

**MINUTES OF MEETING
UTAH STATE BOARD OF REGENTS
February 16, 2001**

C O N T E N T S

| | <u>Page</u> |
|---|-------------|
| Roll Call | 1 |
| MEETING OF THE COMMITTEE OF THE WHOLE | |
| Report of the UHEAA Board of Directors | 2 |
| Utah State University – Change in Budget-Related Enrollment Reporting Status of Remedial Classes and Proposed Revision of Policy R506, <i>Budget Related and Self-Supporting Courses</i> | 2 |
| Utah State University – Research Park Lease Purchase | 2 |
| University of Utah – Huntsman Clinical Research Hospital Financing Plan | 2 |
| Report on Utah State University and University of Utah Undergraduate Research Poster Session | 3 |
| Information Calendar, Academic and Applied Technology Education Committee | 3 |
| Consent Calendar, Academic and Applied Technology Education Committee | 3 |
| Salt Lake Community College – Campus Master Plans | 3 |
| Proposed Regents’ Policy R511, <i>Tuition Disclosure and Consultation</i> | 4 |
| Consent Calendar, Finance and Facilities Committee | 7 |
| General Consent Calendar | 7 |
| Adjournment | 8 |

MINUTES OF MEETING
UTAH STATE BOARD OF REGENTS
Utah State Capitol
February 16, 2001

Regents Present

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

Regents Excused

Aileen H. Clyde, Vice Chair
Jerry C. Atkin

Office of the Commissioner

Cecelia H. Foxley, Commissioner
David Buhler, Associate Commissioner for Public Relations
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
Harden R. Eyring, Executive Assistant
Linda Fife, Director of Academic Programs
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

Utah State University

Stan L. Albrecht, Executive Vice President and Provost

Weber State University

Paul H. Thompson, President

Southern Utah University
Steven D. Bennion, President

Snow College
Rick Wheeler, Interim President

Dixie State 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
H. Lynn Cundiff, President

Representatives of the Media
Lucy Boone, *Standard Examiner*
Matt Canham, *Daily Utah Chronicle*
Kirsten Stewart, *Salt Lake Tribune*
James Thalman, *Deseret News*

Chair Charles E. Johnson called the meeting of the Committee of the Whole to order at 9:37 a.m. in the Governor's Board Room of the State Capitol. He excused Vice Chair Clyde and Regent Atkin and welcomed Provost Albrecht, who was sitting in for USU President Hall. Chair Johnson issued a special welcome to the USHE students in attendance. He announced that the discussion would not follow the order listed in the printed agenda.

Report of the UHEAA Board of Directors (Tab H). Chair Johnson noted the UHEAA Board of Directors Report, which was an information item on the agenda. Associate Commissioner Norris was present to respond to any questions.

Utah State University – Change in Budget-Related Enrollment Reporting Status of Remedial Classes and Proposed Revision of Policy R506, *Budget Related and Self-Supporting Courses* (Tab G). Provost Albrecht said this change addresses off-campus programs delivered in the Uintah Basin. Chair Johnson explained that there would be legislative intent language dealing with this change. Discussion was postponed until the March meeting.

Utah State University – Research Park Lease Purchase (Tab F). Regent Hoggan said this item had no budget implications. O&M costs will be covered by the lease fees. **Regent Hoggan moved approval of the execution of the lease. The motion was seconded by Regent Grant and carried unanimously.**

University of Utah – Huntsman Clinical Research Hospital Financing Plan (Tab E). President Machen said he had expected this hospital to move forward next year. Because of an understanding with the Huntsman Cancer Institute (HCI), the Huntsman family, and University officials, they were now ready to begin

construction. The facility will cost \$100 million. The Huntsman Cancer Foundation will be responsible for 60% of the bonding, with the University responsible for the remaining 40%. The University intends to pledge its tobacco revenues and other revenues as necessary toward this debt. This accelerates the idea of having a place to try new cancer treatment protocols. The hospital has been endorsed by the Governor and Legislative Leadership. President Machen said he hoped the state would contribute \$5 million to this project. The University of Utah Board of Trustees has reviewed the business plan to ensure that the hospital could work in concert with the Institute. **Regent Rogers moved approval of the proposed financing plan. Regent Grant seconded the motion.**

Regent Atkinson asked if, based on increasing diagnoses being made and the increasing amount of research required, a 40-bed facility would be sufficient. President Machen responded that 80 to 90% of cancer treatment is outdated and will become even more so as new technologies are developed. This facility will be bridged to the Institute so that research and treatment are closely linked, both in timing and proximity. Regent Huntsman explained that if all cancer treatments can be housed under one roof, progress can be made more quickly. What is generated in this facility will be transmitted to various treatment centers in the region.

Regent Jardine asked President Machen how much of the tobacco money he expected the University to receive. President Machen said they expected to receive \$4 million per year from the tobacco settlement. He explained that the University believes that if the operations can be absorbed in the overall hospital complex, this amount would be sufficient for the University's contribution. Regent Jordan suggested that some large banks might be willing to help. Regent Atkinson asked the expected date of completion. President Machen said he hoped construction will have begun by the beginning of the 2002 Winter Olympics.

Vote was taken on the motion, which carried unanimously.

Report on Utah State University and University of Utah Undergraduate Research Poster Session (Tab B). Assistant Commissioner Safman reported that the two universities had recently held an undergraduate poster session in the Capitol Rotunda. This is significant because Utah's two research universities collaborated to demonstrate student involvement in undergraduate research. The students who participated in the poster session intend to go on to graduate school or work in their respective areas and were very excited about the possibilities which were open to them.

Information Calendar, Academic and Applied Technology Education Committee (Tab C). Regent Atkinson noted the various items on the information calendar and said all of the name changes are appropriate. Weber's new B.S. Degree in Dental Hygiene is also a very practical idea.

Consent Calendar, Academic and Applied Technology Education Committee (Tab D). Regent Atkinson noted that USU's Master of Science Specialization in Industrial Physics is a much needed program, as is SLCC's Internet Technician Program at the Skills Center. **Regent Atkinson moved approval of the Consent Calendar. The motion was seconded by Regents Jardine and Jensen and carried unanimously.**

The meeting moved from the Governor's Board Room to Room 129 of the State Capitol at 10:00 a.m. Discussion resumed on Committee business.

Salt Lake Community College – Campus Master Plans (Tab I). Vice President Richard Rhodes called attention to enlargements of the master plans of SLCC's five campuses. The Redwood Road Campus has very limited growth potential. An addition to the College Center is presently under construction. There are no changes to the Jordan Campus master plan, but part of the campus has been developed in the past year. A

High Technology Center opened with the Spring Semester with 1200 students. Ground has been broken for the Student Activities Center, which will be paid with student revenues. Dr. Rhodes noted no change on the master plan for the South City Campus except for a small area adjacent to the Grand Theater which will be funded by outside donors. The Detroit Diesel facility (Applied Education Center) has potential for growth, with plenty of room for storage. The College's truck driving program will be located at this site. Heavy-Duty Mechanics, HVAC and Non-Destructive Testing will also move to the Applied Education Center. The facility is very close to a TRAX station, and the College is working closely with UTA on accessibility.

The Larry H. Miller Campus has two completed buildings, with two additional buildings under construction, to be completed by approximately June 15, 2001. SLCC's Auto Trades Program will move into the third building when it has been completed. The College has requested O&M funding from the Legislature for these buildings. Four additional buildings are planned for potential growth. College officials are presently working with Larry Miller on the design for the fifth building. Dr. Rhodes pointed out that Mr. Miller had donated approximately five acres to the College.

Regent Atkinson moved approval of the campus master plans. The motion was seconded by Regent Huntsman and carried unanimously.

Proposed Regents' Policy R511, *Tuition Disclosure and Consultation*

Chair Johnson explained that a common tuition increase is applied to all institutions in of the state's funding formula. In addition, the Regents have decided to allow a second tier of tuition to be assessed by some institutions, with the funds to remain at the institution. They have concluded that the Board should formalize the tuition-setting process (Tab A). In addition to the regular Board meeting to discuss and decide on tuition increases, campuses have various ways of meeting with their students. In response to discussions with student leaders, the Regents decided to develop a tuition disclosure policy.

Jess Dalton, University of Utah Student Body President and President of the Utah Council of Student Body Presidents (UCSP), expressed his appreciation to the Commissioner, Regents, and Presidents for the dialogue which ensued this year. The students drafted a "Truth in Tuition" bill and discussed it with Commissioner Foxley and Chair Johnson. From that discussion evolved additional documents in an attempt to reach consensus and create understanding. Mr. Dalton said the proposed policy R511 was still missing many key components which the students would like to see incorporated. SB 210 includes these detailed specifications.

Associate Commissioner Buhler, who helped draft the proposed policy, reviewed the essential differences between policy R511 and SB210, which include public notice of any proposed tuition increase and public hearings at institutional and Regents' levels. The policy includes these elements. It specifies that the press would be notified (similar to a public meeting) by a notice in the student newspaper or other medium of communication to the students. SB210 requires additionally a newspaper advertisement which would cost approximately \$20,000. Policy R511 provides a better indication to the students of what is going to happen and when, because it details the process to be followed in the fall and in the spring.

Commissioner Foxley said the policy was patterned after the Truth in Taxation policy by tying tuition increases to CPI indicators. She noted that it was always difficult for the Commissioner to recommend an increase in tuition. It is also difficult for the Regents to reach this decision, and a recommendation is only made after consultation with student leaders. The proposed legislation includes much broader notification to students,

and specifies a ¼-page ad which is very costly. The Presidents would prefer to put that money into scholarships than into advertising, a point made by President Thompson at one of the Legislative Committee hearings. The proposed policy enhances what was already a good relationship with the student leaders.

Regent Jardine asked if the students wanted specificity in the notice or in the discussion that takes place in the meeting. Kelly Booth, student director of government relations at the University of Utah, said the students wanted both – first, in the advertisement, and second, in the meeting which would take place when an increase in tuition was being considered. They would like to include the CPI index, student enrollment growth, and revenue projections.

Mr. Dalton referred to the students as “blind payers” who did not know where their tuition monies were going. President Romesburg said revenues from first-tier tuition are given to the state and appropriated back to the institutions, mixed in with the general appropriation. The Presidents have no control over that and could not say where those funds were being used. However, they do have control over a second tier and would be able to tell the students how that money was used.

Regent Atkinson asked the students why they would prefer to spend \$20,000 for an advertisement when it could pay the tuition for ten students. She asked what audience the students wanted to target. Mr. Dalton replied that parents and communities are affected, as well as students, when tuition is increased. This information is also applicable for high school seniors. A public forum would allow for dialogue and input for all students, not just student leaders, as well as family members and local communities.

Ms. Booth noted that Senator Steele had addressed the money required for an ad in a committee meeting the previous day. She indicated he had said this might have an even greater impact than \$20,000. Students have been guaranteed that the money would not come out of the existing budget but would be allocated separately.

Regent Peterson requested clarification that the \$20,000 would be systemwide. The Tuition and Financial Aid Subcommittee met and discussed the two-tier decision of the Regents. It was emphasized several times in that meeting that the Regents would be responsible and accountable for those decisions. He recommended that the Board adopt a detailed accounting and disclosure system.

Regent Mantes suggested that the students compare the tuition at Utah institutions with tuition at peer institutions in the region. Utah has the lowest tuition rates in the area. He pointed out that quality teachers and quality programs cost money. President Jones said her greatest concern was that the proposed legislation puts the Regents and Presidents in the position of breaking the law almost immediately. CEU’s Price Campus has a newspaper which is published every two weeks. Not all rural areas have weekly newspapers. The USHE Presidents already specify what is being requested at budget hearings each year. She suggested that disclosure of the intent of the public meeting and of the budget request might best be done through policy.

President Thompson referred to the link between student tuition and faculty and staff compensation. Legislative Leadership has required that 25% of tuition must be used to cover salaries of faculty and staff. A 6% compensation increase would require more than a 4% increase in tuition; therefore, all of the tuition would go to compensation. Regent Jardine asked if section 3.1 applied to second-tier increases and section 3.2 to both tiers. Chair Johnson confirmed that the first tier of tuition would include the policy commitment to the Legislature with respect to compensation.

Regent Jordan said comparing this issue with Truth in Taxation was not a good analogy. He pointed out that institutional Presidents have a relationship with their students which is fundamentally different than the relationship between a taxing entity and taxpayers. He suggested that the students accept the reality that there is a relationship of trust between the institutions and students, Presidents and students, and student body officers and their peers. The most effective way to contact students would not necessarily be the same for students in Salt Lake City and students in Ephraim. If the goal is to keep students better informed, the students should trust their Presidents to do this in the most effective way. He recommended a policy which stated "Presidents shall give sufficient information to students to enable them to make an informed decision." He recommended that the Presidents and student leaders work together to determine what level of detail is required. The Presidents and Regents will share information about the purposes for which the tuition is being spent sufficiently to allow the students to participate in the process.

Associate Commissioner Buhler said the goals of the students were considered in drafting the policy. It provides specificity in section 3.1, and also provides flexibility for the varying nature of the institutions.

President Machen spoke in support of the proposed policy. The spirit contained within the policy is shared by all Presidents and Regents. For the past two years, the University of Utah has been allowed to award differential tuition increases, which work in the same way, in seven schools and colleges, with full collaboration with students. There has been no problem with the level of communication required to achieve consensus and understanding.

Regent Grant moved adoption of policy R511 as written. The motion as seconded by Regent Rogers. Commissioner Foxley proposed the following amendment to the draft:

3.1 Institutional Consultation with Students – After consultation with student leaders, public notice of the time, place and purpose of the public meeting shall be provided through an advertisement. . .

Regent Jordan moved the following amendment to the motion:

3.3 Frequency of Consultations – The Board adopts considers a projected tuition increase each Fall. . .’

The Commissioner explained that these changes would provide for the needs of the individual institutions and would give the Presidents the flexibility, working in partnership with their student leaders, to tailor the public notice for their specific institution. Regent Atkinson asked Commissioner Foxley if she had looked at the tuition policies in other states. Dr. Foxley said Utah has more involvement and consultation with students at the program level, with advisory committees and tenure review committees, and at the Board of Trustees and Regents levels, than most states. We also rely on student input more than any other state.

Regent Jardine moved that the motion be further amended to direct the Commissioner’s Office to create a task force to communicate with the students about a potential form of notice which would address the issues raised in sections 3.1.3 and 3.1.4 of the students’ draft and that a report be given to the Board in its March meeting. Regent Jensen asked if the task force could also consider tuition at other WICHE institutions.

All of the amendments were accepted by Regent Grant, who made the original motion, and Regent Rogers, who seconded it. **Vote was taken on the motion as amended. It carried unanimously.** Ms. Booth thanked the Regents for listening and considering the students' proposal.

Consent Calendar, Finance and Facilities Committee (Tab J). Chair Johnson referred to Replacement Tab J and noted that a Presidential Compensation Committee composed of Regents Atkin, Grant and Jardine, had met and recommended presidential salary adjustments at four USHE institutions. This will become a standing committee of the Board. **Upon motion by Regent Hoggan and second by Regent Grant, the following items were unanimously approved:**

1. OCHE Monthly Investment Report
2. UofU and USU Capital Facilities Delegation Reports
3. USU to Accept Ownership of Building RP1
4. Presidential Compensation

General Consent Calendar

Upon motion by Regent Hoggan and second by Regent Sweeten, the following items were unanimously approved on the General Consent Calendar (Tab K):

- A. Minutes – Approval of the Minutes of the Regular Meeting of the Utah State Board of Regents held January 12, 2001, at Utah Valley State College in Orem, Utah.
- B. Grant Proposals - Approval to submit the following proposals:
 1. University of Utah - Itr/Ap: Development of Methods for Simulating Flow-Induced Hemolysis, \$2,353,515; Keith M. Sharp, Principal Investigator.
 2. University of Utah - Analog Vlsi Implementation of Errors Control Decoders, \$2,424,997; Christian B. Schlegel, Principal Investigator.
 3. University of Utah - Its/Sy: Collaborative Research in Locomotion Interfaces, \$2,990,559; William B. Thompson, Principal Investigator.
 4. University of Utah - Role of Angiotensinogen in Human Hypertension. Former U/U project # 59300153. Former Contract # R01hl45325. \$2,138,946; Jean-Mark Lalouel, Principal Investigator.
 5. University of Utah - Pediatric Heart Disease Data Coordinating Center, \$7,301,243; Robert E. Shaddy, 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 March 15-16, 2001, at Dixie State College, to consider property transactions, personnel issues, litigation, and such other matters permitted by the Utah Open and Public Meetings Act.

Adjournment

Chair Johnson thanked everyone for their attendance. The meeting was adjourned at 11:33 a.m., after which the Regents and Presidents met individually with key Legislators.

Joyce Cottrell CPS
Executive Secretary

Date Approved