Tracie Sullivan, *Spectrum*

Others Present

Thomas C. Anderson, Office of the Attorney General
Shannon Bittler, Joint Liaison Committee
Boyd Garriott, Office of the Legislative Fiscal Analyst
Debra Headden, Office of the Legislative Fiscal Analyst
Paul D. Henderson, American Federation of Teachers
John Massey, Legislative Fiscal Analyst
Brad Mortensen, Governor's Office of Planning and Budget
Forrest Williams, Brigham Young University

Chair Johnson called the meeting to order at 10:15 a.m. He excused Regents Atkin, Jensen and Taggart. He said the Regents had enjoyed a very nice dinner the previous evening with the Snow College Board of Trustees on the Snow College South Campus in Richfield, where the new Regents had met earlier for an orientation session.

Administration of Oath of Office to Winn L. Richards

After introducing the new Regents, Chair Johnson administered the oath of office to Regent Winn L. Richards, who replaced Vic Lund on the Board. Regent Richards said he was pleased to serve on the Board of Regents and looked forward to a mutually satisfying relationship.

Reports of Board Committees

Program and Planning Committee

University of Utah -- Master of Occupational Therapy Degree (Tab A). Regent Atkinson pointed out that the need for health care professionals is somewhat diminished because of the government health care mandate. Several physical therapists, for example, are out of work due to increasing government regulations. She predicted that we would see a decrease in need for these kinds of professionals, a situation of which the College of Health was very much aware. Chair Zabriskie said this request was referred to in committee as cyclical; however, it may be a permanent trend. He moved approval of the Master of Occupational Therapy Degree. Regent Rogers seconded the motion, with the full disclosure element mentioned by Regent Atkinson. The motion carried unanimously.

Snow College -- Associate of Applied Science (A.A.S.) Degrees and Diplomas in Existing ATE Programs at Snow College South (Tab B). Chair Zabriskie called the Regents' attention to the supplement to Tab B in their folders, which added Business Education and Computer Information Science to the list of proposed programs. These courses have been approved and accredited by the State Board of Education in the past as ATC courses. H.B. 114 requires that these courses continue to be taught as non-credit as well as credit courses, so the non-credit certificate option will remain available to students. However, students will now have the additional options of a diploma and/or an A.A.S. Degree. Chair Zabriskie moved approval of these programs to be offered at Snow College South in Richfield. The motion was seconded by Regent Lee. Public education is asking about ATCs offering credit for ATE courses. This issue is being discussed by the ATE Subcommittee of the Missions/Roles Task Force.

Regent Grant asked if A.A.S. degrees transferred to other institutions. Commissioner Foxley clarified that A.A.S. degrees are viewed as terminal degrees that prepare students for entry into the workforce. They could be transferable; however, all credits may not be transferable to some degree programs at the four universities. Regent Jordan asked if faculty and course content would be identical for credit and non-credit classes.

President Day confirmed that they were the same classes. Regent Lee clarified that two additional classes were required for a degree. She referred to sections of the document which showed the credits required for diplomas and A.A.S. degrees. President Day said all of the proposed courses had met the criteria and standards for credit at Snow College. President Budd spoke of the challenges of keeping these programs within the constraints of the degree requirements. A.A.S. degrees do not generally include the general education component, because it is not needed as much by the hiring companies.

Commissioner Foxley asked the Board to think of this as an historic moment. It is the first time that an entire public education institution (Sevier Valley Applied Technology Center) has become a part of the higher education system. She urged the Regents to give Snow College and Snow College South personnel the support they need because much work is yet to be accomplished.

Vote was taken on the motion, with the modification that Practical Nursing is a one-year certificate program. The motion carried unanimously.

Utah Valley State College -- Bachelor of Science and Bachelor of Arts Degrees in Behavioral Science (Tab C). Chair Zabriskie said there was a high demand in the Utah Valley area, as well as community and employer support, for such a degree at UVSC. He moved approval of the proposed degrees. The motion was seconded by Regent Grant. Regent Jordan asked President Romesburg to speak about the faculty who will be teaching these classes. President Romesburg said these were the college's highest qualified faculty, in terms of doctoral preparation. This program has a very attractive ratio of students to full-time faculty (5:1) in upper division courses. Seven of the nine faculty members will be Ph.D. qualified. Regent Jordan asked if this program had the unanimous approval of the Council of Presidents (COP) and the Chief Academic Officers (CAOs). Commissioner Foxley replied that the CAOs had gone over this proposal very thoroughly. As a result, this request was very different from what was originally proposed. She credited UVSC's responsiveness to the concerns of the other institutions and the cooperation of everyone working together. Associate Commissioner Petersen said extensive work had been done by the CAOs of each of the universities to raise issues which required major changes in the proposal. UVSC reworked the curriculum in order to respond to these concerns. Vote was taken on the motion, which carried.

Minutes of the December 14, 1998 SBE-SBR Joint Liaison Committee (JLC) Meeting (Tab D). Chair Zabriskie explained to the new Regents that the Joint Liaison Committee included representatives from both the State Board of Education and the State Board of Regents. Both boards approve new policy decisions included in the JLC minutes when approving those minutes. Just as the Board of Regents is asked to approve the JLC minutes, so is the State Board of Education. The December minutes were mostly concerned with budget issues. He moved their approval, seconded by Regent Atkinson. The motion carried unanimously.

Consent Calendar, Program and Planning Committee (Tab E). Upon motion by Chair Zabriskie and second by Regent Atkinson, the following item was approved on the committee's Consent Calendar:

Southern Utah University -- Reinstatement of the Reserve Officer Training Corps (ROTC) Program.

1998 Annual Report on Women in Faculty and Administrative Positions in the Utah System of Higher Education (Tab F). Chair Zabriskie said this report had been included for information only. It is an annual report received by the Board of Regents. The committee had noted that steady improvement has been made in the hiring of women in faculty and administrative positions. Commissioner Foxley commended David Colvin

for his preparation of the report. Regent Hale moved that the Presidents be commended in their efforts to move the system forward in this direction. The motion was seconded by Regent Atkinson and carried unanimously. Vice Chair Clyde pointed out that this report was heartening, but it also showed how far we have to go. Regent Hale said this was also true of racial considerations. Minorities, particularly women of color, must be considerably overqualified in order to be hired in most organizations in America.

Weber State University -- Tuition and Fees for Internet Instruction(Tab G). Chair Zabriskie said this had been discussed in committee, which took the same action as the Finance and Facilities Committee. It will be discussed in detail during the report of that committee.

Chair Johnson thanked Regent Zabriskie and his committee for their dispatch in dealing with these items.

Finance and Facilities Committee

Weber State University -- Tuition and Fees for Internet Instruction(Tab G). Chair Hoggan said the committee had debated this issue at great length and had concluded that it should be referred to the Master Planning Task Force on Funding Mechanisms for further action. Chair Johnson asked President Thompson to report the background for this request. President Thompson said the University was working hard to respond to the market. He understood the reasons for referring the proposal to the Funding Mechanisms Task Force. Chair Hoggan said students who take full-time classes on campus and add online courses were being penalized by this request. The Governor and Legislature want the Regents to encourage electronic courses, not discourage them. If costs of online instruction are made prohibitively high, this will not be accomplished. Regent Grant pointed out that this issue is broader than just Weber State University. He asked the task force to consider the entire Internet pricing across the system, including the Utah Electronic Community College (UECC).

Snow College -- Campus Master Plan (Tab H). Chair Hoggan said this item would be discussed later in the Committee of the Whole.

Utah Valley State College -- Utah County Journal Property Purchase Option (Tab I). Chair Hoggan said UVSC has an opportunity to acquire some property adjacent to the campus. The property currently contains houses, which the college has an option to purchase. The UVSC Foundation has paid a \$100,000 consideration for this property. The college would like to close on the property by the end of December, subject to approval of the Regents. Money to fund the purchase would be supplied by non-appropriated funds. The committee approved this request, on the condition that it not be funded by state funds and that this item be included on the O&M list for funding. Chair Hoggan moved approval of the request, with that provision. The motion was seconded by Regent Hale. President Romesburg said a question had been raised after the committee discussion about the timing of this transaction. The property became available right after the end of the Legislative Session, and the seller wants the money by the end of this year, which is prior to the next session.

Regent Anderton noted that the Regents had received a copy of the appraisal in the mail. One of the factors considered in the appraisal was UVSC's interest in and offer to purchase this property. There was reportedly another offer of \$3 million. President Romesburg clarified that the \$3 million offer was from UVSC. A subsequent offer was made for a larger amount. The Strawberry Water Users asked for \$3.25 million, and UVSC agreed on this amount, subject to an appraisal. President Romesburg said he had received an indication from the Strawberry Water Users that \$3 million was a fair value of the property. Vote was taken on the motion, which carried.

Chair Hoggan pointed out that there was also a five-acre tract of land adjoining this seven-acre tract which may come on the market. The committee discussed the need for all institutions to be aware of property contiguous to their campuses. A motion was approved in committee to encourage the Presidents to do this. Regent Rogers moved, seconded by Regent Grant, that broad instruction be given to the Presidents to continue to look for adjacent lands and opportunities which would fit within their master plans. The motion carried with one "no" vote.

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

- a. OCHE Monthly Investment Report
- b. UofU and USU Capital Facilities Delegation Report
- c. 1998-1999 Work Program Revisions and 1999-2000 Initial Work Programs

Capital Improvement Funding and Y2K Allocations (Tab K). Chair Hoggan noted this report was provided for information only and did not require Board action. Chair Johnson asked if there were any questions. Vice Chair Clyde expressed her concern at the amount of funding higher education was actually given for Y2K and expressed her hope that the institutions could satisfy their need with this amount. Regent Atkinson asked the Presidents if they felt the Board needed to take further action to acquire more funding for Y2K and if they anticipated delaying the start of Spring Semester next January. Scheduled first day of classes for UVSC is January 5, and for CEU is January 11. All the other institutions are scheduled to begin classes on January 10, 2000. The Presidents felt they would be able to meet their announced schedules.

Regent Jordan asked how the Y2K allocation had been made. Jerry Fullmer responded that Dave Moon and Dave Fletcher had funded the most critical items on an item-by-item request. Embedded chips and infrastructure needs were funded first. Funding was not tied to the Regents' nor Governor's recommendations; however, it did follow categories and priorities. Regent Jardine noted that the USHE had been punished for planning ahead for their Y2K needs. Speaking as Chair of the University of Utah Board of Trustees, he said the University was not rewarded for being far-sighted and planning ahead. Commissioner Foxley pointed out that originally higher education was targeted to receive \$3.5 million. The institutions were asked to identify their highest, most crucial need. They received approximately \$.9 million of additional funding based on their responses to this survey. She credited Dave Moon, Dave Fletcher, Jerry Fullmer, and Jonathan Ball on their efforts to obtain higher funding, bringing the total to \$4,431,589.

Report of the Audit Review Subcommittee (Tab L). Chair Hoggan said this report had been provided for information only. He encouraged the Regents to read the report.

Snow College -- Campus Master Plan (Tab H). Chair Hoggan referred to the supplements in the Regents' folders, which were maps of the Ephraim (Snow College) and Richfield (Snow College South) campuses. No changes have been made to the Ephraim campus master plan, and Chair Hoggan moved its approval. The motion was seconded and carried. Chair Hoggan noted that on the Snow College South campus in Richfield, legislation calls for implementation and transition between July 1, 1999 and January 1, 2000. The college is very anxious to move on course and program approvals so they can be in place and ready to go on July 1. The Richfield master plan shows two buildings on that campus. A shop expansion has been approved by the Legislature and ground has been broken. If the proposed Multi-Events Project comes to fruition, President Day said it would be the fourth building on campus. It would be in close proximity to the existing buildings and Richfield High School. The Multi-Events Center has been inherited. The project began in the mid-1990s. Several school districts and the

SVATC decided to jointly construct a facility with non-state money to serve the joint needs of both institutions. The total cost of the building is estimated to be \$19 million. Funding is expected from the U.S. Department of Agriculture (USDA) in the form of a low interest loan, and partly by direct appropriation. A loan will be pursued with the idea that private funding, school district bond money, CIB money, and \$1.5 million of state money, which was appropriated two years ago, would be put together to arbitrage the loan. If the money can be assembled, this would be sufficient to build the structure as contemplated. O&M would be requested at the appropriate time. President Day asked to be considered in the discussion of this project.

Regent Jordan asked about the joint use agreement with the school district. President Day said that was presently being determined. The building would also be used by the community. Higher Education's share of the O&M cost may be as much as \$525,000. Chair Johnson told the Regents that impressed in the approval of this master plan was the authority to move forward with the funding for the Multi-Events Building and the authorization to request O&M funding at the appropriate time. Regent Rogers moved approval of the request, seconded by Regent Lee. Regent Lee asked what obligation the school district would have and if there were other sources of funding which could be utilized. President Day said he anticipated revenue generation by community use of the building, but no estimates were available yet.

Regent Grant moved to amend the motion so that approval would not be requested until cost-sharing was obtained for O&M. The motion was seconded by Regent Rogers, but after subsequent discussion, both the motion and second were withdrawn. Vote was taken on the original motion, which carried.

Chair Johnson thanked Regent Hoggan for his excellent report.

General Consent Calendar

On motion by Regent Zabriskie and second by Regent Grant, the following items were approved on the General Consent Calendar:

Minutes - Approval of the Minutes of the Meeting of the Utah State Board of Regents held March 12-13, 1999, at Dixie College in St George, Utah.

Grant Proposals - Approval to submit the following proposals:

Utah State University - Pell Grant Fiscal Year 1999-2000, \$9,500,000; Judy Lecheminant, Principal Investigator.

Utah State University -Ecosystem Recovery Following Catastrophic Disturbance: A Multi-scale Analysis of Biotic Reassembly at Mount St. Helens, \$2,996,318; James A. McMahon, Principal Investigator.

Utah State University - Microbial metabolism of Aliphatic Alkanes and Epoxied, \$1,153,543; Scott A. Ensign, Principal Investigator.

Executive Session - Approval to hold an executive session or sessions in connection with the meeting of the State Board of Regents to be held on June 3-4, 1999 at Southern Utah University in Cedar City, Utah, to consider property transactions, personnel performance evaluations, litigation, and such other matters permitted by the Utah Open and Public Meetings Act.

Quality in Higher Education

Chair Johnson asked the Regents to consider the essential elements of quality along with how it can be measured. He asked Assistant Commissioner Brad Winn to begin the discussion. Dr. Winn reminded the Board that Assistant Commissioner Norm Tarbox had presented information from cost figures at the March Board meeting. In that discussion, he had identified the factors to be considered in costs. Those policy variables also affect quality. Stating "That which is measurable tends to drive out that which is otherwise," President Bennion pointed out that there are often issues which are hard to measure which are important to quality, but they get lost in charts and tables.

Dr. Winn referred to Attachment 1 of Tab O, "Defining and Measuring Quality in Undergraduate Education." Different constituents see quality differently. Outside interests are increasingly holding us responsible for quality. Attachment 3 was a report of the Bachelors Education Quality subgroup of the USHE Master Planning Task Force on Missions/Roles. Attachment 4 looked at how higher education had historically approached the question of quality. Dr. Winn referred to the Supplement to Tab O which was in the Regents' folders, "Relationships Between Quality Dimensions and The Array of Higher Education Benefits." He asked, "Which are most important to our system, and how do we come up with ways to measure them?"

Chair Johnson noted that decision-makers focus heavily on outcomes (post-education measurement). Educators focus mostly on campus experiences. There are obviously many different approaches to quality. Dr. Winn said the level of analysis has been at the department level with program reviews.

Vice Chair Clyde requested that the same amount of time be devoted to a discussion of quality as was previously done with technology. She said Regents, legislators, and policy makers understand cost factors better than those things that are difficult to measure. She asked for at least two hours to discuss the practical applications of quality, using the material included with this agenda and possibly others. This must be done before we can persuade legislators, students and others that we know what quality is and how it can be measured. Regent Anderton recommended that the Regents agree on certain criteria and policies to implement those fundamentals to ensure quality.

Regent Lee agreed that it was important to define quality, since decisions are always being made based on the fact that we think the quality is there. The Regents do not completely understand the process to bring some programs before them for consideration. There is a lack of knowledge about how quality is defined. She asked if the institutions were taking all aspects of quality into consideration when moving so rapidly to meet the student and community demand. Regent Jardine noted that it was easier to define quality for one institution than for the system as a whole. Regent Atkinson referred to the book *Quality - You'll Know It When You See It*, which points out that quality is in the eyes of the beholder. In addition to being able to define and measure quality, we need to know consumer expectations.

President Machen noted that the aspects of access and cost have been driving the decisions which the Regents make. He suggested that quality is not a one-dimensional issue - it is not just the process nor outcomes. Quality, however, is measurable. The system can agree on variables as indicators of quality. The identification of multiple types of quality is a good start for this process. Regent Grant suggested that the Regents decide in advance which constituencies should measure quality.

Chair Johnson asked the Regents what they wanted to know to prepare for ensuing discussions. Regent Anderton asked each President to provide the criteria they use to continually look at quality in their institutions. President Romesburg suggested using Dr. Winn's handout to prepare a matrix to define types of quality and identify constituencies, then each President could discuss the measurement tools they use on campus to get the

desired outcomes. Regent Jordan suggested that the discussion focus on some of the specific policy issues the Regents need to make which must be driven by quality, such as programs proposed for approval by the Regents, then identify the quality markers associated with those policy issues. President Jones noted that market-driven, mission-centered education is a hot topic. Parents want to know where they can get the best quality for their investment. She stressed the need to convince people that liberal learning is included in quality. Associate Commissioner Winn agreed with the suggestion to identify constituencies. We need to prioritize what is really important, then identify how it can be tracked.

Discussion of the Utah Postsecondary Proprietary Schools Act

Commissioner Foxley referred to Tab N and asked Assistant Attorney General Thomas C. Anderson to lead the discussion. Mr. Anderson reported on the situation with the Certified Technical Institute (CTI). The Postsecondary Proprietary School Act (PPSA) was studied to determine the Regents' authority. That study revealed that there was no failsafe system to allow a school to operate without making it so economically difficult they could not be viable. Some options which might be considered are a surety bond, prohibiting schools from collecting the entire tuition in advance, or having a third party hold the tuition money. The Commissioner's staff has recommended that a study group be formed to include some Regents. Mr. Anderson highlighted some of the policy requirements and limitations in Regents Policy R171, *Postsecondary Proprietary School Act and Rules*, and suggested that Jim Wilson from the Office of Legislative Research and General Counsel be appointed to serve on this group. Chair Johnson asked for volunteers to serve on this study group.

Regent Atkinson said she disliked having accountability over something for which the Regents had no control. Mr. Anderson said every state except Texas has regulations within a branch of higher education as a regulatory agency. The duty is placed with the Board by statute. Utah has a very low registration fee. The expectation is that it be reasonable to cover costs of administration. By imposing a bonding requirement, the insurance company which would issue such a bond would conduct an investigation of reliability. At CTI, the services provided to many students were thought to be very good.

Regent Jardine asked that the study group address the issue of whether or not educational oversight was provided in addition to business oversight. Should it be included?

Recognition of Thomas C. Anderson

Chair Johnson noted that this was Tom Anderson's last meeting. Commissioner Foxley presented Mr. Anderson with a Resolution from the Board of Regents for his work with the Regents, UHEAA Board, and several of the institutions. He has accepted a calling to be a Mission President in Holland for the LDS Church. The Commissioner expressed sincere thanks to him for his dedicated service and insights and extended her best wishes to him in his new assignment. She announced that Bill Evans, head of the Education Division in the Attorney General's Office, would be assuming Tom's responsibilities relating to the Board of Regents. Other assignments will be made for his other duties. Chair Johnson praised Tom for his responsiveness to the needs of the Regents.

Mr. Anderson thanked the Board for the Resolution. He said his assignment to work with the Regents had been the best in the state. As a very young attorney he worked on the University of Utah Student Code. He also worked with each of the Commissioners. He again thanked everyone for their best wishes.

Presentation to Joyce Cottrell

In recognition of Professional Secretaries Week, Commissioner Foxley presented Joyce Cottrell with a bouquet of red roses in appreciation for her work with the Commissioner and the Board of Regents.

Master Planning

Commissioner Foxley referred to Tab Q and said two consultants had been asked to reflect on the Regents' master planning process thus far and provide an external perspective. Some of the focus will relate to the discussion on quality. She introduced Dr. Pat Callan, President of the National Center for Public Policy in Higher Education, and Dr. Dennis Jones, President of NCHEMS (National Center for Higher Education Management Studies).

Dr. Jones said there was a high demand for continuing education and lifelong learning. It is hard these days for a person not to continue his/her education. Communities, as well as individuals, want higher education to promote their economic development. Education is taken to the students to keep them off the roads, which is especially helpful in states undergoing massive highway reconstruction, such as Utah. Studies show that the traditional student is now working as much as a part-time student. Sixty percent of full-time students are working 25 hours a week or more at one Kentucky institution. They are working and attending school simultaneously and arrange their class schedules around their work schedules. Distance education for them is not only a convenience but a necessity. Two-thirds of students taking distance education classes are also enrolled on campus. The issue then is making higher education more community- and client-oriented and driven. We need to create a capacity that is changeable enough to be responsive to what the world needs. We need to be cognizant of how to discontinue programs as well as how to implement them in order to meet market demands. Geographic need and demand revolve around the institution which delivers the content. We need to seriously consider what must be done locally, such as needs assessment, student services, academic support, and administrative support. Some systems are moving from institutional service areas to institutional responsibility areas. The key to making that work is a budgeting and resource allocation model which lets those resources be divided between those who provide the services and those who provide the location.

Regent Rogers pointed out that the Legislature maintains control of the money in Utah. He asked if this was done differently in other states. If not, how are resources being allocated? Dr. Jones responded that in most cases resources are allocated by the Boards of Regents. Regent Rogers asked if this would be appropriate where a governing board had no resources to put behind its priorities. Dr. Jones replied that the world is becoming increasingly market driven. Implementing policy comes through market mechanisms. He advised the Regents to "use the power of the purse."

Regent Mantes said over 50% of the state budget goes into education. He asked, "At what point is capacity greater than the needs? At what point do we say we cannot educate everyone who wants to be educated?" Dr. Jones' response was, "Never." Senator Mantes asked what happens to quality when we try to provide everything to everyone and can't pay for it. Dr. Callan jokingly expressed his appreciation to the Regents and Presidents for disposing of the quality issue before this discussion began. The consensus of individuals, communities and Regents is that not making education and training available beyond high school is too severe and too punitive. This is understood by the people all around the country. For the first time in history, education or training does not have to be bachelors, masters or doctorate degrees for participation of life in America. California recently cut 200,000 students from the system at a time of economic decline. The public reaction was so intense, even before the economy changed, that their legislature has been reducing tuition for the past few years. The great success and

support enjoyed by American higher education shows the public's real belief in the quality of higher education. We will be expected to negotiate a balance between access and quality. All analysts say that the advantages will shift heavily to those who do a good job on the human side of the capital equation. The need for education reflects a very changed world. The public recognizes who gets decent jobs when the economy improves.

Dr. Callan said he had not found a single state, especially of the 23 who have large populations of young people, which can meet the demand at the current cost per student. A number of problems appear. Many search for a "silver bullet" - technology, for example. Another problem is politics. A third problem is the need for educational services moving to the type of college needed without a lot of questions asked in the process. No state knows how to manage this problem. The need of all groups for education is great, but the need is greater in smaller states with a high desire for educational opportunities. States have provided experiences from which to learn but no models to adopt. Once again, there are different views of quality. The American higher education system has always been more market-driven than in most other places. There is never only one way to achieve quality. There has been a slowness on the part of legislators to recognize this, but the public has been quick to pick up on it. Before World War II, only five to seven percent of the people obtained education. After the war and implementation of the GI Bill, it became apparent that a higher standard was required. The prevailing view was that GIs would deteriorate the quality of education and the campuses. Demand has only increased since that time. Expectations are so high because of the successes of higher education in the past.

Regent Grant said our share of state appropriations had gone from 17% to 14% in the past six years. He asked if this was a national trend. Dr. Callan confirmed that this had happened everywhere. However, state budgets have grown, and state governments are doing more now. The total dollars available to higher education are significantly larger, as are tuition dollars. In most cases where the aggregate money went down, those monies were replaced by tuition dollars. Assistant Commissioner Tarbox noted that over the past 20 years, in real terms, tuition and tax dollars had shown some increase. While tax dollars have remained flat, tuition has increased dramatically. Regent Grant asked if faculty salaries had increased in proportion. Commissioner Foxley said they had, but they were still below market value, except for the recent hires who were hired at a salary closer to the market rate.

President Emert asked the consultants to comment on the economic problem of the large percentage of children in Utah. President Bennion noted that in the last decade the housing market in Utah has jumped dramatically, yet we are below the national average with significantly lower salaries. Dr. Jones said the reality was that it is not about the cost side but the revenue side. How much is the state willing to raise taxes? There have been very few examples in recent years of states raising taxes to pay for education. In those cases, they have relied on lottery money. Also, to the governors, higher education is much more an agenda for issues of economic well being than ever before. States want to make their citizenry - their graduates - more responsive to economic competition around the world.

Dr. Callan said where this happens, it does not address the issue of raising costs across the board. It is much more focused on programs which identify state priorities and identify competition. President Romesburg noted that the states which do well economically invest in higher education. States compete to educate as many students as they can, responding to the pressure of enabling citizens to move into the middle classes or to stay there. There is pressure in the West, particularly in Utah, of increased population base and increased debt, as well as the pressure to bring costs down. He asked what kinds of innovative things were happening around the country to meet the

demands of these pressures. Other than technology, what else had the consultants seen?

Dr. Callan said he had heard a huge amount of conversation about management-intensive use of existing facilities. Management depends on campus location and population served. The down side of not meeting this need is reducing the availability of opportunity. Learning productivity is the need to get more learning out of the time and dollars invested. Eighty percent of the instruction is done in the lecture mode. There are more innovative approaches and methods to allow us to be more efficient.

Dr. Jones said motivation for distance education and technology has been to use technology to make a class big enough to be taught. The place to think of technology is in those 20-25 courses everyone takes. Fifty to sixty percent of all lower division credits are taught in about 20-25 courses. He encouraged the Presidents to use these classes and offer them from store-front locations, through distance education, etc. The challenge is to mix and match to get the best results.

President Thompson said one of the challenges in the Utah System of Higher Education is growth areas, such as Davis County. He asked how we could deliver education away from the nine main campuses to meet student needs without using resources above those which were available. Regent Grant noted that there is also political pressure on rural areas who want to creep from community colleges to four-year colleges.

Dr. Jones said a recent space utilization study showed that faculty, rather than students, generate space need. He encouraged the Presidents to think seriously about creating mechanisms in Davis and Salt Lake Counties which have the capability of interaction of students with faculty. Full-time academic professionals will emerge with a different set of workloads. Their job will not be to develop the course material but to help the students interact with that material. Western Governors University (WU) has been helping to unbundle the instruction model. Faculty will not have to always create curriculum, advise students, teach students, etc. For quality assurance, the most important element is assessment, and next is remediation or tutoring.

President Romesburg said in Oklahoma the institutions are trying to preserve their roles. A new model is using non-tenure track faculty. He asked from whence the leadership should come within the state. Dr. Jones replied, "Whoever controls the money makes the decisions affecting behavior." Dr. Callan agreed that control is maintained by those who make the ground rules. Political people call upon educators to be more innovative. They send money to the most traditional places, not to those who are innovative. We must be willing to entertain a broader range of possibilities and do controlled experiments. Assessment tools and technology are available which were not previously available. Willingness to do this must come from those who see their primary responsibility not to be simply the maintenance and enhancement of institutions, but for the enhancement and sharing of opportunities.

Dr. Callan asked what obligation the Regents and Presidents should have in terms of educational opportunity for each person in the state. Many pressures to do unreasonable things come because no one plays that role. What should students receive, and how willing are policy makers and boards to make that happen? It will never be politically easy. Associative analysis must be done about needs and resources.

Dr. Jones noted that for many communities with economic development issues, the bottom line is a physical presence. What goes inside that physical presence could be very flexible, multi-institutional, etc. This changes the dynamics.

Regent Rogers referred again to Davis County and suggested that the current property be utilized. He suggested that the first building be erected relatively quickly, which could

be a learning center, and the nature of instruction defined. It must be technologically current for distance learning and on-site delivery. This would be a clear first step of what needs to be done in Davis County. Commissioner Foxley said when the acquisition for that land bank was authorized, it was envisioned that Weber State University would provide the oversight. Technology will play a key role, and other institutions will be involved.

In response to a question on rural communities' desires to have a four-year institution in their midst, Dr. Callan suggested that the Regents start by trying to identify the educational needs of the community, then to ascertain the most cost-effective way to fulfill those needs. Opportunity costs must be considered. Dr. Jones said in rural areas where sites and campuses are already established for the first two years, the next question is not the type of institution but the type of program to be offered. At the upper division level, programs become more specific. They should be identified on top of the existing base. Communities should demonstrate ongoing demand large enough to sustain community desires. They should be able to graduate 20-25 students every year. Dr. Jones suggested looking at cohort case programs and realizing that any programs must serve the demand for the next five years. Dr. Callan suggested adhering to a consistent policy position. One of the great values of legislatures is to remind boards that their responsibilities are to the people of the state, not just the nine institutions they govern.

President Jones noted that a component unique to Utah is the small community's ability to make determinations itself. There are ways in which one is validated, one of which is still structure. Rather than talking about what a community wants in terms of an institution, will it be possible to talk about the educational needs to be served? Dr. Jones suggested that the Regents and Presidents take a serious look at the state, then determine the population base and unmet needs. The biggest needs will always be in the urban areas because of the population base and legislative power. He suggested one could have a better conversation if this were defined as a rural problem.

Assistant Commissioner Winn asked if there were expectations of systems in different states that lead to some kind of benefits by the way they have organized themselves on a state level. Dr. Callan said he had just completed a study on statewide policy-making in higher education in the larger industrial states. Those states' main concerns related to skill. In those cases the governing board has nearly been eliminated as a policy-making body. Dr. Jones said the one-size-fits-all mentality is difficult to make work in a state such as Utah. Student bodies are different, and community needs are different. When one institution is under another institution's thumb, it is probably the wrong answer for policy reasons. All of the institutions will think they look like the largest institution, and the resources tend to go to the large institutions.

Regent Zabriskie spoke of economic development and the role of the institutions. Areas where changes have occurred in mission and role have cited economic development as a reason or basis for that change. He asked, "How do we convince the Legislature that these are valid and that they need to give more funding to higher education?" Dr. Jones suggested that every community will argue that they need an institution of higher education as a way of putting tax money back into the community. Programmatically, higher education cannot lead economic development. You cannot assume that "if you build it, they will come." He said if really good higher education drove economic development by itself, Champaign, Illinois and Lafayette, Indiana would be very different communities. Economic development happens locally; that is a function of the community.

Commissioner Foxley requested additional discussion about "putting institutions under the thumb" of another institution. In other states, rural institutions are affiliating with larger research institutions because of "brand name" or other economic reasons. Dr.

Jones said having a University of (X) at (Y) does not add an aura to the campus not widely known as the main campus in that enterprise. In Kentucky the community colleges were part of the University of Kentucky. This gave faculty members prestige but they behaved as if they were UK Lexington faculty and did not serve the local needs.

Dr. Callan said when systems do poorly, one of the reasons is usually the pressure of homogeneity. Institutions lose their uniqueness of role and mission. We need to protect the diversity of the system, especially when missions of the institutions are different. Dr. Jones said anything which makes an institution less able to respond to its local community and its client base is a step in the wrong direction. Dr. Callan agreed that an institution becomes less concerned about where it lives than the institution to which it is attached.

President Romesburg said as it tried to address the needs of more and more students and drive down costs, CUNY had developed programs to target students who required remedial education. They saved money but these programs cost human resources. He asked if the pressure was developing around the country for institutions to move toward the higher-end student. Dr. Callan replied that a national study showed that one percent of the cost of American higher education is in remediation. America has a large growing population because of economic change and migration. The consideration then becomes whether or not higher education has a role in addressing this issue. What part of higher education is best suited to address it? Which students should do well in which kinds of settings? States are finding ways to address these issues. Intervention that gets remedial education up to a certificate or associate degree pays off because it keeps the students out of a system such as corrections where they would cost society.

Regent Jardine asked the consultants for a list of ten bits of wisdom and the ten mistakes we are most likely to make as expert witnesses when the appropriate time comes. Chair Johnson suggested that the Board filter what has been heard in this meeting and put it in terms of principles of what we have been doing, then send that list to the consultants to see if we are going in the right direction. Regent Jardine asked that we do both. Chair Johnson agreed. Commissioner Foxley offered to follow up with the consultants in order to bring back to the Regents key ideas they wish us to remember.

President Thompson asked if there was a way to use the Internet to meet some of the needs in small communities. Dr. Jones said student support services were necessary. There must be a human mechanism to connect all this with the students. We need to strike a natural balance between human interaction and content.

Chair Johnson asked about the impact of private providers. Dr. Jones cited the impact of Federal Express on the US Postal Service. Every student in every institution gets assistance in some form, such as subsidies, with very few exceptions. In state policy the question is how to allocate the big subsidies. Should everyone get the same subsidy? Are masters degrees treated the same as lower division degrees? If we prioritize subsidy to students, should we allocate our money in the same way? Dr. Callan said one state was considering taking 20% of its expected enrollment growth, writing specifications for quality, and putting it out to bid to private providers. They want to find more cost-effective ways to deliver education while still protecting quality. The money follows the student.

Chair Johnson said the purpose of this discussion had been to stimulate thought processes and not to draw conclusions. He thanked Dr. Jones and Dr. Callan for successfully stimulating our thinking. He asked them to send their list of principles which must be considered to Commissioner Foxley. Commissioner Foxley thanked Dr. Jones and Dr. Callan for their participation and said their time with us was very worthwhile.

Report of the Chair

Status of University Center Programs at Dixie College (Tab M). Chair Johnson explained that the principal purpose of this statement was to ensure the protection of students currently in the University Center programs at Dixie. There will be no moratorium on new admissions or enrollments during this transition period. When changes are made, there is the potential for students to get caught between two institutions. Various options will be available: (1) Students could continue to take University Center offerings through Southern Utah University, (2) Dixie could become a four-year state college and offer those programs, or (3) another institution could offer those programs at Dixie College. Chair Johnson and Commissioner Foxley met with the Council of Presidents, who concluded that any institution which may get into that situation would have to take responsibility to see that there was no disruption to the students' education.

Commissioner Foxley explained that students may need to take additional courses because the other institutions' graduation requirements may be different. They will not be punished for taking the credits given by SUU. On the other hand, one institution would not be required to adopt the program of another institution. Presidents recognize their obligation to do everything possible to keep the transition from becoming disruptive to the students. There is a commitment to look at each individual student's needs, just as was done during the conversion from quarters to semesters.

President Bennion said this information needs to be distributed to the citizens of southern Utah, so they can know the Regents' policy. Regent Jordan moved to approve the statement, seconded by Regent Reynard. The motion carried unanimously.

Report of the Commissioner

Friday, August 20, has been set aside for a joint meeting of the Legislative Education Interim Committee, the State Board of Education and the State Board of Regents. This will not be in conjunction with a regular Board meeting. It will be a one-day meeting at Salt Lake Community College. The Education Interim Committee will meet for a period of time with the State Board of Education and separately with the State Board of Regents, then with everyone jointly. There is real interest in the progress being made on master planning, which will probably be a focus of that discussion.

Commissioner Foxley discussed the items in the Regents' folders. The annual report of the Utah Education Network (UEN) shows that we are doing well in distance education. It shows growth in offerings in telecommunications courses, and describes the governance structure and coordination between the Boards of Regents and Education. UEN was recognized highly by *PC Week* who named the Utah System of Higher Education as the #1 agency in the innovative use of technology. Utah is well known for its efforts to take education to the outlying areas of the state.

A letter from Intel recognized the impact of the USHE in showing the training and education which can be obtained here and the institutions' willingness to work with business and industry. Intel was very impressed with the successes of Utah's research universities.

Adjournment

President Day thanked everyone for coming to Ephraim and for helping him celebrate his 34th wedding anniversary. He especially thanked the Regents for driving to Richfield the previous evening to see the Snow College South Campus.

Chair Johnson congratulated President Day and asked him to thank his staff for the food, music, signage, facilities, and all their hard work in hosting the meeting. He thanked the Regents, particularly the new ones, and said he was delighted to welcome them to the Board.

The meeting was adjourned at 4:18 p.m. —

Joyce Cottrell CPS
Executive Secretary to the Board of Regents