

**MINUTES OF MEETING
UTAH STATE BOARD OF REGENTS
GOVERNOR'S BOARD ROOM, UTAH STATE CAPITOL
February 18, 2000**

Regents Present

Charles E. Johnson, Chair
Aileen H. Clyde, Vice Chair
Pamela J. Atkinson
Brian D. Brown
David J. Grant
L. Brent Hoggan
James S. Jardine
Michael R. Jensen
David J. Jordan
E. George Mantes
Winn L. Richards
Paul S. Rogers
Maria Sweeten

Regents Excused

Jerry C. Atkin
Karen H. Huntsman

Office of the Commissioner

Cecelia H. Foxley, Commissioner of Higher Education
Chalmers Gail Norris, Associate Commissioner for Student Financial Aid
Michael A. Petersen, Associate Commissioner for Academic Affairs
Norm Tarbox, Associate Commissioner for Finance and Facilities
Joyce Cottrell, Executive Secretary
David R. Colvin, Academic Affairs Planning & Assessment Officer
Harden R. Eyring, Executive Assistant
Linda Fife, Director of Academic Programs
Jerry H. Fullmer, Director of Information Systems
James Mainord, Intern
Phyllis C. Safman, Assistant Commissioner for Academic Affairs
Gary S. Wixom, Assistant Commissioner for Applied Technology Education and Special Projects

INSTITUTIONAL REPRESENTATIVES

University of Utah

J. Bernard Machen, President
Michael Benson, Special Assistant to the President
Fred C. Esplin, Vice President for University Relations
Raymond A. Haeckel, Executive Director, Government and Community Relations
John W. Huish, Director, Campus Design/Construction

Utah State University

George H. Emert, President
Lee H. Burke, Assistant to the President for Government Relations
David Cowley, Manager, Space Management

Weber State University

Paul H. Thompson, President
E. Jeffery Livingston, Dean of Continuing Education

Southern Utah University

Steven D. Bennion, President

Snow College

Gerald J. Day, President

Dixie College

Robert C. Huddleston, President

College of Eastern Utah

Grace S. Jones, President

Utah Valley State College

Kerry D. Romesburg, President

Salt Lake Community College

Frank W. Budd, President

Richard M. Rhodes, Vice President of Administrative Services

Rand A. Johnson, Assistant to the President

Representatives of the Press

Brooke Adams, Salt Lake Tribune

Matt Canham, Daily Utah Chronicle

Maria Titze, Deseret News

Others Present

Vernon C. Rowley, Governor's Deputy for Education

Chair Johnson called the meeting to order at 9:05 a.m. He excused Regents Atkin and Huntsman and announced that President Budd would be giving the prayer in the Senate at 9:30 a.m.

Consent Calendar, Finance and Facilities Committee

Upon motion by Regent Atkinson and second by Regent Richards, the Board unanimously approved the following items on the Finance and Facilities Committee's Consent Calendar (Tab A):

- A. UofU/USU Capital Facilities Delegation Reports
- B. OCHE Monthly Investment Report

Legislative Update

Commissioner Foxley acknowledged and expressed her appreciation to the institutional legislative representatives who have worked so valiantly on behalf of higher education throughout this Legislative Session. She referred to legislation of interest to higher education and briefly explained some of the bills higher education representatives were tracking.

The meeting was recessed at 9:25 a.m. so everyone could be in the Senate Gallery when President Budd was recognized by the Senate for his accomplishments as President of Salt Lake Community College. Several of the Senators made complimentary remarks about President and Mrs. Budd, after which President Beattie presented them with a citation in recognition of President Budd's meritorious service.

The Board of Regents meeting reconvened at 10:15 a.m. Chair Johnson reviewed the trifold Q&A for policy makers which had been discussed at the last meeting.

Chair Johnson referred to the charts which showed the Higher Education Appropriations Subcommittee's recommendations and priority list, including UEN, and the Capital Facilities Appropriations Subcommittee's actions.

Higher Education was given a 4% compensation increase, which means an appropriation of approximately \$16 million in state funds. In addition, Executive Appropriations allocated \$12 million to the Higher Education Appropriations Subcommittee. This total of \$28 million exceeds last year's state appropriation. The subcommittee recommended dividing the \$12 million as follows: Salary Equity, \$2.3million; Enrollment Growth, \$6.7 million; O&M, \$2.5 million; Financial Aid, \$250,000; Americans with Disabilities, \$250,000. A hold harmless clause was inserted into the enrollment growth allocation to protect those institutions whose enrollment did not increase.

Chair Johnson commended the USHE Presidents, all of whom did a superb job in presenting the need for market equity in salaries. Discussion turned to the issue of benefits, which were not funded for higher education. President Romesburg said that the high increase in the cost of benefits (23%) would leave only a 2% salary increase for UVSC faculty and staff. President Day said the cost of benefits would increase by 39.6% at Snow College this year, which would take the entire 4% allocation. Other Presidents indicated their benefits costs were increasing by approximately 10%. Commissioner Foxley reminded the Regents that the institutions were expected to raise one fourth of the increase through tuition. Her staff and the Presidents are considering a variety of options for funding benefits, including the possibility of a combined insurance pool for the seven institutions who are not self-funded. She indicated that more funding had been requested for market equity and benefits.

Commissioner Foxley expressed her appreciation to Rep. Afton Bradshaw, co-chair of the Higher Education Appropriations Subcommittee, who was continuing to work with the House Republican caucus to get more funding for higher education. Regent Rogers suggested that Chair Johnson and Commissioner Foxley take the salary equity proposal to the caucuses of both houses for a 20-minute discussion. He also recommended that the Presidents speak with legislators, as they have eloquent stories to tell. Unfortunately, higher education has been viewed as a business with fund-raising mechanisms and the ability to raise tuition.

Chair Johnson said a list of "hot spots" had been compiled by Legislative leaders the previous day. Hopefully, higher education is near the top of that list. Legislative Leadership has promised a meeting to discuss funding options. Commissioner Foxley noted that the Higher Education Appropriations Subcommittee would be making their presentation to the Executive Appropriations Committee the following Monday at 4:00 p.m. Higher Education is the first item on the agenda. The Higher Education Appropriations Subcommittee has been very supportive; however, the final determination will be made by Leadership.

Commissioner Foxley requested that teams of Regents and Presidents meet with members of the Executive Appropriations Committee immediately following the Board meeting to discuss the need for salary equity. She noted that the schedule of Salary Equity Adjustments referred to individual faculty and staff at the institutions who were being paid less than 90% of the market value for their positions. President Romesburg pointed out that the number of staff on the list would increase if funding for salary and benefits were to remain the same. Chair Johnson asked Associate Commissioner Tarbox to explain how the salary equity figures were produced. Mr. Tarbox said a salary survey had been used which took into account discipline, longevity, and other pertinent factors. The results are as close to a pure comparison as it is possible to make.

Chair Johnson summarized: Higher Education has been awarded a 4% increase for total compensation. USHE Presidents are receiving proposals from health providers. Those numbers are well beyond anything which can be funded at this level. Salary equity market adjustment continues to be the key issue. The Higher Education Appropriations Subcommittee acknowledges this dilemma and has allotted \$2.3 million to help solve this problem. However, with the benefit increases, funding will still be short for the system and in comparison with public education and other state agencies. An additional \$4 million was requested to help with the compensation/benefit issue.

The meeting adjourned at 11:25 a.m.

Joyce Cottrell CPS
Executive Secretary

Date Approved