

**MINUTES OF MEETING
UTAH STATE BOARD OF REGENTS
UNIVERSITY OF UTAH
December 8, 2000**

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MINUTES OF MEETING
UTAH STATE BOARD OF REGENTS
UNIVERSITY OF UTAH
December 8, 2000

Regents Present

Charles E. Johnson, Chair
Aileen H. Clyde, Vice Chair
Pamela J. Atkinson
David J. Grant
L. Brent Hoggan
Michael R. Jensen
David J. Jordan
E. George Mantes
Robert W. Peterson
Winn L. Richards
Paul S. Rogers
Maria Sweeten

Regents Excused

Karen H. Huntsman
James S. Jardine

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
Angie Loving, Manager of Programs and Administration
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
Michael T. Benson, Special Assistant to the President
A. Lorris Betz, Senior Vice President for Health Sciences
Sally R. Burbidge, Trustee
Michelle J. Cannon, Student
Jim Cook, UHESA
Gary Crocker, Vice Chair, Board of Trustees

Jess Dalton, Student Body President and Trustee
Randy L. Dryer, Trustee
Fred C. Esplin, Vice President for University Relations
Kathy Girton, Assessment Coordinator for Undergraduate Studies
Raymond A. Haeckel, Executive Director, Government and Community Relations
James R. Macfarlane, Trustee
Anne P. Peterson, Coordinator, Editorial Projects
Barbara H. Snyder, Vice President for Student Affairs
John P. Torgenson, Presidential Intern

Utah State University

George H. Emert, President
Lee H. Burke, Assistant to the President for Government Relations
Willis Candland, Trustee
Claudette Eastman, Vice Chair, Board of Trustees
Steven H. Hanks, Associate Dean for College Development
Richard W. Jacobs, Budget Director
Brent Nyman, Trustee
Craig H. Petersen, Acting Provost
Deanna D. Winn, Associate Dean, Teacher Education, Certification, Graduation

Weber State University

Paul H. Thompson, President
Anand Dyal Chaud, Vice President for Student Services
David Eisler, Provost
Carol V. Gaskill, Director of Budget and Institutional Research
Jane Brewer, Vice Chair, Board of Trustees
Nick Ferre, Student Association
Dee Hansen, Student Body President and Trustee
Douglas J. Holmes, Trustee

Southern Utah University

Steven D. Bennion, President
Sterling R. Church, Vice President for Student Activities
Larry Lunt, Chair, Board of Trustees
Henry Eyring, Trustee
Dorian G. Page, Associate Vice President and Treasurer, Administrative/Financial Services
Gregory L. Stauffer, Vice President for Administrative and Financial Affairs

Snow College

Gerald J. Day, President
Jerold Johnson, Trustee
Gwen McGarry, Trustee

Dixie State College

Robert C. Huddleston, President

Chet Glover, Student

Shandon Gubler, Trustee

Dax Mangus, Student

Stanley J. Plewe, Vice President, Administration & Information Technology

College of Eastern Utah

Grace S. Jones, President

Raelene Allred, Vice President of Finance and Administrative Services

Karen Bliss, Dean of Institutional Advancement

Charles O. Foust, Vice President of Academic Affairs

Gail Glover, Dean of Administrative Services, San Juan Campus

Utah Valley State College

Kerry D. Romesburg, President

Jared Finch, Student Body President and Trustee

Linda L. Makin, Budget Director

Lucille Stoddard, Vice President for Academic Affairs

Douglas E. Warner, Executive Director, Budgets/Management Studies

Bradley A. Winn, Vice President for Student Services and Campus Planning

J. Karl Worthington, Associate Vice President for Academic Affairs

Salt Lake Community College

H. Lynn Cundiff, President

Mary Bangerter, Trustee

Ellen Betit, Trustee

Julie Curtis, Professor, Office Information Systems

Peter Genereaux, Trustee

Brent H. Goodfellow, Executive Dean

Richard M. Rhodes, Vice President of Business Services

Norm Riggs, Vice Chair, Board of Trustees

Representatives of the Media

Arrin Brunson, *Logan Herald Journal*

Matt Canham, *Daily Utah Chronicle*

Alan Edwards, *Deseret News*

Lisa Roskelley, *Weber State University Signpost*

Kirsten Stewart, *Salt Lake Tribune*

Others Present

George Gautadze, Kutaisi State University (Georgia)

Mel Parker, Governor's Office of Planning and Budget

Vernon C. Rowley, Governor's Deputy for Education

Delegation from the Republic of Georgia, consisting of seven heads of college and universities and two U.S. interpreters

COMMITTEE OF THE WHOLE

Chair Charles E. Johnson called the meeting of the State Board of Regents to order at 9:38 a.m. Commissioner Foxley acknowledged the presence of a delegation from the country of Georgia and welcomed them to the meeting. Chair Johnson welcomed the Trustees and acknowledged the elected officials in attendance – Representatives Brent Goodfellow, Brad King, and Brad Winn. He thanked President Machen for the wonderful dinner the previous evening and said the Regents had enjoyed their meeting with the University of Utah Board of Trustees earlier in the morning. He asked the Regents, Presidents and Trustees sitting at the table to introduce themselves.

USHE 2001-2002 Proposed Tuition Increase

Chair Johnson referred to Replacement Tab A and explained for the benefit of the Trustees the background of the procedure for establishing tuition rates and the work of the Tuition and Financial Aid Task Force. The Regents will establish a fixed tuition rate which will apply to all institutions equally. In addition, they will also consider differential increases for specific programs or institutions at a later date. The discussion in this meeting will focus on a standard tuition increase which will apply to all institutions.

Commissioner Foxley explained that a number of people had been actively involved in studying the issue of tuition. She expressed her appreciation for the student officers who had been a valuable asset to the process. In formulating a recommendation, the students' fair share was considered, along with state budget needs. Utah students, dollar for dollar, receive a very fine education at a reasonable cost when compared with peer institutions, particularly at our universities. Tuition at community colleges is still higher than other community colleges in the western region. After dialogue with the Council of Presidents, the Commissioner's recommendation was for a 4% increase in tuition.

Regent Atkinson said she understood the need for the two-tiered approach. She also understood the need for library acquisitions and faculty compensation. Her concern about the second tier was for the students who may be looking at as much as a 10% increase in certain areas. She stressed the need for more money from the Legislature for student financial aid so our students can continue to receive a quality education. Regent Atkinson requested that ample time be provided in the Board meeting at which the second tier increase will be discussed, with input from the Presidents. If substantial need is proven, she recommended an incremental increase be considered.

Regent Peterson said he felt a 4% increase was fair. He asked the Presidents how widely they would be using the second tier increase and if they would be willing to cap it. The students are concerned about the potential for substantial increases. The Presidents agreed that they all want to keep tuition as low as possible. The key is how the Legislature responds to this proposal and the Legislators' agreement to give the Presidents flexibility to keep the funds at their respective institutions.

Vice Chair Clyde said institutional missions and roles must be maintained. The institutions have to decide on their needs and their capacities to meet their missions and roles. The Board will rely on the Presidents to make this recommendation and to help the Regents understand what is needed.

Regent Atkin moved the Commissioner's recommendation of a two-tier tuition increase concept and the approval of a first-tier increase of 4% for all USHE institutions for 2001-2002. The motion was seconded by Regent Grant.

Jess Dalton, UCSP President and Student Body President at the University of Utah, thanked the Regents for listening to the students' concerns. Steps have been taken on USHE campuses and as a student association to form a lobbying committee from throughout the state. Those students will be actively engaged during the Legislative Session. Mr. Dalton assured Regent Jardine that the students were taking his challenge to contact their legislators very seriously. He agreed with Regent Atkinson's suggestion of an incremental increase and pointed out that when middle-income families have several children in the system at the same time, it places those families in the low-income classification because of their inability to educate everyone. He urged an increase in financial aid along with the tuition increase. Mr. Dalton said the students recognize that education is an investment, and he challenged the Presidents to be mindful of the students' ability to pay.

Regent Rogers asked Associate Commissioner Norris if the student loan program was operating at capacity. Mr. Norris said it was not, because there is no ceiling on the amount of loans which can be guaranteed. However, too much debt is a problem for many students, so more money is needed for the Utah Centennial Opportunity Program for Education (UCOPE).

Vote was taken on the motion by a show of hands. The motion carried.

National Center for Public Policy and Higher Education's
Measuring Up 2000: The State-by-State Report Card for Higher Education

Commissioner Foxley referred to Tab B and the excerpts from the actual report which were included in the Regents' folders. The Center felt it was time for the country to focus on higher education. They had planned to release their report the last week of November after the Presidential election process was complete. Unfortunately, because of the unique circumstances surrounding the 2000 Presidential Election, the report did not receive the media coverage it warranted. Each state received a "grade" in various areas. Utah received two As, a B-, a C and a D+.

Preparation and Affordability. Utah received an A grade in each of these two categories. High school students need to take more math, science and English classes as they prepare for college. Not reflected in the report is our concurrent enrollment program. Over 19,000 students are taking college courses before they graduate from high school. The New Century Scholarship program enables high school students who graduate concurrently with a high school diploma and an associate degree to receive funding for their remaining two years of college. While tuition rates are relatively low at Utah's four-year schools, tuition is high at the community colleges. Commissioner Foxley called for a need-based financial aid program (UCOPE) which is much more highly funded.

Participation and Completion. (These categories received grades of C and D+, respectively.) Information was sent to the body making this report about the “missionary factor” in Utah. Roughly 40% of the state’s young men take two years out of their education, either before entering college or after their freshman year, to serve two-year missions for their church. This information was included in the footnote but was not reflected in the grade. Commissioner Foxley pointed out that we can still do better in these two categories. Utah is one of the top states with a population completing at least one year of college. This is good, but it is not enough for long-term career preparation. We need to stress completion of that education.

Benefits. Utah received a B- in this category. Commissioner Foxley noted the direct link between the economic engine of higher education and a healthy economy for the state. She also pointed to the public satisfaction/employer satisfaction information in the report and expressed surprise that the grade was not higher.

Learning. The Commissioner noted that every state had received an “Incomplete” grade in this category. The Center felt that no state is doing a very good job of measuring what is learned by the students and the value added by the institutions.

Overall, Utah can be proud of its grades, yet the report reinforces the fact that we can do better in utilizing our resources. Commissioner Foxley urged everyone to let their Legislators know that a reinvestment in higher education is needed to move our entire population into the next century with the necessary education and training and to keep our economy healthy. She said information from this study would be used to help make our budget request throughout the session.

Regent Mantes noted that the entire report was available online at www.highereducation.org. Other good information can also be found there, including the people who worked on the report. Regent Atkinson noted that the data was several years old. Some of the measures were poor. The Center has missed out on an incredible number of areas in the country, particularly in determining the quality and benefits of education. She expressed her hope that the Center would consult with Presidents and other educational leaders to get a better understanding of education systems in this country. It is a good start, and hopefully the report will be improved in future years.

Commissioner Foxley agreed, noting that this was a first effort. The Center had to deal with the data which was available. They realize there are areas which are lacking. She reminded that the Board they had brought in Pat Callan, President of the Center, as a consultant in past years. President Cundiff applauded the Center’s efforts. He pointed out that participation and completion rates are tied to financial aid. States which have better participation and completion rates will probably be doing better in the amount of money made available to students in financial aid.

Discussion of Master Planning Issues

Chair Johnson referred to the “Facts at a Glance” brochure which was in the Regents’ folders and said it would be updated for the 2001 Legislative Session. He noted that 115,000 students are enrolled in our institutions and 25,000 individuals are employed in the System. This makes 140,000 individuals directly involved in higher education. Adding a comparable number of parents, this is a quarter of a million people who will have a direct interest in what happens during the coming legislative session. In fact, it is the largest

constituency on Capitol Hill. However, it is not an organized group. All of these individuals need to be informed and engaged in this process.

He referred to the document in the Regents' folders entitled "The Utah System of Higher Education – An Investment That Pays." Commissioner Foxley explained that our major theme this year is the tie between higher education and the economy. A state's ability to provide new jobs and welcome new companies directly impacts its economy. More education equals more lifetime earning capacity. Businesses which locate or relocate in Utah do so because of the availability of a trained workforce.

Commissioner Foxley said the USHE was very supportive of Governor Leavitt's initiative in engineering, computer science, and technology. We need to fuel the economy of this state by having more graduates in the high tech area. She encouraged everyone to emphasize the points on the document with their Legislators.

The Commissioner explained that for several years we have looked at an approach to funding which would ensure more continual funding which will benefit us in the future. This approach needs to fund more than enrollment growth. Our formula will have to be improved and refined as time goes on. Because of the present economy, Utah is well positioned to infuse our institutions with the necessary funds for additional training at all levels and at all institutions. We have a long list of capital facilities needs and hope to get many of these facilities funded this year. The Legislature does not want to become more indebted, but we think this will be a good year to bond for capital facilities.

Chair Johnson summarized the two primary messages: (1) The present funding of public education has served the state well. It has enabled the State Office of Education and the school districts to deal with funding. They have proven a formula works. It is now time for higher education to adopt a formula. (2) The major difference in funding higher education with a formula this year is that it will fund not only new students coming into our institutions but those students already in the system. He suggested that every President give greater detail to their trustees at a Board of Trustees meeting.

Regent Hoggan said USU had been placed in the same category as the two teaching universities and not the research universities. Before approaching the Legislature, he suggested that the Regents give serious consideration to putting USU on a par with the University of Utah in the funding of this formula. Chair Johnson said until a formula is approved, we cannot do the allocation. Part of the formula asks for funds to go directly to the Regents to make necessary adjustments. That part is a work in process which will develop during the course of the legislative session.

Applied Technology Education (ATE)

Chair Johnson referred to Tab C-1 and noted the three channels presently available for delivery of ATE in Utah – high schools, colleges and universities delivering both credit and non-credit education, and ATCs which deliver mostly non-credit and some credit classes through our institutions. The proposed legislation will cover the non-credit ATE delivery and funding. It is not intended to take funding away from higher education or the school districts, but deals primarily with the ATCs and ATCSRs. The proposed legislation calls for a very large central board and a number of regional boards.

President Romesburg said the proposed legislation had the potential to redefine a community college in Utah as it is currently written. There are internal conflicts as well. As presently written and interpreted, it could put community colleges out of the business of dealing with non-credit ATE to both secondary and adult students. Mountainlands ATC is an important part of UVSC. The legislation would move its programs and authority to the new regional board. It is potentially far-reaching legislation, with the ability to create junior colleges instead of community colleges and a third board with which to deal fiscally and for transfer of academic credit.

President Day agreed that there were statutory inconsistencies between the proposed legislation and other legislation not referenced in the bill. One of these inconsistencies involves Snow College South. He commended Chair Johnson and others who had recommended changes to the Legislative ATE Task Force.

President Bennion expressed his concern about the more independent direction of the new entity. Public education and higher education are both underfunded in Utah. ATE functions well when these two entities cooperate and work well together. The proposed legislation could create a larger appetite without the incentive to continue to share. Utah does very much with its very limited resources.

Regent Atkinson said the task force had not taken into consideration those areas which are working well between public education and higher education. She also had concern about the lack of understanding of all of the components for which the JLC was responsible, such as teacher preparation, remedial education, etc. The legislators on the task force did not even know these things were being done by the Joint Liaison Committee. Their concern was concentrated solely on ATE.

Regent Grant suggested that the Regents come up with its own initiative rather than responding to the proposed legislation. Chair Johnson said the Board had been requested to indicate the areas of change it feels are needed. Regent Rogers moved that the Board adamantly oppose the proposed legislation unless it is changed. The motion died for lack of a second.

Regent Jordan said he was sympathetic to Regent Rogers' concerns. "Opportunity for change" will be interpreted by the Legislature as modifications of a core structure. He asked if there was a core structure in the proposed legislation with which the Regents could be comfortable, or if the reality was that there was a core structure with which we are fundamentally at odds. Chair Johnson said there are core issues with which we agree. Regent Jordan agreed the Regents were opposed to a third board which will govern ATE. A softer approach may misconstrue our intent. Chair Johnson responded that representatives of higher education had expressed their concern about a third board at every meeting of the task force. He urged the Board to look at some things which they should accept before offering opposition.

Regent Atkinson said many legislators are adamant that this legislation will go forward. She asked why higher education's proposals had been omitted from the proposed legislation. Did they have less merit? What will happen to the rest of the JLC's responsibilities?

Regent Jensen said after reading the proposed legislation, he felt it left the door wide open for a third board. The make up of the proposed third board is completely skewed in favor of public education. Some of the regional boards have no higher education representation.

Chair Johnson asked Vice Chair Clyde and Regents Atkinson, Grant, Jensen, Jordan, Mantes, Rogers and Sweeten to meet with the Presidents to go through the proposed legislation in detail and determine the areas that need refinement. He asked Commissioner Foxley to schedule a meeting of the group.

Vice Chair Clyde said she had watched a melding of students who have discovered that they can take vocational training and academic training at the same time and in the same location. To continue with a structure which would separate those students would make it much more difficult for them to proceed with their higher education. She said she perceived a barrier in the task force meetings to hearing this message. We need to look closely at the value we may lose for students.

The Committee of the Whole recessed to the Board committee meetings at 11:10 a.m.

Luncheon and Governor Leavitt's Budget Presentation

Following lunch, Chair Johnson offered a brief update on the Presidential election. He welcomed Representatives Goodfellow, King and Winn, who had been in the earlier meeting, and Representatives Afton Bradshaw and Sheryl Allen. He welcomed Governor Leavitt and members of his staff – Gary Doxey, Lynne Ward, Con Rowley, Mel Parker, Teresa Anderson and Rich McKeon.

Recognition of President and Mrs. George Emert

Chair Johnson recognized George and Billie Emert who have served at USU for nearly nine years. He reflected on the value of President Emert's competitiveness and said he had always fought for a fair deal for Utah State University. While serving in Viet Nam, those under his command were willing to do anything he asked them to do. This was a high tribute to his leadership skills. Under his leadership, USU has excelled. The University has been nationally recognized as being in the top tier of "best price" schools. It is #1 in the nation for research dollars generated per faculty member.

Chair Johnson recognized Mrs. Emert as the classic example of a university president's wife. She is well liked and respected by everyone. Regent Johnson expressed his appreciation to Mrs. Emert for her contributions to the University and the community.

Governor Leavitt commended the institution's growth and maturity under President Emert's direction. He said he was pleased that the Emerts plan to make Utah their permanent home and expressed his personal appreciation for their friendship. President Machen spoke on behalf of the Council of Presidents and commented on the strong bonds which are forged in that group as its members value their relationships with each other. George and Billie Emert have been strong leaders in Utah for making things better. He expressed his appreciation for his lifelong friendship with the Emerts.

Commissioner Foxley presented a floral arrangement in a crystal vase to Mrs. Emert for her contributions to the institution, community and state, calling her "a dynamo of energy, grace and love." On behalf of the Regents and Presidents, she presented a bronze sculpture of a golfer to President Emert, which represented his competitiveness, standard of excellence and willingness to be proactive in support of his institution.

Mrs. Emert thanked everyone for making their years of service “the grandest of adventures.” President Emert said he recalled his interview with the Regents 8½ years ago. He recalled (then) Commissioner Rolfe Kerr, Regents Chair Doug Foxley and Deputy Commissioner Foxley welcoming him and his wife to the state. He expressed his appreciation to everyone who had helped them during their time at USU.

Governor’s Budget Presentation

Chair Johnson introduced Governor Michael O. Leavitt and paid tribute to his integrity and strength of character. He acknowledged that it was hard work to stimulate the economy and acknowledged the Governor’s efforts to keep the Utah-Silicon Valley Alliance going. A focus on education is vital. He commended Governor Leavitt for leaving a legacy of learning during his term as Governor.

Governor Leavitt said he first began to understand the impact of education when he served on the SUU Board of Trustees and later on the State Board of Regents. Those experiences helped him to understand the direct link between economic well-being and education. Utah’s economy is strong and sustainable. In order for our children to remain in this state, we must increase 28-30 new jobs each year. Without the influx of new employment, our young citizens are forced to leave the state to find jobs. He urged everyone to focus on our opportunities and not just the areas in which we have achieved perfection.

The Silicon Valley in California is a hotbed of opportunity. Last year 1340 new companies were founded in the Silicon Valley alone. However, they are reaching their geographic limits. This has created a labor shortage in that area. The average salary there is \$80,000 per year, which does not allow an employee to purchase a home. Utah has space and a high quality of life and a growing workforce. We have to maintain that advantage and level of quality. Our comparative advantage will be our workforce. We have been developing more and better jobs faster than the rate of inflation. We need better-paying jobs to maintain that trained workforce. To have better jobs, we need to invest in people and base the economy on human resources as well as natural resources.

Last year, Governor Leavitt proposed that the number of computer science and engineering graduates be doubled in five years and tripled in eight years. Graduation rates in these fields had dropped over the previous ten years, mostly because of lack of capacity. The second strategy he proposed last year was to increase access in under-served areas and to speed up the process at which a student can move through the system. The Governor acknowledged that this was still his strategy.

Governor Leavitt offered what he called a “profound and historic” budget. He proposed the following budget for higher education:

Enrollment growth	\$ 24,440,700
New capital facilities	140,447,000
Ongoing O&M for capital facilities	3,618,800
Convert one-time items to ongoing funds	2,500,000
New funding formula block amount	30,594,200
State match above enrollment growth funding for institutional funds reprioritized toward engineering and technology	\$ 5,000,000

Equipment/Laboratories for Engineering & Technology	4,200,000
Loan program to reward engineering and technology graduates who stay in Utah	800,000
New engineering and technology programs	550,000
Ednet and UtahLink	6,503,800

The Governor highlighted the fact that of his total recommendations, \$102 million is targeted toward his Engineering and Technology Initiative. He said the capital facilities he proposed to fund this year would also focus on engineering and technology. They would include an engineering building at USU, WSU's Davis Campus, a classroom building at UVSC, an engineering building at the University of Utah and a classroom building at CEU, as well as a boiler and steam plant at USU and an education building at SUU. Governor Leavitt urged a shortening of time for construction of these facilities and proposed a "design-build" process. Regent Hoggan asked about bonding. Governor Leavitt said the capital facilities would be paid with cash.

Commissioner Foxley expressed her enthusiasm and gratitude for Governor Leavitt's proposed budget and said she was thrilled that this would be higher education's year. Regent Atkinson asked the Governor if his challenge to public education would include accountability so that USHE institutions can get better-prepared students. Providing remedial education will not allow our schools to meet the Governor's five-year and eight-year challenge. Governor Leavitt responded that his budget for public education would introduce a way to provide information about students' progress which can be accessed by the parents, teachers, and the students themselves on a daily basis.

Chair Johnson thanked Governor Leavitt for the record increases for higher education and said the Regents accepted the responsibility to help maintain the economic advantage of the state.

Governor Leavitt and his staff left the meeting, and the Committee of the Whole reconvened at 1:45 p.m.

Reports of Board Committees

Finance and Facilities

University of Utah – Financing Plan for East Campus Central Plant, Part II (Tab J). Chair Hoggan said the University's proposal was for a high temperature water component to their East Campus Central Plant. It was authorized by action of the Legislature in five phases. The first three phases have been completed; this proposal is for the two remaining phases to be paid for by the energy savings resulting from improvements. Chair Hoggan briefly reviewed the parameters of the transaction which were found in the attachment to Tab J. He noted that interest rates had fallen since the Commissioner's memo was prepared; hopefully, when the transaction is priced, it will be at an even better rate. Chair Hoggan moved approval of the replacement resolution in the Regents' folders. The motion was seconded by Vice Chair Rogers. Regent Jensen asked about a performance guarantee. Blake Wade (Ballard Spahr) said Viron Corporation had guaranteed the level of savings. The guarantee will be signed by the parent corporation under that performance guarantee. Vote was taken on the motion, which carried.

University of Utah – Long-Range Development Plan (Tab K). Chair Hoggan said the committee had heard details of the University's Concept Plan portion of their Long-Range Development Plan and had been

satisfied. He moved approval of the plan. The motion was seconded by Regent Jensen and carried. Regent Atkin asked about Fort Douglas. President Machen explained that over 50 acres at Fort Douglas was still under the control of the federal government. Everything else has been returned to the state. In the most recent transaction, 11.2 acres were returned, which is where the Olympic Village was built. Chair Johnson clarified that as the government vacates, the land reverts to the University. President Machen said there was no current discussion about the rest of the land being returned to the University.

USHE – Authorization to Seek Revenue Bond Financing (Tab L). Chair Hoggan explained that this request was for \$2 million bond financing for a Student Center Addition at Dixie State College and \$6 million bond financing for SLCC's cafeteria remodel. The debt servicing for the bonds will be paid from a combination of student fees and operating revenues. Both projects were previously approved in concept. Chair Hoggan moved approval of the bond authorization. The motion was seconded by Regent Mantes and carried.

USHE – Projected 20-Year Space Needs (Tab M). Chair Hoggan said this plan was a monumental undertaking. It was an information item previously requested by the Board. In current dollars, \$1.3 billion would be required at an average annual cost of \$66 million.

USHE Annual Report on Leased Space (Tab N). Chair Hoggan noted that this was also an information item. The USHE is spending \$11 million each year to lease space. This is our only alternative, considering the restraints on capital facilities.

USHE Fall 2000 Enrollment Report Revisions (Tab O). Chair Hoggan said this was another item which was provided for information only. The changes in data have been incorporated in the funding formula.

Student Financial Aid – UHEAA Board of Directors Report (Tab P). Chair Hoggan invited the entire Board to read the report which was provided for information only.

Consent Calendar, Finance and Facilities Committee (Tab Q). Upon motion by Chair Hoggan and second by Regent Jensen, the following items were approved:

1. OCHE Monthly Investment Report
2. UofU and USU Capital Facilities Delegation Reports
3. WSU Donated property to be Liquidated
4. Annual Money Management Report

Chair Johnson thanked Chair Hoggan for his report.

Academic and Applied Technology Education Committee

Tenure and Post-Tenure Review Report (Tab D). Chair Atkinson thanked Associate Commissioner Petersen and Dave Colvin for their excellent written report. She reported that 59.9% of USHE faculty are tenured. The national average is 65%. This is a significant range in terms of numbers of tenured faculty among our institutions. The report emphasized the rigor with which faculty are reviewed and tenure granted. She commended the Presidents, Deans and faculty for doing an outstanding job. Regent Atkinson moved that

the Board accept the report and that it require annual reports on the numbers of faculty who have been awarded tenure and post-tenure review. The motion was seconded by Regent Atkin and approved unanimously.

General Education Assessment (Tab E). The USHE Master Plan included a major commitment to be accountable and to establish performance indicators of student outcomes. A pilot test by the institutions of the CAAP test had shown it did not fit our needs and standards for accountability. Faculty from the institutions have met with the Commissioner's staff and others to develop indicators to develop assessment instruments in Writing, Mathematics, and American Institutions (Political Science, History, and Economics). In Writing, the results of this test will be given in the Spring of 2001. In Mathematics and American Institutions, plans are still being developed for the test but some results should also be available Spring Term. Chair Atkinson commended the General Education Task Force who had developed these indicators. A tremendous amount of work has gone into the planning. A budget item of \$200,000 to support the assessment efforts was included in the 2001-2002 budget request.

Regent Hoggan asked how these assessment efforts fit with the Governor's emphasis on technology. Associate Commissioner Petersen said the next step of the General Education Task Force would be to develop a computer literacy test which will fit within the Governor's initiative. Two indicators which will be reported in January will relate directly to this. We are also monitoring the number of engineering and technology graduates in the System to ascertain whether or not we are making progress toward the Governor's goal.

Regent Hoggan asked if our assessment indicators evaluated quality of curriculum. Associate Commissioner Petersen responded this happens only if a licensure or advancement test is required. We collect information on success rates of our graduates in those areas and monitor those rates of success. We look at the quality of the curriculum and whether or not it is enabling our students to pass qualifying exams.

Preliminary Ideas for Updating the USHE Technology Master Plan (Tab F) and Technologically-Delivered Instruction in the Utah System of Higher Education (Tab G). Chair Atkinson said these two items will be discussed in depth in March 2001. Much has been accomplished but there is still a long way to go. It was clearly demonstrated that we need immediate action in obtaining funding. There will be a \$250,000 budget request to develop a revised Technology Master Plan. Chair Atkinson noted that the tables in Tab G demonstrated how much technologically-delivered instruction had grown in Utah. Programs delivered by KULC have declined, and other methods have increased. Internet delivery has increased by over 65%. Assistant Commissioner Wixom conveyed to the committee the urgency of moving this along quickly. Chair Atkinson thanked Dr. Wixom for his great work on this report.

Policy R401, Approval of New Programs and Program Additions or Changes (Tab H). Chair Atkinson recalled the lengthy discussion at the most recent Board meeting. The document was provided for information only, as the policy was approved conceptually in November. She noted that the changes requested in that meeting had been incorporated into the policy.

Annual Report on Terrel H. Bell Teaching Incentive Loan Program (Tab I). Chair Atkinson said this item was for information only, but it was very informative. While it was disturbing to learn of the \$100,000 of bad debts, it was reassuring to know that we are aggressively trying to recoup that money. The variety

of students indicated that some are unable to pay and some cannot be traced. The committee asked if applicants were being turned down because of lack of funds in the account and suggested that the Commissioner's Office look carefully at how that money is used. The committee also discussed the shortage of teachers and the possibility of getting more money for the loan program.

Chair Johnson thanked Chair Atkinson for her report.

General Consent Calendar

On motion by Regent Hoggan and second by Regent Atkinson, the following items were approved on the Board of Regents General Consent Calendar (Tab R):

- A. Minutes – Approval of the Minutes of the Regular Meeting of the Utah State Board of Regents held October 27, 2000, at Weber State University in Ogden, Utah.
- B. Grant Proposals – Approval to submit the following proposals:
1. University of Utah – Par 99-009 Functionalizing Biomaterials for NCS Repair, \$2,177,071; Patrick A. Tresco, Principal Investigator.
 2. University of Utah – Gnome Science Education Program; \$2,158,400; Dorothy S. Dart, Principal Investigator.
 3. University of Utah – Outpatient Early Intervention Service with Respect to HIV, \$2,153,883; Kristen Ries, Principal Investigator.
 4. University of Utah – Breast Cancer in Mexico, \$7,786,812; Martha L. Slattery, Principal Investigator.
 5. University of Utah – Differential Effects of Methamphetamine and Cocain (Program Project), \$5,334,534; James W. Gibb, Principal Investigator.
 6. University of Utah – Center for Complex Optical Scattering Phenomena, \$10,211,950; P. Craig Taylor, Principal Investigator.
 7. Utah State University – Oral Cleft Prevention Trial: Philippines Pilot Study, \$4,500,457; Ronald G. Munger, Principal Investigator.
 8. Utah State University – SDL Support to Interim TIS Block 1 (Sharp & NAVIS Concepts), \$1,433,396; Niel Holt, Principal Investigator.
- D. Executive Session(s) – Approval to hold an executive session or sessions prior to or in connection with the meetings of the State Board of Regents to be held January 12, 2001, at Utah Valley State College, to consider property transactions, personnel issues, litigation, and such other matters permitted by the Utah Open and Public Meetings Act.

Other

CEU Search Committee

Chair Johnson said the search process for a new President of the College of Eastern Utah had begun. President Jones will be stepping down from that position on June 30, 2001. Vice Chair Aileen Clyde will chair the search committee. She will be assisted by Regents George Mantes and Michael Jensen, who will represent the Board of Regents on the committee. The committee will also include trustees and institutional and community representatives.

Utility Costs

President Machen said there had been a huge increase in the cost of utilities – especially gas – to the institutions. Costs have increased at greater than inflationary rates. These costs must be paid. President Machen said he was anticipating a \$2 million shortfall between the line item for fuel and the costs incurred at the University of Utah this year. If this is not adjusted by the Legislature, it will come from accounts which should be used for other purposes. He urged that this be made an emergency issue in our budget request. Higher education has the majority of state facilities, so we are hit the hardest. President Emert said Logan City had announced a 24% increase in electricity costs, which is an extraordinary increase. Chair Johnson said the Regents expected the Presidents to conserve utility usage when possible and to do whatever was necessary to meet emergencies of this nature.

Adjournment

Chair Johnson thanked President Machen and his staff for the excellent food and warm hospitality. The meeting was adjourned at 2:25 p.m.

Joyce Cottrell CPS
Executive Secretary