

**MINUTES OF MEETING
UTAH STATE BOARD OF REGENTS
UTAH STATE UNIVERSITY
September 2002**

C O N T E N T S

Thursday, September 12

Roll Call	1
COMMITTEE OF THE WHOLE	
Recognitions	3
Update on USHE Master Planning Task Forces	4
Student Success	
Missions and Roles	
Funding	
2003-2004 Capital Development and Land Acquisition Hearings and Priorities	5
2003-2004 Non-state Funded Capital Development Projects	7
Key points from President Hall's State of the University Address	8

Friday, September 13

Roll Call	9
JOINT MEETING WITH STATE BUILDING BOARD	12
Long-term Enrollment Projections	12
Capital Development and Land Acquisition Priorities	12
Fiscal Outlook	14
Facilities Condition Assessment Program	15
COMMITTEE OF THE WHOLE	
Report of the Chair	16
Report of the Commissioner	17
Return of Gail Norris	
November Board meeting	
UVSC Presidential Search	
Media coverage	
Proposed 2003 Meeting Schedule	

Reports of Board Committees

Academic and Applied Technology Education Committee

Utah College of Applied Technology – Associate of Applied Technology (AAT) Degrees in Computer Aided Drafting and Design, Information Technology, and Medical Assisting	18
Replacement Policy R401, <i>Approval of new Programs, Program Additions, Or Program Changes</i>	20
Consent Calendar, Academic and ATE Committee	21
Information Calendar, Academic and ATE Committee	21
<u>Finance and Facilities Committee</u>	
Utah State University – Campus Master Plans	22
USHE – Long-term Enrollment Projections	22
University of Utah – 2002-2003 Budget for University Hospitals and Clinics and Neuropsychiatric Institute	22
UHEAA – Approving Resolution, SBR Student Loan Revenue Bonds, Series 2002X	22
Efficiency and Productivity Matrix	23
UHEAA Board of Directors Report	23
USHE Information Technology Update	23
Olympic Legacy Park at University of Utah Rice Eccles Stadium	23
Consent Calendar, Finance and Facilities Committee	24
General Consent Calendar	24
Minutes	24
Grants	24
Proposed Revisions to Policy R203, <i>Search Committee Appointment and Function, and Regents’ Selection of Presidents of Institutions</i>	26
Proposed Revisions to Policy R922, <i>Personal Conduct</i>	26
Proposed Revisions to Policy R928, <i>Leaves of Absence with Payment</i>	26
Executive Session(s)	26
2003-2004 Institutional Budget Hearings	27
Adjournment	27

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Regents Present:

Nolan E. Karras, Chair
Jerry C. Atkin
Linnea S. Barney
Kim R. Burningham
L. Brent Hoggan
Michael R. Jensen
Charles E. Johnson
E. George Mantes
Jed H. Pitcher
Sara V. Sinclair
Marlon O. Snow
Maria Sweeten

Regents Excused:

Pamela J. Atkinson, Vice Chair
Daryl C. Barrett
David J. Grant
Khay Douangdara
James S. Jardine

Office of the Commissioner:

Cecelia H. Foxley, Commissioner
David Buhler, Associate Commissioner for Public Affairs
Chalmers Gail Norris, Associate Commissioner for Student Financial Aid
Mark H. Spencer, Associate Commissioner for Finance and Facilities
Deanna D. Winn, Associate Commissioner for Academic Affairs
Joyce Cottrell, Executive Secretary
Harden R. Eyring, Executive Assistant
Linda Fife, Assistant Commissioner for Programs
Jerry H. Fullmer, Director of Information Systems
Brad Mortensen, Assistant Commissioner for Finance and Facilities
Phyllis C. Safman, Assistant Commissioner for Academic Affairs
Gary S. Wixom, Assistant Commissioner for Applied Technology Education and Extended Programs

INSTITUTIONAL REPRESENTATIVES

University of Utah

J. Bernard Machen, President
Dr. A. Lorris Betz, Senior Vice President for Health Sciences
Paul T. Brinkman, Associate Vice President for Budget and Planning
Michael G. Perez, Associate Vice President for Administrative Affairs
Bill Edwards, Student Body President

Utah State University

Kermit L. Hall, President

Stan Albrecht, Executive Vice President and Provost
Lee H. Burke, Assistant to the President for Government Relations
Celestial Starr Bybee, Student Body President
David Cowley, Space Manager
Sue Guenter-Schlesinger, Director, Affirmative Action/Equal Opportunity
Darrell E. Hart, Assistant Vice President for Facilities
Fred R. Hunsaker, Vice President for Administrative Services
Richard W. Jacobs, Director, Budget Office
Thomas L. Kent, Dean, School of Graduate Studies
Brent C. Miller, Vice President for Research
Craig J. Simper, University Counsel
Kevin C. Womack, Associate Professor, Civil and Environmental Engineering

Weber State University

Paul H. Thompson, President
F. Ann Millner, President-designate
Norman C. Tarbox, Jr., Vice President for Administrative Services

Southern Utah University

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Abe Harraf, Provost
Gregory Stauffer, Vice President for Administrative and Financial Services

Snow College

Michael T. Benson, President
Gary C. Arnoldson, Controller

Dixie State College

Robert C. Huddleston, President
Stanley J. Plewe, Vice President for Administration and Information Technology
Ben Joe Markland, Student Body President

College of Eastern Utah

Ryan L. Thomas, President
Raelene Allred, Vice President of Finance and Administrative Services

Utah Valley State College

Lucille T. Stoddard, Interim President
Linda L. Makin, Budget Director
James L. Michaelis, Associate Vice President for Facilities
Val Peterson, Vice President for College Relations

Salt Lake Community College

H. Lynn Cundiff, President
Judd H. Morgan, Interim Vice President for Administrative Services

Utah College of Applied Technology
Gregory G. Fitch, President
Collette Mercier, Chief Academic Officer

Representatives of the Media
Cheryl Buchta, *Standard Examiner*
Kirsten Stewart, *Salt Lake Tribune*
Twila Van Leer, *Deseret News*

Others
Race Davies, Governor's Office of Planning and Budget
Beverly A. Evans, Utah House of Representatives
Lyle Hillyard, Utah Senate
Loraine Pace, Utah House of Representatives

Chair Nolan Karras called the meeting of the Committee of the Whole to order at 1:10 p.m. He said the Board had enjoyed a luncheon meeting with President Hall and the Utah State University Board of Trustees and expressed the Regents' appreciation for the opportunity to meet with them. Chair Karras excused Vice Chair Atkinson and Regents Barrett, Douangdara, Grant, and Jardine. He expressed the Board's sympathy to Regent Sinclair on the recent death of her mother and said Regent Barrett had recently lost her father.

Commissioner Foxley recognized Dr. Lucille Stoddard and expressed her appreciation for Dr. Stoddard's willingness to serve as UVSC's Interim President during the search for a new President. She said the institution was in good hands under Dr. Stoddard's leadership. Dr. Stoddard said she was honored to be selected as Interim President.

President Bennion introduced Dr. Abe Harraf, the new Provost at Southern Utah University. He noted that Dr. Harraf had earned his doctorate in Economics at Utah State University. President Benson introduced Scott Wyatt, Cache County Attorney and Chair of the Snow College Board of Trustees. President Benson expressed his appreciation for Snow's Performing Arts Building, which has made a tremendous impact in central Utah.

Commissioner Foxley pointed out the documents in the Regents' folders. First, a brochure which had been printed in honor of Kerry and Judy Romesburg's tenure at UVSC. She also called attention to Richard Maxfield's and Garth Mangum's publication on applied technology education in the folders, with an explanation by President Fitch that UCAT is already doing much of what Drs. Maxfield and Mangum had recommended.

USHE Master Planning Task Forces

Chair Karras said he had attended the meetings of all three master planning task forces on August 29. The discussions were healthy in every case. He encouraged the other Regents to attend as many of the task force meetings on September 27 as their schedules would permit. It would be useful to attend all three meetings to see the connection and areas of commonality. He asked the chairs of the task forces to give a brief overview of their groups' work to date.

Student Success. Chair Johnson reported that there are many definitions of student success. The task force has concentrated on student completion. Between March 2001 and March 2002, the United States lost two million jobs, while employment for college graduates increased by 400,000 jobs in the same time period. Correlation with public education is also important. The data they are collecting will be transferred to higher education. A major focus is retention of students beyond their college freshman year. Another concentration will be in the graduate and professional programs. High-paying jobs are available, and an institution and state become known for those professions. Students with special needs will be another area of concentration. AdviseUtah and UtahMentor will be able to provide helpful information to students as well as indications of student success.

Missions and Roles. Chair Mantes said the Missions and Roles Task Force tried to look ten years into the future to determine whether or not the USHE is going in the right direction. UCAT presents unique challenges. Institutional capacity is a factor – how much room is available for students, and how will this change in 10-20 years? Higher education institutions need clearly defined, differentiated missions that address the needs of students in different levels and to guide institutions into the future. The task force has discussed Policies R311, *Institutional Missions and Roles*, and R313, *Institutional Categories and Accompanying Criteria*, and may need to rewrite completely the roles and missions of the USHE institutions.

Funding. Chair Karras said the group had reviewed the funding formula issue. Dixie's Board of Trustees sent him a letter indicating they were in favor of a funding formula. We are struggling with the tuition and financial aid policies. Should we charge what the traffic will bear, or what people can afford? It appears to be inevitable that we will have to increase tuition in this state. The task force has decided they need to determine the measures of progress of institutional efficiencies. What consideration should be given by asking the institutions to evaluate their productivity? The fact that we are able to educate more students with less money is a good indicator of productivity. Chair Karras said the Finance and Facilities Committee will become the entity to deal with these issues. Five-year cost projections are being redefined. Possibly the public can become involved in this debate.

Chair Karras said he had asked the Commissioner's staff to put together a list of all the programs and degrees offered by the individual USHE institutions so the Regents can see if there are any unnecessary duplications. Commissioner Foxley said this will be a helpful document as the Program Review Committee does its work. Regent Jardine chairs that group, assisted by Vice Chair Atkinson, Regent Barrett and Regent Mantes. The Commissioner referred to their recommendations, shown on Attachment 2 to Tab A, which required Board action. Cost Savings and Efficiencies and Accreditation were established as the categories for

exceptions to the moratorium on new program approval. A third category, Urgent Need, will be discussed at a later time.

Associate Commissioner Winn said when the moratorium was put into place, 12 programs had already been approved by the Chief Academic Officers (CAOs). The Program Review Committee did not want these programs to just "sit" so they met to determine the criteria for moving those programs forward. The first category specified money savings or a non-state funding requirement. Accreditation was also very important. The Doctor of Audiology Degree at USU was approved recently because it was an accreditation issue. There may be other possibilities for determining criteria. More discussion is needed to determine what is really urgent need. On the agenda for Friday were three Associate of Applied Technology (AAT) Degree Programs for UCAT which fall under the accreditation category. Regent Jensen asked if an institution needed to meet all three categories to be considered for exception. Associate Commissioner Winn said it was an either/or situation; an institution need not fall into all three categories. Interim President Stoddard asked if the committee had made any distinction between two-year associate degrees and four-year degrees. Dr. Winn said there was no distinction in the categories. These recommendations are for the 12 programs which have previously been approved by the CAOs.

Regent Atkin moved approval of the Program Review Committee's recommendations. The motion was seconded by Regent Pitcher. Vote was taken, and the motion carried unanimously.

2003-2004 Capital Development and Land Acquisition Hearings and Priorities

Associate Commissioner Spencer referred to Tab B and reminded the Regents that each year capital priority projects are submitted for new funding. Only the top priority project from each institution was accepted this year. Those projects were processed through the Qualification and Prioritization (Q&P) formula, which produces a gap analysis. Every priority may not fit into the Q&P process. It has been suggested that additional points be considered, based on a project's ability to meet an institutional criticality or a specific need in the state or identified by the Regents. He referred to Paragraph 6.1 of Policy R751, *Capital Facilities Qualification and Prioritization Process* (Attachment 5). Associate Commissioner Spencer then reviewed Attachment 3 to Tab B, Q&P Results for 2003-2004:

<u>Rank</u>	<u>Project</u>
1	USU Merrill Library Replacement
2 (tie)	UU Marriott Library Renovation
2 (tie)	WSU Swenson Gymnasium Renovation
4	CEU Fine Arts Complex
5	UVSC Vineyard Elementary/Alpine Life & Learning Center Purchase
6	SLCC Health Sciences Building
7 (tie)	DSC Health Sciences Building
7 (tie)	SUU Teacher Education Building
9	Snow Classroom Building

Land	WSU McKay-Dee Hospital Property
UCAT	UBATC Vernal Campus

Associate Commissioner Spencer pointed out that if the new categories were adopted, the tie would be broken for the second and seventh priorities. The Building Board would prefer not to have any ties in the priority list which the Regents submit to them for funding. Commissioner Foxley said she had spoken briefly with the Presidents during the last Council of Presidents (COP) meeting about these proposed changes as something which would be discussed in the future. It was later decided that although this may not impact funding for this year, we should get the concept in place before the Q&P process is considered next year.

The co-chairs of the Capital Facilities Appropriations Subcommittee and Legislative Leadership have indicated a desire to get the libraries funded. Facilities whose purpose would help alleviate the teacher education shortage and nursing shortage would be consistent with a new point recognition system. For example, had this been in place when the Governor came out with his Engineering, Computer Science and Technology Initiative, an engineering building would have received extra points in the Q&P formula. The Commissioner noted that a recommendation should be made to the State Building Board Friday morning. They have set aside their October meeting for institutional presentations.

Chair Karras asked about a space utilization study. Associate Commissioner Spencer said that a study is in process and would be ready early in 2003. Chair Karras said he would prefer to wait until the space utilization study is available before revising the policy. He asked the Finance and Facilities Committee to look at this issue and perhaps have a conference call to discuss it prior to the next Board meeting to recommend the number of points which should be added in the suggested categories. He noted that he had chaired the State Building Board when the libraries were constructed previously.

Regent Jensen asked about life safety points. Systemwide, do we have a situation where our buildings are safe? Chair Karras asked Regent Pitcher to discuss this in the Finance and Facilities Committee conference call. Regent Jensen pointed out that the Regents need to know what buildings on the campuses have life safety issues, regardless of whether or not they are the institution's top priority.

Chair Karras reviewed the preliminary rankings and asked the Presidents to briefly describe the top priority project of their respective institutions.

Regent Jordan referred to the reports from the Governor's Office of Planning and Budget and the University of Utah regarding projected enrollment growth in public education and called the demographics "frightening." He asked about educating the teachers needed to serve this school-age population. Commissioner Foxley responded she had looked at the projected population coming to college and had considered K-12 population as well. Associate Commissioner Winn and Assistant Commissioner Safman work with the Education Deans and agree that we are not prepared to deal with a severe teacher shortage. The state needs to look at its overall tax structure and its support of public education and higher education.

Chair Karras said the Regents should look at the systemwide demand for nurses and teachers. He recommended that this topic be added to a future Board agenda for discussion. President Huddleston

pointed out that Utah ranked 49th in the nation in the ratio of nurses to residents; the state needs an additional 900 RNs each year.

Regent Atkin asked the extent of the backlog in capital facilities for higher education and asked that the Regents be given a 5- to 10-year backlog summary in the future. Commissioner Foxley said the institutions used to give the Regents, the State Building Board, the Governor, and the Legislature the total list of needed projects. However, for recent budget years we have focused on just the top priorities of each institution. The State Building Board works with each institution and is aware of the other priority projects at each school. She said she hoped the two libraries could be funded this year. The state approved a \$200+ million bond last year, and she hoped for a good bonding level again next year.

Regent Jordan moved approval of the proposed Regent Priorities, with the Marriott Library Renovation at the University of Utah ranked higher than Weber's Swenson Gymnasium Renovation because of life safety issues and that SUU's Teacher Education Building be ranked higher than Dixie's Health Sciences Building. He further moved that the proposed revisions to policy R741 be implemented to break the tie for 7th place. President Fitch asked, and it was agreed, that the Board's support of UCAT's request be included in the motion. The motion was seconded by Regent Atkin. Vote was taken on the motion, which carried with one opposing vote.

Commissioner Foxley said the mission centrality of SUU's Teacher Education Building was the key point in the decision to add points to that project. Southern Utah University started out as a Normal School to educate teachers. Regent Jensen asked about the possibility of getting programming money for other projects. Commissioner Foxley said over the years the Legislature and Building Board have had differing points of view on phased funding. The Board can certainly ask for planning and programming money for the other institutions.

2003-2004 Non-state Funded Capital Development Projects

Commissioner Foxley referred to Tab C and said the projects falling into the category of projects requiring Regent, Building Board, and Legislative approval were the USU Laboratory Animal Research Center Addition, the USU Quinney Biology/Natural Resources Building West Entrance Addition, and the WSU Teaching and Learning Technology Center Renovation/Remodel. Projects requiring Regent and Building Board approval are the USU Locker Room Building and the WSU Track and Field Locker Rooms. She referred to page 4 of her cover memo and recommended an exception to the requirements set forth in policy R710 for the USU Laboratory to make it eligible for state-funded O&M. She recommended that all five non-state funded projects be approved.

President Hall said USU had received \$2 million from the National Institutes of Health (NIH) to expand the Laboratory Animal Research Center. NIH needs the state to "put the footer in" and they will fund the rest. The state is paying O&M on the rest of the building.

Regent Jordan moved the Commissioner's recommendation that the Regents adopt an exception to Policy R710 for the USU Laboratory Research Animal Center Addition so that it is

eligible to be supported for state-funded O&M and that all five non-state funded projects be approved. The motion was seconded by Regents Pitcher and Sinclair and carried unanimously.

President Hall announced that a shuttle would take spouses to the museum on Friday morning, and then back to the Institutional Residence for lunch with Mrs. Hall.

The meeting of the Committee of the Whole was recessed at 3:45 p.m. so the Regents, Presidents and other guests could observe President Hall's State of the University address in the Science Learning Center.

State of the University Address

President Hall's State of the University Address was entitled "Infinite Ambition, Finite Resources" and reviewed the ten core goals which were identified by the University's year-long compact planning process:

1. To enhance the reputation of the University for learning, discovery, and engagement;
2. To expand and diversify the revenues of the University;
3. To adopt new business models that embrace accountability, responsiveness, and efficiency, and a budget process that is responsive to University goals;
4. To strengthen the recruitment, retention, graduation and placement of students, and as part of that goal to reduce the student-faculty ratio;
5. To raise the base level of compensation for faculty and staff, to be more competitive with peer institutions, and to reward especially outstanding faculty and staff achievements;
6. To build a socially and intellectually vibrant campus community, enhanced by the diversity of its faculty, students, and staff;
7. To infuse new energy into graduate programs, particularly at the doctoral level;
8. To foster new partnerships, both internally and externally;
9. To communicate the success of the University to the world; and
10. To launch and complete a successful comprehensive campaign in support of the other nine goals generally, and to establish the central proposition that at Utah State, academics comes first.

Friday, September 13

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Brad Mortensen, Assistant Commissioner for Finance and Facilities
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Gary S. Wixom, Assistant Commissioner for Applied Technology Education and Extended Programs

State Building Board

Keith Stepan, Chair
Kerry Casaday
Larry Jardine
Manuel Torres

DFCM Staff

Joseph A. Jenkins, Director
Kent Beers, Program Director, Capital Improvement
Blake Court, Program Director, Capital Development
Shannon Lofgreen, Administrative Secretary
Kenneth E. Nye, Program Director, Capital Development

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J. Gordon Storrs, Master Planning Coordinator

Utah College of Applied Technology

Gregory G. Fitch, President
Jay Greaves, Davis Applied Technology College
Collette Mercier, Chief Academic Officer

Representatives of the Media

Cheryl Buchta, *Standard Examiner*
Jackie McGill, *Spectrum*
Kirsten Stewart, *Salt Lake Tribune*
Twila Van Leer, *Deseret News*

Others

Camille Anthony, Department of Administrative Services
RoLynne Christensen, VCBO Architecture
Race Davies, Governor's Office of Planning and Budget
Beverly Evans, Utah Senate
Boyd Garriott, Office of the Legislative Fiscal Analyst
Debbie Headden, Office of the Legislative Fiscal Analyst
Lyle Hillyard, Utah Senate
John Massey, Legislative Fiscal Analyst
Lorraine Pace, Utah House of Representatives

Joint Breakfast Meeting with State Building Board

Chair Karras called the meeting to order at 8:05 a.m. and welcomed members of the State Building Board and Division of Facilities Construction and Management (DFCM) staff. He asked the members of both Boards to introduce themselves. Chair Karras acknowledged and thanked Denise Burrows and her staff for their excellent catering of the meals during the two-day meeting. He expressed his appreciation to the members of both Boards for being in attendance. He gave special thanks to Regents Burningham and Barney for their commitment to education and their dedication to serving on the Board of Regents. He recognized Senator Evans and Representative Pace. Commissioner Foxley added her thanks for their work on the Capital Facilities Appropriations Subcommittee. She recognized the presence of Senator Lyle Hillyard.

Long-term Enrollment Projections (Tab I). Chair Karras noted that the attachments to Tab I showed enrollment projections for 20 years. Factors affecting participation rates were shown on page 5 of Attachment 1. System projections were shown on Attachment 2, as well as institutional projections. The Utah System of Higher Education is expected to increase from 109,000 FTE to 173,000 FTE over the next 20 years, a cumulative increase of 58 percent. Commissioner Foxley reminded the group that the five-year projections were more accurate than the long-term 20-year projections. For some institutions, projections are very conservative. Utah Valley State College and Dixie State College have grown more than anticipated, as

has Salt Lake Community College. Utah State University has had a decrease in out-of-state students but an increase in resident enrollments. This is the direct result of HB 331, passed in the last legislative session. Chair Karras explained the ramifications of HB 331 for the benefit of the members of the State Building Board. Commissioner Foxley pointed out that this is a significant loss of revenue because out-of-state students brought in increased tuition.

Chair Karras reviewed the Board of Regents' priority list as decided the previous afternoon. He explained that all of the projects were badly needed, but the Board had decided that the libraries at the University of Utah and Utah State University were their top priorities. Commissioner Foxley recalled Gayle McKeachnie's comment the previous day, "Before we ask for funding for additional projects, we need to be grateful for what we already have." She expressed her appreciation on behalf of the USHE for the capital projects under construction or recently completed. She then asked the institutional Presidents to summarize some of their recently funded projects, current projects, or projects recently completed. The Presidents expressed their appreciation to the State Building Board for their support of the following institutional projects:

- Dixie – Gardner Center Food Service Addition and the Graff-Eccles Fine Arts Center
- UVSC – Wasatch Campus in Heber
- CEU – The new Main Building
- USU – Widsoe Hall Chemistry Building, Eccles Science Learning Center, and the central energy facility (heat plant)
- WSU – Ethel Wattis Kimball Visual Arts Building and the Davis Campus building
- Snow – Eccles Center for the Performing Arts
- SUU – Gale Sorenson Physical Education Building and the Shakespearean Festival Village (underway)
- University of Utah – Student housing at Fort Douglas and renovations of the C. Rowland Christensen Center and Cowles Building
- SLCC – High Tech Building and Student Activity Center on the Jordan Campus

Chair Stepan agreed that the Regents' priority list contained some quality projects. The quality-based selection process for architects and contractors seems to be working very well. He asked that the Presidents let him know if there is a way the process could be improved. The Presidents indicated they were all very pleased with the current process.

Chair Karras told members of the State Building Board that the Regents had chosen the two libraries as their top priorities because of the high need. However, the institutions have also proved great need for other projects. The Weber State University land and the UCAT facility in Vernal were shown separately on the priority list because the process is different. President Fitch said the Uintah Basin facility for UCAT has been on the books since 1997. There is an economic development need and a need for a facility to educate high school students and adult learners. He said he recognized the importance of the Building Board serving the entire state and that he would support and endorse whatever decisions they make.

Chair Karras said the Regents had discussed the Q&P process the previous day and the need for fine-tuning that process. They have discussed the suggestion to add centrality of mission and statewide need

as additional factors for determining points for capital projects. When the libraries were constructed several years ago, it was with the help of a huge state bond. He expressed his hope that a similar outcome could be realized next year. Commissioner Foxley called attention to the proposed new language on the back of the cover memo to agenda Tab B. If approved, section 6.1 of Regents' policy R741 would also be revised. She expressed her appreciation to the Building Board for their involvement in the Q&P process, recalling that a few years ago points were added for infrastructure at their suggestion. The two new additions are also important to the prioritization process. Chair Stepan complimented the Regents for their process and said he thought the additional categories were appropriate.

Regent Jordan said as the Regents had listened to the institutional presentations the previous day, it was pointed out that many of the buildings were necessitated by the current facilities coming to the end of their useful life. It is becoming more expensive to renovate than to demolish and rebuild. He asked if there were a analysis of the state buildings so the Regents could know ahead of time when the higher education facilities would become old enough to replace. Director Jenkins said there is such an analysis (called the Condition Assessment Program), and every facility is contained in DFCM's database. Capital improvement projects, funded with AR&I dollars, are seriously underfunded. Consequently, buildings deteriorate faster than they can be maintained. This requires buildings to be replaced prematurely. Regent Jordan said it would be helpful for the Regents to see a breakout of the higher education structures. This process would also help the Legislature understand the need for funding for deferred maintenance.

Chair Karras said he would like to see a five-year projection of higher education facilities including O&M projections. He asked Director Jenkins if the DFCM could help with this process. Mr. Jenkins said DFCM had made a presentation recently to the State Building Board on a state needs assessment. That presentation could be made to the Regents in a future meeting, or it could be submitted in hard copy. Chair Karras said he would like to discuss the needs assessment in the Board's November meeting.

Commissioner Foxley asked if there would be a willingness on the part of the Building Board to talk about program planning development funds on some of the other projects in addition to the libraries. Director Jenkins said if funds continue to come into the state as projected, there should be \$100 to \$110 million in cash set aside for capital development and capital improvement projects. The law mandates that \$50 million be taken out of the budget for AR&I before other funds are allocated. This leaves about \$50 million for capital development projects. The State Archives Building needs to be demolished so that the Capital expansion and renovation can take place. That will be the state's top priority next year because there is no choice. It will be a \$10 million project. That leaves between \$40 and \$50 million in cash. Either of the university libraries would take all of that amount. The rest of the buildings would have to be financed with a bond or phased funding.

Commissioner Foxley said Lynne Ward, Director of the Governor's Office and Budget, had called her the previous evening to say that she could not be at the meeting because of illness. She told the Commissioner that revenue projections and job growth are slower than previously projected. Coupled with mandated costs and the high growth in public education which Utah will face in a few years, it will be another very tight year. Chair Stepan said he had met with some members of the Legislative Capital Facilities Subcommittee the previous day. A five-year list needs to be developed for higher education facilities, as well as an

indication of needs further into the future. Commissioner Foxley pointed out that now would be a good time to bond because the interest rates are excellent.

Legislative Fiscal Analyst Massey said he was waiting for a report from the State Tax Commission regarding the actual tax collected for this fiscal year. Preliminary projections indicate that revenues from corporate income tax and sales tax look good, but personal income tax is cause for concern. The Tax Commission will use a model to project revenues by the end of this fiscal year; however, it is still too early to make this call. The state should end the fiscal year with a surplus of approximately \$700,000. The Legislature authorized the use of \$113 million from the Rainy Day Fund but only had to use \$105 million, leaving a \$10 million balance. When revenues from the general fund are considered, we would end up with a \$20 million balance. However, we still need to be cautious.

President Bennion asked about the time line and projections for the State Capital expansion. Mr. Jenkins said the Legislature had already funded the two new buildings and the parking structure, as well as the utilities. The Capital Preservation Board has selected the contractor and architect for the project. They will not be coming to the Legislature for appropriations this year but will ask for a big appropriation (\$160 million) the following year.

Chair Karras briefly reviewed the Regents' priority list. He said the Regents may take a nursing initiative and a teaching initiative to the Legislature. The two health sciences buildings on the list would be part of the nursing initiative, and SUU's Teacher Education Building would be part of the teaching initiative. He stressed that everything on the list was a high priority for the Regents.

Facilities Condition Assessment Program. Director Jenkins said the Building Board was concerned about the lack of sufficient money going into AR&I programs. They were previously able to get money to bring them back to the 1.1 percent figure, and every institution had at least one project, totaling 31 million square feet of space. The immediate need for AR&I funding is \$163 million. Over the next ten years the total need will be nearly \$900 million. The Building Board has been allocated only about \$50 million a year for deferred maintenance; therefore, some buildings do not get repaired and end up being razed and replaced. AR&I requirements go down with the new buildings, yet O&M remains. He noted that 61 percent of the buildings are less than 25 years old; only 10 percent are over 50 years old. Every two years DFCEM will do a needs assessment of every building on every campus. They are in a two-year process of installing their Facility Focus software on every campus. This program will assess AR&I needs and O&M needs. Chair Stepan said it should be everyone's top priority to encourage the Legislature to increase AR&I funding to the 1.1 percent level.

Regent Jordan asked if there is a rule of thumb of useful life for new buildings. Director Jenkins said the Building Board was aiming for a 50-year building life. Chair Karras asked if sufficient safety factors were being included in our new buildings so that their useful life is extended. Mr. Jenkins said buildings are being constructed significantly different than they were just 20 years ago. The big difference for this change is technology. It is more expensive but it is money well spent. The Building Board is also looking at an Internet protocol. New buildings have to be ready for new technology as it is developed.

Chair Karras asked if the Building Board had set a guideline for AR&I funding. Director Jenkins said the Board would like funding of two to four percent, and that 1.1 percent is “woefully inadequate.” Infrastructure issues – plumbing, seismic, etc. – are wearing our buildings out. He remarked that BYU spends 2.5 percent of its budget on O&M of its facilities. Higher education has 60 to 65 percent of the facilities in the state. It was noted that all of the campuses have ongoing needs (cracks in the sidewalks, and so forth), but they are ignored because there is not enough money to meet those needs. Director Jenkins recognized the lack of funding for higher education facilities and said with the increase in student enrollment it was easy to take money out of O&M and put it into teaching positions. He urged the Presidents to leave O&M funds in their budgets. Associate Commissioner Spencer noted that 40-year old buildings were funded at \$2 per square foot; the same buildings would now cost \$6 per square foot. There have been no infrastructure increases in the old levels.

Mr. Nye encouraged the Regents to include O&M funding in their formula and to include additional O&M for renovations even though there is no additional square footage. Chair Karras thanked him for the suggestion.

Chair Stepan said the Building Board and DFCM were concerned about new campuses. New infrastructure and new facilities cost a lot of money. He urged the Regents and Presidents to be careful about spreading additional facilities across the state.

Representative Pace said she and the other members of the Capital Facilities Subcommittee realize the importance of higher education. Since her committee meets only during legislative sessions, she began attending meetings of the State Tax Commission and State Building Board to increase her knowledge. Her perception is that any group appointed by the Governor ends up in an adversarial role with the Legislature. This is unfortunate because the Legislature needs the expertise of the individuals appointed to those boards. She urged members of both Boards to meet individually with legislators prior to the session to help them understand the critical issues.

She referred to the previous talk of nursing and teaching initiatives and pointed out that this would not involve only buildings. Faculty will also be required. Many of the institutions cannot afford adequate faculty to increase their student load. Phased funding has saved USU money on their heating plant. President Hall said the University had spent \$2 million last winter to keep the plant going; however, the two-year phased funding did not commit future legislators.

Senator Evans said it was absolutely critical that buildings be maintained with adequate AR&I and O&M funding. Members of state boards often do not take the time or opportunity to interface with members of the Capital Facilities Subcommittee. Meeting with the State Building Board has helped the Subcommittee greatly. Many decisions are made by Legislative Leadership apart from the Capital Facilities Subcommittee arena. She seconded Representative Pace’s recommendation that board members contact individual legislators. She reflected that funding UCAT has been an interesting budget process. The process needs to be clearly defined to avoid duplication and conflict. She thanked both Boards for their good work.

Chair Karras expressed the Regents' appreciation to the State Building Board and pledged the Regents' support to the Building Board's process. He said the Regents appreciate the work the Building Board and DFCM have done on behalf of higher education. He further expressed his appreciation to Ms. Anthony for her oversight.

The meeting recessed at 9:30 a.m. Following meetings of the Board Committees, the Committee of the Whole reconvened at 11:25 a.m.

COMMITTEE OF THE WHOLE

Report of the Chair

Chair Karras reported that the Funding Task Force was trying to transfer to the Finance and Facilities Committee issues which need to be continued. Interplay is needed between the standing committees and the task forces. The Commissioner's staff had put together a list of the programs offered in the System, and the institutions offering those programs. He urged the Regents to be cautious and not to try to micromanage the Presidents. Regarding the budget for next year, Chair Karras said a big increase would be necessary in order to meet ongoing costs or to replace one-time money with ongoing funding; however, this probably is not realistic this year.

Resource and Review Teams. Chair Karras said with most of the Board meetings scheduled in the Regents' Offices for next year, it will be even more important that the chairs of the Presidential Resource and Review Teams be in more frequent contact with the institutional Presidents. He said he would like the Resource and Review Teams to become better informed about the institutional issues prior to the November meeting when budget decisions will be made. Chair Karras said he planned to meet with the Executive Committee more frequently to help prepare for Board meetings.

Board meetings. Chair Karras said he was still struggling with the effectiveness of the Board meetings and had asked Commissioner Foxley to establish major objectives or goals for every Board meeting. Would the System be well served to meet with the President of the University of Phoenix, for example? Would this be useful to the Regents? He urged the Regents to do more thinking "outside the box." He also invited the Presidents to think about System initiatives which would be useful to present to the Legislature.

Report of the Commissioner

Return of Gail Norris. Commissioner Foxley recognized Associate Commissioner Norris' return following replacement hip surgery. He is improving every day and it was good to see him at the meeting.

Next Board Meeting. The Commissioner reminded the Regents and Presidents of the November Board meeting at Snow College. She announced that the installation of President Benson would be held on

Thursday, November 7 at 4:00 p.m., followed by a dinner and celebratory activities that evening. The regular Board meeting will be held on Friday, November 8.

UVSC Presidential Search. Commissioner Foxley announced that the search had begun for a new President of Utah Valley State College. A list of committee members was in the Regents' folders, along with a copy of the position announcement. The search committee is chaired by Regent Charlie Johnson. Applications and nominations are already being received. There is always a high degree of interest in our presidential searches from both in-state and out-of-state individuals.

Media coverage. Commissioner Foxley called attention to a press release in the Regents' folders regarding recognition of the students in ATE programs and competitions at the national level. Utah has received a high share of winners through the years, and this year is no exception. She pointed out the newspaper article announcing that Dixie State College had received Emmy and Telly awards for its community education channel. President Huddleston said the students and faculty have done this work as part of the curriculum. This has worked out very well.

Proposed Meeting Schedule. Commissioner Foxley pointed out the proposed 2003 meeting schedule in the Regents' and Presidents' folders. As Chair Karras had indicated, the Regents will be meeting more frequently in the Regents' Board Room at the Gateway Offices next year. Those institutions which are not visited in 2003 will be scheduled for 2004. There are already conflicts with the proposed July 10 date, so that meeting may be moved to Wednesday, July 9. The Commissioner asked the Regents and Presidents to let Joyce know as soon as possible if they have conflicts with the proposed schedule. Chair Karras said it was his intent that the Regents would interact with individuals on the campus visits, as opposed to spending the entire day in an official Board meeting. One of the institutional trustees had remarked that the Regents' visits were "a chance to get out the good china." Chair Karras said this was not the Regents' intent. He urged the Regents to interact with faculty, staff and students on the various campuses.

Reports of Board Committees

Academic and Applied Technology Education Committee

Utah College of Applied Technology – Associate of Applied Technology (AAT) Degrees in Computer Aided Drafting and Design, Information Technology, and Medical Assisting (Tab D). Commissioner Foxley recognized Collette Mercier, UCAT Chief Academic Officer. She has been instrumental in pulling together the faculty and academic officers at the ten member colleges, working closely with the Commissioner's Office and President Fitch. Chair Jardine said it had been one year since the establishment of UCAT. President Fitch and the UCAT Board are preparing to apply for accreditation with the Northwest Association of Schools and Colleges and with the Council of Occupational Education. One of the steps toward accreditation is to be in a position to begin offering degrees. Approval of these three AAT Degrees would satisfy that condition and would allow UCAT to apply for accreditation, which is a four-year process. Three degrees are not specifically required by the Northwest Association, but these have been identified by UCAT as programs already established with certificates offered, as well as areas in which employers would appreciate a degree to enhance learning by adding general education classes.

The UCAT process is to involve faculty from the member institutions with familiarity with these areas because of their existing programs. The committee's sense was that the process had worked very well in a short period of time. There has been good coordination as individual institutions worked together and interacted with the Commissioner's Office. In these three areas, member colleges within UCAT would provide their certificate program and identify the general education component. The ATC would have to go to one of the sister institutions within USHE to get the general education component. Together they would qualify a student to earn an AAT Degree.

The agenda material showed which institutions would be offering each of the three degree programs. UCAT would be the degree-awarding entity. Because the Regents approve programs, there will still be Regent involvement. Those ATCs where degrees are not currently considered but may be considered in the future will come back to the Regents for approval. Authorizing degrees would cause individual institutions to move toward a more unified certificate program in each of these areas. There was discussion in committee regarding whether the general education component was the equivalent of or equal to the general education level of the Associate of Applied Sciences (AAS) Degrees offered by the community colleges. The committee received assurance that it was at the same minimum level.

Concern was raised in the committee about historic roles of the institutions and confusion of missions. The committee was assured that this was not an "end run" around the legislative mandate but an effort to coordinate with the other USHE institutions. On the technical side, concern was expressed about commitment to the certificate programs, open-entry/open-exit, competency-based mission of UCAT. Chair Jardine said he had a real sense that everyone is committed to maintaining the roles of the community colleges and the central roles of the UCAT institutions as they develop.

The committee recognized the importance of these degrees to the accreditation process, which then qualified the programs as an exception under the current moratorium. The committee voted to recommend approval of these programs with two conditions: (1) If a program within UCAT would be moved to any of the other institutions, it would come back to the committee for review. (2) Approval included recognition that the process would be subject to Regent policy on regional planning, which is being modified to include interaction with UCAT. Regent Jensen said the key to regional planning is that UCAT comes under the Service Area Coordination Plans (Policy R315). Regent Jordan said UCAT was not completely comfortable with this because the policy was drafted before implementation of the Utah College of Applied Technology. They would like to be part of the spirit of the policy and work with the Regents in an effort to revise the policy so that UCAT is included. Commissioner Foxley said that policy is being revised, along with others, to include UCAT.

Chair Jardine moved that the Board approve Associate of Applied Technology Degree programs in Computer Aided Drafting and Design, Information Technology, and Medical Assisting. The motion was seconded by Regent Jensen.

Regent Burningham said the concern of public education has been for UCAT students who do not want an advanced degree. Sometimes the language is problematic. He referred to page 6 of the first

proposal. The second paragraph contains this sentence: *“UCAT students will be encouraged to pursue educational opportunities beyond the regional college level, and it is hoped that many of them will go on to earn bachelors and advanced degrees.”* Regent Burningham said this would apply to those individuals getting associate degrees and not to all UCAT students. Chair Jardine said Regent Barney had made the same point in the committee discussion. The committee clarified two points: (1) A degree program is one of many options. Certificate programs, open-entry/open-exit programs, and responsiveness to employer needs remain at the core of UCAT. (2) We need to communicate to external stakeholders that this is not a mission change, but a statement that is helpful for some students. Regent Barney had indicated she was comfortable with that clarification.

Chair Karras asked about cost. Chair Jardine said the committee did not give much attention to the budget issues, but concentrated on the programmatic issues of the proposal. President Fitch said the colleges identified are already offering certificate programs in these areas. They have faculty who are already teaching in these programs. They have students who want the general education component so they can get a degree. The advertising will cost money, but those costs will be absorbed into the budget. Chair Karras asked about general education costs. President Fitch said students have a variety of options. A UCAT student could go to the campus of a sister institution as a new student, take an Internet course, etc. Chair Karras indicated he was very supportive of the program. He serves on the Ogden-Weber Advisory Board, and has found that the OWATC cannot absorb all of the students.

President Fitch said there were 12 degrees in the process of being developed. The legislation specifies “low cost” for adult learners; however, that term has never been defined. Regent Jordan asked if a UCAT student who wanted to take the general education component would pay regular tuition at USHE institutions. President Fitch said there are already different levels of tuition costs. UCAT is trying to identify the lowest and most appropriate tuition level for UCAT students. Chair Jardine clarified that UCAT students would still have to go through the regular admissions process at the other USHE institutions. However, unless UCAT gets accreditation from Northwest, the students may not be able to get credit at the sister institutions. He clarified that UCAT was applying for accreditation with both accrediting bodies.

Vote was taken on the motion to approve the three AAT Degree programs. The motion carried unanimously.

Chair Karras admitted that he has had some real concern with this program. However, the “magic” that happens in the ATCs is remarkable. We do not want the ATCs to become junior colleges, although some of them would prefer to have that option available to them. The mission of the ATCs is vocational training, as opposed to higher education. If students want “higher education,” they should enroll in the community colleges. Chair Jardine agreed that students wanting general education should earn it in the traditional manner.

Chair Karras said he was concerned about how tuition is charged for classes in the general education component. President Thompson said WSU was using the Utah Electronic College (UEC) format. He clarified that this applies to students taking “seat time” as well as those taking courses electronically. Regent Douangdara said the options are wonderful to provide students with the proper foundation. Some

students want only vocational training; others will want to pursue degrees. Degrees provide financial stability. Skills learned in vocational training can be used to finance additional education.

Regent Jordan asked how the tuition structure works for a student entering the System via UEC who also takes classes in person. Commissioner Foxley said some classes are completely online and some are a combination of electronic and seat time. UEC uses two tuition rates: (1) an average of the community college tuition rates, and (2) an average of university tuition rates, plus a technology fee. Thompson said UEC students pay only for the delivery of the course; they do not pay additional fees.

Replacement Policy R401, Approval of New Programs, Program Additions or Program Changes (Tab E). Chair Jardine said the proposed replacement policy had been presented to the Regents for information only. After the Regents have had the opportunity to review the changes to this policy and make recommendations, it will be presented to the Board for approval. He clarified that the policy was separate from the moratorium on new programs. The draft policy was an effort by the Commissioner's Office to summarize an approach and to clarify how the Academic and ATE Committee and Program Review Committee would proceed. The policy would request that a three-year projection of programs be considered. It provides that a letter of intent for new programs go to the Program Review Committee. It also provides for a "fast track" approach, if necessary. The policy would specify that the letter of intent give details about cost, including internal reallocation. Confidential disclosure to the Commissioner is an option, if necessary to the institution.

The updated policy would require a continual program ranking process (section 9.1.6 on page 10). That section stipulates that an institution can only bring forward two top priority programs each year. The ranking process should include justification for the program. Institutions may also propose programs that are not ranked #1. The committee discussed quality benchmarks and recommended that the program review process be stronger and tighter on quality, cost and institutional mission. Regent Jordan said the policy was very much a "work in progress" which likely will not become an action item until sometime next year. The committee needs to spend more time discussing and considering this policy and process.

Chair Karras noted that SUU and USU had just completed a compact planning process on their respective campuses. He asked if the proposed replacement policy was flexible enough to allow for this. Chair Jardine said it was. Internal combining of programs, for example, should be made available for the Program Review Committee and the Academic and ATE Committee. Hopefully the end result will be efficiency. President Hall said it was a challenging process because institutions are at varying stages of planning and development. The Presidents appreciate the opportunity to know what is required to make a proposal for programmatic change. The challenge for the Regents will be making changes to the institutions. Far too much attention is given to cost control and maintenance and not enough attention to growing the economy and responding to need. Chair Jardine agreed. He asked the Regents to give their comments on the policy to Associate Commissioner Winn or a member of the Academic and ATE Committee.

Consent Calendar, Academic and Applied Technology Education Committee (Tab F). **On motion by Chair Jardine and second by Regent Jensen, the following items were approved on the committee's Consent Calendar:**

- A. University of Utah – Consolidation of two existing majors, (1) Consumer Studies and Family Economics, and (2) Environment and Behavior, into a single major entitled Consumer and Community Studies.
- B. Southern Utah University – Consolidation of the Economics BIS Degree and the Managerial Economics BA/BS Degrees into one BA/BS Degree in Economics.

Information Calendar, Academic and ATE Committee (Tab G). Chair Jardine noted the items on the committee's Information Calendar and offered to respond to questions. There were no questions.

Chair Karras thanked Chair Jardine for his report and the thorough discussion of his committee's agenda items.

Finance and Facilities Committee

Chair Pitcher commented that he was stepping into some big shoes in replacing Regent Hoggan as chair of the Finance and Facilities Committee. He commended Regent Hoggan for his excellent work for many years in chairing the committee and expressed his appreciation for his excellent example.

Utah State University – Campus Master Plans (Tab H). Chair Pitcher said Darrell Hart had made an excellent presentation to the committee on the main campus and branch campuses of Utah State University. The master plans have not changed since they were last approved by the Board. **Chair Pitcher moved approval of the Campus Master Plans. The motion was seconded by Regent Atkin and carried unanimously.**

USHE – Long-term Enrollment Projections (Tab I). Chair Pitcher said the material for this agenda item had been discussed thoroughly and approved by the committee. **He moved adoption of the long-term projections. The motion was seconded by Regent Atkin and carried unanimously.**

University of Utah – 2002-2003 Budget for University Hospitals and Clinics and Neuropsychiatric Institute (Tab J). Chair Pitcher said the committee had heard an excellent presentation by Rick Fullmer, Hospital Administrator. The institution is forecasting a combined occupancy of 81 percent with a 5 percent room rate increase, a total patient revenue of \$730 million and a capital contribution of \$18 million. This is very competitive by industry standards. Chair Pitcher commended Mr. Fullmer for presenting a very healthy budget. **Chair Pitcher moved approval of the 2002-2003 budgets for the University Hospitals and Clinics and the Neuropsychiatric Institute. The motion was seconded by Regents Hoggan and Sinclair and carried unanimously.**

UHEAA – Approving Resolution, SBR Student Loan Revenue Bonds, Series 2002X (Tab K). Chair Pitcher explained that this was a \$38.5 million bond issue. The committee had discussed this agenda item in some detail. The issue had previously been approved and recommended by the Student Finance Subcommittee. As background, the Board issues Student Loan Revenue Bonds as needed, and uses the proceeds to finance purchase of the Federal Family Education Loan Program (FFELP) student and parent loans and origination of FFELP Consolidation Loans. This Resolution would authorize a Tenth Supplemental

Indenture to the 1993 General Indenture. The proceeds will refund the maturing November 1, 2002 maturities of the Board's Series 1992H and 1993B Bonds and will also refinance the remaining 1992H Bonds maturing in later years. The advantages of this refinancing were spelled out in the Commissioner's cover memorandum. Proposed parameters and the proposed structure of the bond issue were shown on page 3 of the Commissioner's cover letter. Chair Karras presented a document he had received, "Review and Approval Affirmation Document," which had been completed and signed by Richard Davis, Assistant Commissioner for Student Loan Finance, and Mark Spencer, Associate Commissioner for Finance and Facilities, at Chair Karras's request before he approved the bonds. **Chair Pitcher moved approval of the Approving Resolution for the Board's Student Loan Revenue Bonds, Series 2002X. The motion was seconded by Regent Atkin and adopted by the following vote:**

YEA: Jerry C. Atkin
Khay Douangdara
L. Brent Hoggan
James S. Jardine
Michael R. Jensen
David J. Jordan
Nolan E. Karras
E. George Mantes
Jed H. Pitcher
Sara V. Sinclair
Marlon O. Snow
Maria Sweeten

NAY: (None)

Efficiency and Productivity Matrix (New agenda item). Chair Pitcher said the committee had discussed and prioritized the following list of topics which had been distributed to the Regents and Presidents:

- Health care costs *
- Program duplication *
- Space utilization *
- Remedial education
- Differentiated course delivery
- Standardization and centralization *
- Performance indicators
- Differentiated staffing
- Innovation, Best Practices benchmarking
- Capital Development *

(* indicates the committee's top priorities)

The committee will be scheduling three meetings before the end of this year to look at staff analyses of these issues.

UHEAA Board of Directors Report (Tab L), USHE Information Technology Update (Tab M), and Olympic Legacy Park at University of Utah Rice Eccles Stadium (Tab N). Chair Pitcher pointed out that these three items were provided for the Regents' information only and required no action.

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

- A. OCHE Monthly Investment Report
- B. UofU and USU Capital Facilities Delegation Reports
- C. USU Property to be Liquidated
- D. USU and City of Logan Property Transfer
- E. SLCC Property Purchase and Exchange
- F. SLCC Airport Hangar Lease
- G. SUU Sale of Property to UDOT

Regent Hoggan pointed out that property transactions were included in the Consent Calendar and urged the Regents to study property transactions carefully when they appeared on Board agendas. Commissioner Foxley explained why these particular transactions were on the consent calendar.

Chair Karras thanked Chair Pitcher for his report and commended him on his first report as chair of the committee.

General Consent Calendar

On motion by Regent Atkin and second by Regent Jensen, the following items were unanimously approved on the General Consent Calendar (Tab P):

1. Minutes
 - A. Approval of the Minutes of the Regular Meeting of the Utah State Board of Regents held July 12, 2002, at Southern Utah University in Cedar City, Utah (Attachment 1)
 - B. Approval of the Minutes of the Special Meeting of the Utah State Board of Regents held August 28, 2002, at Utah State University in Logan, Utah and by teleconference (Attachment 2)
2. Grant Proposals - Approval to submit the following proposals:
 - A. University of Utah – Public Health Service; “Behavioral Preparation for Treating Fibromyalgia;” \$2,971,310. Akiko Okifuki, Principal Investigator.

- B. University of Utah – Misc Private/Boehringer Ingelheim Pharmaceuticals; “Phase II...Safety of Oral 25 Mg, 50 Mg, 75 Mg Op-6535 & Placebo in the Treatment of Patients with Chronic Obstructive Pulmonary Disease;” \$2,165,234. Richard E. Kanner, Principal Investigator.
- C. University of Utah – Public Health Service/National Eye Institute; “Membrane Properties of Retinal Neurons;” \$2,958,750. Eric M. Lasater, Principal Investigator.
- D. University of Utah – Public Health Service; “Synaptic Function in the Nematode C. Elegans;” \$2,515,949. Erik M. Jorgensen, Principal Investigator.
- E. University of Utah – Public Health Service; “Studies of Isoprenoid Biosynthesis;” \$2,263,674. C. Dale Poulter, Principal Investigator.
- F. Utah State University – U.S. Air Force; “XSS-11 Microsatellite;” \$26,972,921. Steve Hansen, Principal Investigator.
- G. Utah State University – Department of Health & Human Services; “Slow Inactivation of Sodium Channels;” \$1,884,241. Peter C. Ruben, Principal Investigator.
- H. Utah State University – Department of Health & Human Services; “The Philippines Oral Cleft Prevention Trial;” \$11,500,258. Ronald G. Munger, Principal Investigator.
- I. Utah State University – Lockheed Missiles and Space Company, Inc.; “Additional Screener Processor Element Units;” \$2,506,131.63. Niel S. Holt, Principal Investigator.
- J. Utah State University – Department of Health & Human Services; “Mechanistic Studies on CO₂-Dependent Map from E. Coli;” \$1,449,000. Richard C. Holz, Principal Investigator.
- K. Utah State University – National Aeronautics & Space Administration; “Far-Infrared Spectroscopy of the Troposphere (First (IIP));” \$1,000,000. Gail Bingham, Principal Investigator.
- L. Utah State University – Johns Hopkins University; “Infrared Seeker - Space Calibration and Test (ISSCAT) Facility;” \$5,755,085. Vern Alan Thurgood, Principal Investigator.
- M. Utah State University – Department of Health & Human Services; “Taste Transduction and its Regulation;” \$1,386,380. Timothy A. Gilbertson, Principal Investigator.
- N. Utah State University – Government of Peru; “PSI II-Peru;” \$4,595,418. Wynn R. Walker, Principal Investigator.
- O. Utah State University – National Institutes of Health; “Mechanistic Studies on Methionyl Aminopeptidases;” \$1,449,000. Richard C. Holz, Principal Investigator.

- P. Utah State University – Naval Research Laboratory; “Response to Time Critical Sensor Image/Data Processing Task,” \$1,998,934. Niel Holt, Principal Investigator.
- Q. Utah State University – Naval Research Laboratory; “Time Critical Sensor Image/Data Processing Task Order #3,” \$1,196,039. Niel Holt, Principal Investigator.
- R. Utah Valley State College – Department of Education; “TRIO Talent Search;” \$1,163,505.
- S. Utah Valley State College – National Science Foundation; “NSF Regional Center for People with Disabilities for involvement in Science, Math, Engineering, & Technology Majors;” \$4,000,000.
- T. Utah Valley State College – National Science Foundation; “NSF Math and Science Partnership - State Office of Education;” \$750,000.
3. Proposed Revisions to Policy R203, Search Committee Appointment and Function, and Regents’ Selection of Presidents of Institutions. It is proposed that § 3.3, “Chair Appoints Search Committee” be revised to state “. . . Additionally, not less than ~~five~~ three Regents shall be appointed to all search committees.” This put current practice into policy. (Attachment 3)
4. Proposed Revisions to Policy R922, Personal Conduct. It is proposed that §3.3 be revised to add the following language: “It is important that staff members treat each other with courtesy and respect. Taunting, verbal harassment, or any actions that might create an intimidating, hostile, or offensive environment in the workplace are not permitted. (See also Policy R952 regarding discrimination and sexual harassment.) Personnel have the responsibility to assist other staff in their growth and development and should be willing to share their knowledge and expertise. A willingness to assist other staff when needed to complete necessary work of the Commissioner’s Office is expected.” (Attachment 4)
5. Proposed Revisions to Policy R928, Leaves of Absence with Payment. It is proposed that § 3.4, Use of Sick Leave, be revised as follows: “. . . Sick leave may not be used for vacation purposes, but after all accrued sick leave has been exhausted, additional absences due to illness ~~will~~ may be charged to earned vacation time, until exhausted, ~~unless~~ if approved by the cognizant ~~[Deputy or] Associate Commissioner. [approves a specific request in writing from the employee that earned vacation time not be used for this purpose]. . .~~” (Attachment 5)
6. 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 November 8, 2002, at Snow College to consider property transactions, personnel issues, litigation, and such other matters permitted by the Utah Open and Public Meetings Act.

Chair Karras asked if UVSC’s grants indicated an expansion of its institutional mission. Interim President Stoddard said the College was doing more grant writing than ever before. In schools such as

Mathematics and Science it is impossible not to have current research going on. Faculty in those colleges have been involved in research, and this is an integral part of their classroom activity. Commissioner Foxley pointed out that two of the three grants listed for UVSC were not research grants. The TRIO and Partnership with Public Education projects are actually contracts exceeding the amount specified in Board policy. Chair Karras asked for assurance that this is in the teaching role rather than the research role of the College. Associate Commissioner Winn said she had looked at the grants and approved them.

Regent Hoggan pointed out at the last meeting that USU had received a \$35 million grant. There is another \$27 million grant on this General Consent Calendar. He commended President Hall and the USU faculty for this achievement.

2003-2004 Institutional Budget Hearings

Commissioner Foxley reminded the Regents and Presidents that a revised schedule of breakout groups was in their folders. Chair Karras urged the groups to proceed quickly and efficiently.

Adjournment

Chair Karras thanked President Hall and his staff for their warm hospitality. President Hall expressed his appreciation to Lee Burke for coordinating the planning effort. He also commended Denise Burrows for doing an excellent job with the catering.

The group was dismissed to breakout groups for institutional budget presentations at 1:00 p.m. They adjourned directly from their budget hearings.

Joyce Cottrell CPS
Executive Secretary

Date Approved