

**MINUTES OF MEETING
UTAH STATE BOARD OF REGENTS
SNOW COLLEGE
September 15, 2000**

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MINUTES OF MEETING
UTAH STATE BOARD OF REGENTS
SNOW COLLEGE
EPHRAIM, UTAH

Friday, September 15

Regents Present:

Charles E. Johnson, Chair
Aileen H. Clyde, Vice Chair
Jerry C. Atkin
Pamela J. Atkinson
David J. Grant
L. Brent Hoggan
Karen H. Huntsman
James S. Jardine
Michael R. Jensen
E. George Mantes
Rob Peterson
Winn L. Richards
Paul S. Rogers
Maria Sweeten

Regents Excused:

David J. Jordan

Office of the Commissioner:

Cecelia H. Foxley, Commissioner
Michael A. Petersen, Associate Commissioner for Academic Affairs
Norm Tarbox, Associate Commissioner for Finance and Facilities
Chalmers Gail Norris, Associate Commissioner for Student Financial Aid
Joyce Cottrell, Executive Secretary
Harden R. Eyring, Executive Assistant
Linda Fife, Director of Academic Programs
Jerry H. Fullmer, Director of Information Systems
Nate Millward, Manager of Analytical Studies
Edith Mitko, Director of Student Services and Minority Affairs
Brad Mortensen, Director of Business and Finance
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
A. Lorris Betz, Senior Vice President for Health Sciences
Paul T. Brinkman, Associate Vice President for Budget and Planning
John G. Francis, Associate Vice President for Academic Affairs
Clyde L. Bailey, Central Utah AHEC
Kimberly Wirthlin, Assistant to the Vice President for Health Sciences

Utah State University

George H. Emert, President
Craig Peterson, Acting Provost
Fred H. Hunsaker, Vice President for Administrative Services
David Cowley, Manager, Space Management, Facilities Planning
Joey A. Gale, Extension Services
Darrell E. Hart, Assistant Vice President for Facilities Management
JoAnn M. Hermansen, Family/Consumer Science Agent, Sanpete County Extension
Robert W. Hill, Professor of Biological and Irrigation Engineering
Richard W. Jacobs, Director, Budget Office
Joyce Kinkead, Associate Dean and Professor, College of Humanities, Arts & Social Sciences
R. Mark Nelson, County Director/Agriculture/Youth Agent, Beaver County Extension
H. Paul Rasmussen, Associate Dean, College of Agriculture
Lee Roderick, Director of Communications and Government Relations, Extension
Diane Reese, Director, South Central Education Center, Sevier County
Weldon S. Sleight, Associate Vice President for University Extension, Continuing Education
Patricia S. Terrell, Vice President for Student Services

Weber State University

Paul H. Thompson, President
David L. Eisler, Provost
Anand Dyal-Chand, Vice President for Student Services
Carol V. Gaskill, Director of Budget and Institutional Research

Southern Utah University

Steven D. Bennion, President
D. Ray Reutzler, Provost
Fred C. Adams, Utah Shakespearean Festival
Sterling R. Church, Vice President of Student Services
R. Scott Phillips, Utah Shakespearean Festival
Michael Reid, Director of Purchasing
Gregory L. Stauffer, Vice President of Administration/Financial Services

Snow College

Gerald J. Day, President
Larry J. Christensen, Vice President for Administrative Services
Jerold N. Johnson, Member, Board of Trustees
Larry Smith, Associate Professor of Physics
Mark Stoddard, Chair, Board of Trustees
Rick White, Vice President for Academic Affairs

Dixie State College

Robert C. Huddleston, President
William D. Fowler, Vice President, Student Services
Max H. Rose, Executive Vice President of Academics

College of Eastern Utah

Grace S. Jones, President
Raelene Allred, Vice President of Finance and Administrative Services

Charles Foust, Vice President of Academic Affairs
Gail Glover, Dean of Administrative Services, San Juan Campus
Brad King, Dean of Students
Adrien Taylor, Moab Center
Sharon Ziegler, Director, Moab Center

Utah Valley State College

Lucille Stoddard, Vice President for Academic Affairs and Acting President
Bradley J. Cook, Vice President for College Relations
Linda Makin, Budget Director
Val Peterson, Associate Vice President for College Relations
Ryan L. Thomas, Vice President for Administration and Campus Computing
Bradley A. Winn, Vice President for Student Services and Campus Planning
J. Karl Worthington, Associate Vice President for Academic Affairs
Jared P. Finch, Student Body President

Salt Lake Community College

H. Lynn Cundiff, President
Daniel Bingham, Interim Assistant to the President
Geoffrey Brugger, Dean of Continuing and Community Education
Marjorie Carson, Vice President of Academic Services
Richard M. Rhodes, Vice President of Administrative Services
J. Gordon Storrs, Master Planning Coordinator

Representatives of the Media

Matt Canham, *Daily Utah Chronicle*
Kirsten Stewart, *Salt Lake Tribune*
Maria Titze, *Deseret News*

Others Present

Shelley Ball, Brigham Young University
Boyd Garriott, Office of the Legislative Fiscal Analyst
Debra Headden, Office of the Legislative Fiscal Analyst
David C. Jones, Attorney General's Office
Michael Kjar, Office of the Legislative Fiscal Analyst
Kelly Murdock, First Security Van Kasper
Ken Nye, DFCM
Mel Parker, Governor's Office of Planning and Budget
Vernon C. Rowley, Governor's Deputy for Education
Janeal Thornock, Brigham Young University
Rachael Wilson, Brigham Young University

COMMITTEE OF THE WHOLE

Chair Charles E. Johnson called the meeting to order at 10:45 a.m. He welcomed everyone to Snow College and excused Regent Jordan. He thanked President Day for the warmth and hospitality of his staff. He also expressed his delight with the renovation of the Noyes Building, which he described as ideal for art and cultural activities.

President Day welcomed everyone to the campus and explained that the area where the meeting was being held (Founders Hall) had been the attic of the original Noyes Building.

Report of the Commissioner

Commissioner Foxley noted that Regent Atkinson had been recognized by *Utah Business Magazine* as one of the top 25 women in health care in Utah. She informed the group of the passing of former Regent Ken Anderton's father. Flowers were sent to Ken and Jeanne on behalf of the Regents and Presidents. Chair Johnson also expressed the Regents' condolences to Regent Grant, who had recently lost both of his grand-mothers.

The Commissioner called attention to the New Century Scholarship booklet, a copy of which was in each Regent's folder. Presently, CEU/Blanding has the largest percentage of students who are graduating from high school and simultaneously completing an associate degree. A revised 2001 schedule of Board meetings was also in the folders. Commissioner Foxley asked Regents to let Joyce know right away if they have any conflicts. Unless otherwise indicated, the schedule will be adopted as printed. An article from the *Spectrum* recognizing Dixie's dental program was also in the folders for the Regents' information.

Update on Brian Brown. The Commissioner also reported that former Student Regent Brian Brown continues to recover from his bone marrow transplant. He is doing very well, and his wife, Heather, is expecting a child in January. A letter was sent to all Regents and Presidents announcing the establishment of a Brian Brown Medical Account. The Commissioner thanked those who had contributed to the account and encouraged others to help us collect \$20,000 which will be Brian and Heather's share after their insurance has paid its maximum.

Report of the Chair

Chair Johnson acknowledged the announcement of President Jones' resignation as of June 30, 2001. President Jones said it had been exciting to make that decision, and that she looked forward to the accomplishment of her stated goals during the next year.

Reports of Board Committees

Finance and Facilities Committee.

University of Utah – Budget Status of Physician Assistant Program (Tab A). Chair Hoggan explained that the program began in 1971 as a non-credit, self-supporting program. In 1988 the University began offering credit, and the program has evolved to its present master's status. The University will request state funding of \$400,000 for enrollment growth in the program. Chair Hoggan moved that the status of the program be changed from self-supporting to budget-related and that the University make the appropriate changes in tuition levels. The motion was seconded by Vice Chair Rogers and carried unanimously.

Utah State University – Acquisition of Western Medical Center (Tab B). Chair Hoggan noted that this facility adjoins the USU football stadium on the north. It was constructed in 1985 by a private medical group. The land is owned by the University and leased to the medical practice. Western Medical is relocating and the University is exercising its option to reacquire the building for \$2.3 million, to be paid from institutional discretionary funds. It will continue to be used for a medical facility for the athletics program and Student Health Services which have previously been located in the Taggart Student Center. President Emert reported that the USU Trustees had approved the transaction. Chair Hoggan moved approval of the acquisition, seconded by Regent Grant. Chair Johnson questioned the large amount of money to come from discretionary funds. President Emert responded that a portion of funds had been set aside over the last several years for this purpose. Vote was taken on the motion, which carried unanimously.

Utah State University – Property Acquisition (Tab C). Chair Hoggan noted that the property was a five-acre parcel of undeveloped land adjoining the campus. The purchase price was \$153,750, which is the appraised value. The money will come from institutional discretionary funds. The land will continue to be used for agricultural purposes. Chair Hoggan moved approval of the purchase. The motion was seconded by Regent Atkin and carried unanimously.

Utah State University – Lease Purchase of Research Park Building (Tab D). Chair Hoggan said the lease-purchase arrangement was an agreement with Tri-Park Partnership in the University's Research and Technology Park. The facility, which is important to the University's research mission, will revert to USU at the end of the term of the lease. He moved approval of the agreement. The motion was seconded by Vice Chair Rogers and carried unanimously.

Snow College – Campus Master Plans (Tab E). Chair Hoggan noted that no changes had been made to the master plan of either campus since they were last approved. He moved their approval. The motion was seconded by Regents Atkin and Grant and carried unanimously.

College of Eastern Utah – Property Acquisition (Tab F). Chair Hoggan explained that this transaction had been on a previous Board agenda. CEU would like to acquire one-third of an acre for a parking facility at the asking price of \$50,000, using non-state funds. The appraisal value is \$33,000. A market analysis justified the premium price by showing its relative value to the College of between \$145,000 and \$217,500. Chair Hoggan moved approval of the purchase. The motion was seconded by Regent Atkin. Regent Grant explained that he would be voting against the motion because he felt the price was too high. Vote was taken. The motion carried with one opposing vote.

Utah Valley State College – Campus Master Plan (Consideration of New Wasatch Campus) (Tab G). Chair Hoggan said the new campus would be located north of Heber City. He stressed that the Regents were being asked to approve the planning only. A request for a building to be funded by private donations will be made at a future time. He moved that UVSC be authorized to begin planning for their new Wasatch Campus. The motion was seconded by Regent Grant. Regent Jensen asked how much the master planning process would cost. Associate Commissioner Tarbox estimated that the cost would be less than \$50,000. Vice President Stoddard said College administrators feel very positively about this move. There is much community support for the campus, which is reflected in the unusual donation. Chair Johnson recalled that in the master planning community hearings, a number of people had attended the Heber meeting and expressed their support for a local campus. Vote was taken on the motion, which carried unanimously.

Utah Valley State College – Property Acquisition (Tab H). Chair Hoggan noted that the property was one-third of an acre contiguous to the campus. The purchase price is \$106,000. A home, which will be demolished, is currently located on the property. Regent Jensen asked if the appraised value included the home. Chair Hoggan replied that it did. He reminded the Board that they had previously approved the sale of some College property

to the LDS Church, proceeds of which will be used to fund this purchase. Chair Hoggan moved approval of the transaction. The motion was seconded by Regent Jensen and carried unanimously.

Salt Lake Community College – Jordan Campus Land Trade (Tab I). Chair Hoggan called attention to Replacement Tab I in the Regents' folders. The difference between the original agenda item and the replacement material was a change in the acreage. The proposal was to exchange 3.594 acres of vacant property owned by the College for 1.71 acres in three separate parcels, each containing a home, owned by the LDS Church. The Church will construct a new Institute Building on the site. Appraisal values of the two parcels are similar. When the Redwood Road Campus was first established, the College acquired 114 acres in a rectangular piece. This property completes the squaring of the campus. Chair Hoggan moved approval of the land trade. Regent Atkin seconded the motion. President Cundiff indicated that the SLCC Trustees had approved the transaction the previous day. The motion carried unanimously.

2001-2002 Non-State Funded Capital Projects (Tab J). Chair Hoggan said much time had been spent in committee discussing this item, especially the O&M request shown on Attachment B. Associate Commissioner Tarbox elaborated. Because of recent legislative actions, there are now three types of capital projects – those which need Regent approval only, those which require the approval of both the Regents and the Building Board, and those which also require legislative approval. Policy R710, *Capital Facilities*, stipulates the conditions under which the Regents will support a request for O&M funding on buildings constructed with non-state funds. Dr. Tarbox briefly explained the three types of projects and indicated the projects in each category. Chair Hoggan noted that the Jones Medical Sciences Building and the Museum of Natural History, both at the University of Utah, had not yet been constructed. The Board would be committing to support O&M funding after they are constructed. Chair Hoggan moved approval of all the projects listed. The motion was seconded by Regent Atkin and carried unanimously.

1999-2000 Spring Semester and End-of-Year Enrollment Reports (Tab K). Chair Hoggan said this item was included for the Regents' information only; no action was required.

Consent Calendar, Finance and Facilities Committee (Tab L). On motion from Chair Hoggan and second from Regent Jensen, the following items were approved:

- A. OCHE Monthly Investment Report
- B. UofU and USU Capital Facilities Delegation Reports
- C. University of Utah – Donated Property to be Liquidated

Chair Johnson thanked Chair Hoggan for the good work of his committee in their lengthy agenda.

Academic and Applied Technology Education Committee

Chair Atkinson said the committee discussion had been quite spirited and informative. The committee discussed the method by which Regents approve and evaluate new programs. They recognized the increased work on the part of the Commissioner's staff and thanked the Presidents for bringing in outside consultants as necessary.

Southern Utah University – Bachelor of Science Degree in Athletic Training (Tab M). Chair Atkinson explained that this request came as a result of the National Athletic Trainers Association's (NATA) requirement that by 2004, all candidates for the certification examination in Athletic Training will have successfully completed an accredited entry-level athletic training education program. The University of Utah originally had concerns about this program, but they have been addressed. The committee approved the Commissioner's recommendation with

the understanding that the proposed program must undergo a successful accreditation review. Chair Atkinson so moved. The motion was seconded by Regent Clyde and carried unanimously.

Utah Valley State College – Bachelor of Science Degree in Earth Science (Tab N). Chair Atkinson noted that this program is already in process as part of the Integrated Studies Baccalaureate Degree. UVSC is in the middle of a very strong planning process. They are looking at demographics to determine the needs of students and of industry. The program capitalizes on the geographic uniqueness of Utah, which provides good opportunities for field experience. The committee had a frank discussion about whether there is a higher burden of proof on UVSC for new four-year degree programs than on the universities. It was pointed out that three other programs in Earth Science are not at maximum capacity. The committee requested that the Commissioner's Office let the Regents know how many openings there are and the trends when future programs are proposed.

It was noted that the population in Utah County has doubled in the last ten years, which promises strong support for this program. However, the committee was reminded of the Governor's challenge to double the technology, engineering and computer science courses in USHE institutions. Part of that challenge is for institutional internal reallocation. It was the feeling of some Regents on the committee that it is difficult to approve new programs until the reallocation plans from the various institutions are known as they relate to the Governor's challenge. It was suggested that no new degrees be approved until reallocation plans have been submitted. The committee voted (3-2) in favor of delaying approval of this degree until October, when the Presidents should have a better idea of their plans for reallocating resources. Chair Atkinson stressed that this decision in no way reflected on the quality of the program. She commended the good work by UVSC and the Commissioner's staff.

Chair Atkinson moved that UVSC's request for a Bachelor of Science Degree Program in Earth Science be delayed for a decision until the October meeting. The motion was seconded by Vice Chair Jardine.

Regent Rogers thanked Chair Atkinson for her comprehensive report of the committee's discussion. He asked for clarification that the program would come back to the committee in October (1) to ascertain the availability of similar offerings at the other institutions, and (2) to evaluate the effect of the Governor's challenge on UVSC programs. Vice Chair Jardine said the discussion had also touched on whether the core course should be located at all of the four-year institutions or only at UVSC. The committee's motion invited President Romesburg to meet with the committee to determine how this would affect the reallocation process. Regent Jardine acknowledged that the Presidents may not be able to give many details about their reallocation processes at the October meeting, which is only six weeks away. Chair Johnson said the Presidents should also address how they deal with under-capacity programs.

Commissioner Foxley recalled that in the statewide budget reduction/reallocation of 1986-1987, the Regents had decided not to put the programs which may be deleted "on the chopping block." She pointed out that the institutions continually reevaluate the use of their resources and cautioned about making faculty and staff nervous about losing programs. Regent Rogers requested an extended discussion in a future meeting about expanding or tightening degree programs. Vice Chair Jardine said UVSC Vice President Brad Winn had mentioned an RDI (Readiness, Demand, Impact) matrix in committee, which contributed greatly to the discussion.

Vote was taken on the motion, which carried unanimously.

Minutes of the SBE-SBR Joint Liaison Committee (JLC) Meeting held on April 25, 2000 (Tab O). Chair Atkinson briefly reviewed the items of interest to higher education and reported that the committee had moved to approve the actions and recommendations contained in the minutes. She moved that the Regents give the same approval. The motion was seconded by Regent Atkin and carried unanimously.

Information Calendar, Academic and Applied Technology Education Committee (Tab P). Chair Atkinson said the presentations made to the committee on both of the proposed changes were excellent. She commended Weber State University for making sure all students in the Computer Numerical Control (CNC) Machinist Certificate Program could complete the requirements before the program was discontinued.

Consent Calendar, Academic and Applied Technology Education Committee (Tab Q). On motion by Chair Atkinson and second by Regent Sweeten, the Board unanimously approved the following items on the committee's consent calendar:

- A. University of Utah – Reinstatement of the Bachelor of Science Major in the Department of Special Education, College of Education.
- B. Utah State University – Doctorate of Education Degree (Ed.D.) Program through Telecommunications. (Chair Atkinson noted that this would require a legislative appropriation of \$390,000.)

Chair Johnson thanked Regent Atkinson for her excellent summary.

General Consent Calendar

On motion by Regent Hoggan and second by Vice Chair Clyde, the following items were approved on the General Consent Calendar:

- A. Minutes – Approval of the Minutes of the Regular Meeting of the Utah State Board of Regents held August 3-4, 2000, at Southern Utah University in Cedar City, Utah.
- B. Grant Proposals - Approval to submit the following proposals:
 - 1. University of Utah - Optimization and Interactive Control of Hifu Therapy, \$2,260,383; Robert B. Roemer, Principal Investigator.
 - 2. University of Utah - RFP Nsf-00-78 Rocky Mountain Region Graduate Education and Research Training Program in Nanostructures materials by Self-Assembly, \$2,700,000; Grant D. Smith, Principal Investigator.
 - 3. University of Utah - A self-Sustaining Perinatal Care System for Tibet, \$3,724,109; Michael W. Varner, Principal Investigator.
 - 4. University of Utah - Cross Training Program in Mathematical Biology, \$2,689,490; James Keener, Principal Investigator.
 - 5. University of Utah - Integrated Program for Training in Mathematics, \$2,861,363; Klaus Schmitt, Principal Investigator.
 - 6. University of Utah - Huntsman Cancer Foundation Research, \$15,000,000; Stephen Prescott Principal Investigator.
 - 7. University of Utah - Huntsman Cancer Foundation Research, \$14,956,515; Stephen Prescott, Principal Investigator.

8. Utah State University - Integrative Biomembrane Signaling Training Program ; \$2,511,868; Jon Takemoto, Principal Investigator.
 9. Utah State University - Animal Models of Human Viral Infections for Evaluation of Experimental Therapies: Influenza and Orthopox Viruses; \$4,151,949; Robert Sidwell, Principal Investigator.
 10. Weber State University - GEAR UP Program; \$1,534,400 (1st year); Anand Dyal-Chand, Principal Investigator.
- C. Executive Session(s) — Approval to hold an executive session or sessions in connection with the meetings of the State Board of Regents to be held October 27, 2000, 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.

Discussion of Master Planning Issues

Applied Technology Education (ATE)

Chair Johnson invited Assistant Commissioner Wixom to summarize the discussions of the Legislative ATE Task Force. Dr. Wixom said the task force had been reviewing presentations made by higher education and public education as well as business and industry representatives. At the last meeting, the task force focused on a number of options. They ended up with three they will continue to study: (1) Consolidate the State Board of Education and the State Board of Regents. (2) Separate ATE on the basis of adults and secondary students. Higher education has recommended this approach in their presentations, believing that ATE programs for adults should be governed by the Board of Regents and secondary students by the Board of Education. (3) Strengthen the Joint Liaison Committee (JLC) and give that committee some authority to govern certain aspects of ATE. The next meeting of the task force will be Monday, September 25 at 1:00 p.m. in room 303 of the Capitol. President Bennion added that the spirit of the discussions had included the understanding that ideas for the other options would also be considered.

Regent Rogers said he felt the modified JLC approach could be acceptable if there were a clear policy statement that funds would flow through higher education. Chair Johnson said the issue of differences in funding policy had been highlighted, and if a disparity of funding is shown, funding policies need to be reconciled. Dr. Wixom said a decision/solution to the situation regarding Wasatch Front South and the three ATCSRs was also necessary. With the additional powers for the JLC and funding issues resolved, we would have made some progress, but power without funding will not accomplish as much.

Commissioner Foxley commended the Presidents and Regents for the time and efforts they have given to ATE discussions. They have attended planning sessions with the Commissioner's staff and Legislative ATE Task Force meetings and have helped with developing presentation materials. She gave particular thanks to Chair Johnson, Vice Chair Clyde, Regent Atkinson, Regent Mantes, and Regent Sweeten for their visibility in the Legislative ATE Task Force meetings.

Tuition and Financial Aid

Chair Johnson referred to Attachment 3 to Tab S and briefly reviewed the items which had been approved and those which were still being discussed by the group. He clarified that tuition would be included in a funding formula similar to the weighted pupil unit (WPU) used by public education. This would be an across-the-board tuition increase which would apply to every institution and which will roll into the funding formula and become the tuition source for the state funding formula. In addition, with Board approval, certain institutions would

be allowed to increase tuition above this amount in select programs. This would require agreement within the Appropriation Act and could be expressed in Legislative intent language.

In discussing non-resident tuition, the 3.5 multiplier arose and was discussed at length. At Snow the rate is actually 4.9. It was agreed that the 3.5 multiplier was not an absolute but a minimum. Allowances will be made for something above the minimum, based on flexibility. In discussing the definition of residency status, the committee charged the Commissioner's Office to work more closely with the institutions for consistency. The committee also felt that the formula for statutory non-resident tuition waivers should be computed by percentages rather than actual number. However, no changes were recommended because of the other work of the committee. The task force is still considering the standardization of plateaus in USHE tuition schedules.

Chair Johnson reported substantial discussion of financial aid at the last task force meeting. The committee heard that for every dollar tuition is raised, 36 cents must be applied to financial aid to cover student needs. This could have an impact on the part-time to full-time student ratio. Regent Atkinson requested further information from the Commissioner's Office about the proportion of financial aid increases to tuition increases. Regent Rogers commented that if evidence becomes persuasive to the committee of an adverse impact on student enrollment at our institutions, the Regents may have to look at restricting entrance requirements.

Vice Chair Clyde mentioned an editorial column in a recent *Newsweek* which was written by a University of Utah student who paid her own way through college and still graduated with a 4.0 GPA. The writer credited her mother with teaching her to be independent. She offered to send the column to the Commissioner's Office for distribution to the Regents and Presidents.

Formula Funding

Chair Johnson reported a spirited discussion in the last meeting because enrollment growth has been steadily increasing in higher education, while growth in public education has been minor. He said he was confident that our funding formula would work. It will be explained to the Legislative Higher Education Appropriations Committee at its September 26 meeting.

Service Area Education Coordination Plans

Vice Chair Clyde, who chairs the task force, said this relatively new task force includes representation from Regents, Trustees and USHE institutions, with good assistance from the Commissioner's Office. At their most recent meeting, the group heard an excellent presentation from President Jones on CEU's alliance with USU. They expect to receive a thorough report on southwestern Utah and other areas of the state in their next meeting, which will be held on November 9. Regent Clyde said she would make a more detailed report in the December Board meeting.

Regent Atkin asked again about a ten-year building plan. Associate Commissioner Tarbox said we have committed to work with the Building Board in developing such a plan. We have also requested a discussion with them at our December meeting.

2001-2002 Budget Hearings – Statewide Programs

Commissioner Foxley said these programs had been put on the agenda for the Committee of the Whole because they are statewide programs.

Utah State University – Extension Cooperative Education Agriculture Experiment Station. President Emert said Vice President Gilliland, who would normally be making this presentation, had recently been

hospitalized with hepatitis. He asked Associate Vice President Sleight and Associate Dean Rasmussen to make the report to the Regents.

Dr. Sleight pointed out that its agricultural land grant mission and extension service are part of USU's mission. Institutional budgets are based primarily on FTEs. Cooperative Extension Service (CES) and the Agricultural Experiment Station (AES) do not have FTEs. Their budgets are funded through state and federal funding and through grants and contracts. They also receive private funding to support the Experiment Station. State funding for the two programs this year is \$21 million, yet the contributions made and the needs of these programs are routinely overlooked by the System and the Legislature. Fiscal notes have been used to meet the needs. For example, the agencies are charged to educate restaurant owners and food service workers but receive no state funding for the training they provide.

USU officials held 40 hearings in 1999 to listen to the needs of the people in rural Utah. They found that in rural Utah, as in urban Utah, the top concern is survival of the family within the current economic restraints. At the same time the population of the state has doubled, AES and CES have only added five faculty positions. Dr. Sleight and Dr. Rasmussen asked the Regents to consider a way of funding these two programs. They recommended consideration of the UEN model and noted that this is the top priority of the Utah Farm Bureau this year.

President Emert said the AES and CES were struggling greatly to do what they have been asked to do without adequate funding. They have not previously had an opportunity to be heard.

University of Utah – Medical Education and University Hospital

Senior Vice President Betz gave a brief slide show presentation which showed that total expenditures of the Health Sciences Center (HSC) have increased considerably in the past decade, while state support has remained flat. He outlined the financial challenges of the HSC and the School of Medicine and their respective revenue sources. He discussed the impact of the Balanced Budget Act on Medicare funding and explained how it had negatively affected the University Hospital and Clinics. When compared to all 74 public medical schools in the United States, the UU School of Medicine is 64th in state support dollars received.

Dr. Betz called attention to the major buildings in the Health Sciences Center, most of which are over 20 years old. Of the newer buildings, nearly all are self-funded. A recent infrastructure study of the School of Medicine Building showed life safety hazards, health and safety issues, and obsolete electrical and communication systems. Cost of reinforcement and/or renovation of the building is estimated at \$136 million to \$190 million, while the replacement cost is estimated at \$159 million.

President Machen joined Dr. Betz in urging the Regents to support critically needed funding for the Health Sciences Center and School of Medicine.

Adjournment

President Day explained the locations of the various luncheon meetings. Chair Johnson thanked him and his staff for their gracious hospitality throughout the day.

Following lunch, the Regents met in two groups for institutional budget hearings and adjourned directly from the individual groups at approximately 4:00 p.m.

Joyce Cottrell CPS
Executive Secretary

Date Approved

**MINUTES OF SPECIAL MEETING
UTAH STATE BOARD OF REGENTS
VIA CONFERENCE CALL
September 28, 2000**

C O N T E N T S

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MINUTES OF SPECIAL MEETING
UTAH STATE BOARD OF REGENTS
September 28, 2000
via Conference Call

Regents Participating:

Charles E. Johnson, Chair
Aileen H. Clyde, Vice Chair
David J. Grant
L. Brent Hoggan
James S. Jardine
Michael R. Jensen
E. George Mantes
Winn L. Richards
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Institutional Representatives:

J. Bernard Machen, President, University of Utah
George H. Emert, President, Utah State University
Lynn E. Janes, Associate Vice President for Administrative Services, Utah State University
Paul H. Thompson, President, Weber State University
Steven D. Bennion, President, Southern Utah University
Gerald J. Day, President, Snow College
Robert C. Huddleston, President, Dixie State College
Grace S. Jones, President, College of Eastern Utah
Lucille Stoddard, Vice President for Academic Affairs, Utah Valley State College
H. Lynn Cundiff, President, Salt Lake Community College

Representatives of the Media:

Angie Parkinson, *Spectrum*
Kirsten Stewart, *Salt Lake Tribune*
Maria Titze, *Deseret News*

Others Present:

Kent Dee Beers, Capital Budget Manager, DFCM
Richard E. Byfield, Director, DFCM

Kenneth E. Nye, Program Director, DFCM
Mel Parker, Governor's Office of Planning and Budget

Chair Johnson and Commissioner Foxley greeted everyone and asked Secretary Cottrell to call the roll. After the establishment of a quorum, the meeting was called to order at 3:03 p.m.

2001-2002 Capital Development and Land Acquisitions Priorities

Chair Johnson asked Associate Commissioner Tarbox to review the Results of the Qualification and Prioritization (Q&P) Process (Attachment A) which had been faxed to all Regents and Presidents. Dr. Tarbox said the list was presented to the Regents as advice on prioritizing USHE capital development projects. Points were awarded the projects in five categories: (1) Q points, for space needs based on five-year enrollment and employment projections, (2) O&M points, awarded for projects which obtain non-state funded O&M endowments, (3) Other Funds points, for projects funded partly by non-state funds, (4) Life Safety points for renovation or replacement projects with "very significant legal and/or health/life safety risks," and (5) Function points, which are priority points assigned by the institutions. The process is intended to be as objective and analytical as possible.

Only one priority project submitted to the 2000 Legislature received full funding. Two other projects that received partial funding remain on the list. Thus, the list of projects remains very consistent from last year. Dr. Tarbox noted that the average score this year is substantially higher than the scores were last year. The top ten projects last year averaged 65 points; this year the top ten projects average 72 points. This is caused by the reduced amount of capital funding the state has provided.

Regent Hoggan asked how many of these projects the Regents could realistically expect to receive state funding this year. Commissioner Foxley referred to Attachment B, which showed the cost estimates and square footage for each of the 14 projects. She reflected that funding in recent years has been very lean. However, there have been years when five or six projects were funded. It will depend on the 2001 Legislature's willingness to bond and the number of projects they are willing to fund. There is obvious need for every one of the projects on the list. The Building Board has been very good to try to respect the Regents' priorities. She said one of the complexities of the Q&P process is prioritizing the projects which are not located on the institutions' main campuses, for example, Weber's Davis County facility.

Regent Hoggan asked if all the Presidents had reviewed the priority list. Commissioner Foxley said the Presidents received the list earlier in the day and had met via conference call that morning. It was discouraging for most Presidents because of importance of all of the projects.

President Emert said he was supportive of the list as it was proposed. He urged the Regents and other Presidents to encourage the Legislators to give critical attention to capital facilities in higher education this year. We need funding for eight or nine projects, not just three or four. He noted that the USU Engineering Building had been shown as a \$31+ million project last year and was listed this year at \$23 million. USU has received pledges for \$10 million for additional space. He asked that the pledged support be calculated into the Q&P process. Commissioner Foxley said her understanding was that USU's project had been separated into two structures – a renovation of the existing building and a new structure – with a connecting passage between the two.

Associate Commissioner Tarbox said if the Engineering Building were to be considered as a single project, fund-raising or a solid pledge would be required to be in place to qualify for extra points in that category. He said it was his impression that there were staging issues whereby both projects could not

proceed at the same time. He pointed out that in their last meeting, the Regents had approved a list of non-state funded projects, which included \$10 million for the new portion of the USU Engineering Building. The two projects have been treated as separate. Commissioner Foxley indicated it was her understanding that USU officials consulted with DFCM staff in deciding to separate the two projects.

Mr. Beers said in DFCM's opinion, the project was different than proposed last year. Last year it was a combined laboratory and classroom building; this year it is strictly a classroom building. USU had separated the project when the laboratory building came through on the non-state funded list. President Emert said he would consult with his staff and examine alternative approaches.

President Cundiff said most Presidents could make an argument in order to move a project forward on the list. He expressed that a better approach would be to stress to the Legislators that all these projects are needed and that everyone should work together to raise money to fund them. President Bennion agreed with President Cundiff and recalled Representative Adair's challenge that the Regents and Presidents strategize to help eliminate the backlog of projects which do not receive funding.

Chair Johnson asked President Machen about the adaptive reuse of the Fine Arts Building at the University of Utah. He asked if it could be broken into several parts to get some sections below \$1 million to qualify for AR&I funds. President Machen said it was possible. He is also trying to get private support. Without funding, the building will be boarded up. He said the proposed list was fair and cautioned about rearranging projects on the list.

Regent Rogers moved that the Regents approved the proposed priority list for submission to the State Building Board on October 4. The motion was seconded by Vice Chair Clyde.

Regent Richards expressed his concern that Weber's Wasatch Campus was ranked #9 on the priority list when Davis County is so badly underserved in higher education. Commissioner Foxley stated that WSU had received \$50,000 this year for planning the campus. It is still at the top of the ranking for projects away from the institutions' main campuses. Regent Rogers pointed out that this is why we need to work aggressively for a much larger bond next year.

Vote was taken on the motion, which passed unanimously. Commissioner Foxley said she and Associate Commissioner Tarbox, together with the Presidents, would present the approved priority list to the State Building Board on October 4.

Mr. Beers clarified that neither he, Director Byfield nor Mr. Nye had entered into a conversation with USU officials about separation of their Engineering Building project. It was sent separately from USU. The issue had been raised previously when Mr. Beers had represented it as the same project as last year and was corrected by USU officials. Commissioner Foxley apologized for the misunderstanding. She will work with President Emert to ensure that his concerns are taken into consideration.

Regent Grant requested that the Commissioner and her staff review the points assigned to the USU Engineering Building, and if a change is required that one be made. The other Regents agreed. Commissioner Foxley assured the Regents that would be done.

Appointment of Associate Commissioner for Public Relations

Commissioner Foxley announced that Dave Buhler had been appointed as the Associate Commissioner for Public Relations. Mr. Buhler will begin in early November. She said she was very pleased

he had accepted the position, and felt he will be a great representative and champion for all the institutions and for the system as a whole.

Chair Johnson commended Commissioner Foxley for making this addition to her staff. He said Mr. Buhler had demonstrated his ability to work on both sides of the aisle while he served in the Legislature. Regent Rogers agreed that he would be an effective addition to the Commissioner's staff. Regent Mantes concurred that it was a good choice, saying that Mr. Buhler was a good friend of higher education.

Commissioner Foxley said her office would issue a press release about the appointment the following day.

Adjournment

Chair Johnson thanked everyone for arranging their schedules to enable them to participate in the conference call. The meeting was adjourned at 3:40 p.m.

Joyce Cottrell CPS
Executive Secretary

Date Approved