

MINUTES OF MEETING
UTAH STATE BOARD OF REGENTS
BOARD OFFICES, THE GATEWAY
March 14, 2003

Regents Present Regents Excused

Nolan E. Karras, Chair Jerry C. Atkin

Pamela J. Atkinson, Vice Chair

Sara V. Sinclair

Linnea S. Barney Marlon O. Snow

Daryl C. Barrett

Kim R. Burningham

Khay Douangdara

David J. Grant

L. Brent Hoggan

James S. Jardine

Michael R. Jensen

Charles E. Johnson

David J. Jordan

E. George Mantes

Jed H. Pitcher

Maria Sweeten

Office of the Commissioner

Cecelia H. Foxley, Commissioner

David Buhler, Associate Commissioner for Public Affairs

Don A. Carpenter, Executive Assistant

Joyce Cottrell, Executive Secretary

Richard Davis, Assistant Commissioner for Student Loan Finance

Linda Fife, Assistant Commissioner for Programs

Jerry H. Fullmer, Director of Information Systems

Brad Mortensen, Assistant Commissioner for Finance and Facilities

Chalmers Gail Norris, Associate Commissioner for Student Financial Aid

Phyllis C. Safman, Assistant Commissioner for Academic Affairs

Mark H. Spencer, Associate Commissioner for Finance and Facilities

Deanna D. Winn, Associate Commissioner for Academic Affairs

Gary S. Wixom, Assistant Commissioner for Applied Technology Education and Special Projects

INSTITUTIONAL REPRESENTATIVES

University of Utah

David W. Pershing, Senior Vice President for Academic Affairs

Paul Brinkman, Associate Vice President for Budget and Planning

Carie Carter, Graduate School of Social Work

Amy Earle, Graduate School of Social Work

Nancy Lyon, Assistant Vice President for Governmental Affairs

Jeannete Mather, Graduate School of Social Work

Michael G. Perez, Associate Vice President for Facilities Management

Laura Snow, Special Assistant to the President and Secretary of the University
Carolyn Weight, Graduate School of Social Work
Bill Edwards, Student Body President

Utah State University

Kermit L. Hall, President
Stan L. Albrecht, Executive Vice President and Provost
Richard W. Jacobs, Budget Director
Kevin Womack, Associate Vice President for Administrative Services

Weber State University

F. Ann Millner, President
Norman C. Tarbox, Jr., Vice President of Administrative Services

Southern Utah University

Steven D. Bennion, President
Abe Harraf, Provost

Snow College

Michael T. Benson, President
Christian Thompson, Student Body President

Dixie State College

Robert C. Huddleston, President
Stanley J. Plewe, Vice President for Administration and Information Technology
Max Rose, Academic Vice President
Shandon Gubler, Board of Trustees

College of Eastern Utah

Ryan L. Thomas, President

Utah Valley State College

Lucille T. Stoddard, Interim President
Hillary Call, Student
Val Peterson, Vice President for College Relations
Ryan Vogel, Student Body President
Douglas E. Warner, Vice President for Finance and Human Resources
Bradley A. Winn, Vice President for Planning, Technology, and Student Services

Salt Lake Community College

Daniel Bingham, Executive Dean, Larry H. Miller Campus

Utah College of Applied Technology

Gregory G. Fitch, President
Michael J. Bouwhuis, Regional President, Davis ATC
Jay Greaves, Vice President of Instruction, Davis ATC
Collette Mercier, Vice President for Instructional Services, Ogden-Weber Applied Technology College

Representatives of the Press

Jennifer Lee, *WSU Signpost*
Shinika A. Sykes, *Salt Lake Tribune*
Twila Van Leer, *Deseret News*

Others

Benjamin James Fisher, Utah Student Association
Boyd Garriott, Office of the Legislative Fiscal Analyst
Debbie Headden, Office of the Legislative Fiscal Analyst
Bradley Johnson, Utah State House of Representatives
John Massey, Legislative Fiscal Analyst
Kenneth E. Nye, Program Director, Capital Development, DFCM
Blake Wade, Ballard Spahr

COMMITTEE OF THE WHOLE

Chair Karras called the meeting to order at 10:40 a.m. He welcomed Representative Johnson and excused Regents Atkin, Sinclair and Snow. Commissioner Foxley noted that Dr. David Pershing and Dr. Daniel Bingham were representing Presidents Machen and Cundiff, respectively, at the meeting.

Review of 2003 Legislative Session

As she began the overview of the recently completed 2003 Legislative Session, Commissioner Foxley recalled a remark made by President Bennion, which summarized the Session quite succinctly: "Never have so many done so much for so little." She thanked everyone who had gone to the Capitol during the Session to represent higher education. She particularly acknowledged the hard work of Associate Commissioner Buhler and the institutional legislative representatives. In addition, Chair Nolan and Vice Chair Atkinson were extremely active throughout the Session. She thanked the other Regents and Presidents who made themselves available as needed. Noting the challenge of working with scarce resources, she expressed appreciation to Representative Johnson and the other members of the Higher Education Appropriations Subcommittee. Commissioner Foxley also recognized the student leaders for their work. She asked Assistant Commissioner Brad Mortensen to give a brief summary of the budget and Associate Commissioner Mark Spencer to review capital facilities.

Budget Overview. Assistant Commissioner Mortensen referred to Attachments 1-4 to Tab R, which were in the Regents' folders. He explained the appropriations to higher education and the comparisons between the

Regents' recommendation, Governor Leavitt's recommendation, and the final appropriations. Assistant Commissioner Mortensen called attention to page 6 of Attachment 1, which compared higher education's share of state tax funds from 1993-1994 to 2003-2004. Commissioner Foxley said Governor Leavitt and the Higher Education Appropriations Subcommittee had made education a priority through the Session, yet our final appropriation was still ten percent below the amount needed to fund student growth. She expressed the System's gratitude that the cut was not deeper but noted that higher education is still in a fiscally challenging situation. Commissioner Foxley expressed her appreciation to Assistant Commissioner Mortensen, who also serves as budget officer for the Utah College of Applied Technology, for the extra time he worked to prepare the latest information for the Regents.

Capital Facilities. Associate Commissioner Spencer referred to Attachment 2 and said the bonding bill would decrease some of the backlog in capital projects, but there is still much more work to be done. The only two higher education projects funded by the bonding bill were USU's Merrill Library Replacement (\$40 million) and UVSC's purchase of the Vineyard Elementary School and Alpine Life and Learning Center (\$6.6 million). President Stoddard clarified that this amount was the purchase price of the property only; another \$1 million will be needed to renovate the facility for College use. Representative Johnson asked about O&M. President Stoddard said UVSC would be requesting \$639,000 for O&M in the future. Commissioner Foxley said partial funding for several projects had been suggested and then reconsidered. Also, Governor Leavitt has consistently indicated he does not favor partial funding. The final decision was made to reduce the number of projects and approve full funding for them. The allocation for USU's library was reduced to \$40 million with instruction that the University should not come back for the remaining \$2 million. Representative Johnson said he had always been opposed to bonding for buildings, but he did vote in favor of the bond this year.

Legislation. Associate Commissioner Buhler referred to Attachment 3, Legislation of Interest to Higher Education. He expressed his appreciation to Representative Johnson for sponsoring HB61, Snow College Richfield, as well as to Representative Bigelow for his support. This legislation will merge the Central Applied Technology College (CATC) Campus and Snow College in the Richfield area. He noted that the bond bill, SB2, which was approved was actually the sixth substitute. Associate Commissioner Spencer referred to Attachment 4, Intent Language, and said that most of the Intent Language shown represented new language (from last year). Legislative Fiscal Analyst John Massey said his office had been asked to do a study on health and dental benefits for all state employees, including higher education.

Representative Johnson said he wished the Legislature had been able to fund some of the growth in higher education. Some legislators felt that enrollment caps may be inevitable if more funding does not become available. He assured the Presidents that he was confident they would do what is best for their institutions.

Helping Smaller Schools. Chair Karras said the System's efforts to help the College of Eastern Utah continue as President Thomas works diligently through the financial problems he inherited. There was a little help given by the Legislature for funding. There is a continuing issue of large schools vs. small schools while protecting quality in the System. Chair Karras said he had discussed with Senator Mike Dmitrich the relationship between CEU and Utah State University. The Presidents had earlier discussed the consolidation of administrative services. They indicated they would like to drive this process, and that if savings result, they would like the authority to reallocate that funding. Chair Karras said he was in favor of exploring the

consolidation of administrative services and of the larger institutions helping the smaller schools. He gave the Presidents permission to pursue this process and to bring their recommendations to the Finance, Facilities and Accountability Committee (Finance Committee). The smaller schools are vital to their communities, and we need to try to help them survive.

Regent Grant asked if the Utah Education Network could be represented in those discussions, since they are charged with providing services to all of the campuses. Commissioner Foxley thanked him for the excellent suggestion. Regent Pitcher said he was supportive as well. Chair Karras thanked the Regents for their support in enabling the Presidents to best administer their campuses. President Thomas said the USHE had a very collaborative group of Presidents who work well together. He recognized the savings associated with size and the savings to be realized from a consortia approach.

Freezing Enrollments. Chair Karras reviewed the issue of the University of Utah freezing enrollments next fall. He said he had thought about the procedure, Regent involvement in the process and System issues and found that the policy is not clear. Since enrollment is an issue for all of our institutions, he asked the Council of Presidents to work together on this issue and bring a report back to the Regents. Vice President Pershing said the University was planning to go ahead with the "freeze" on a one-year basis. This means that the enrollment in Fall 2003 will be the same as it was in Fall 2002. Unfunded enrollment is currently costing the University \$15 million. This has become a large problem for the University. Admissions standards will be raised for all three groups – high school graduates, transfer students, and previous University students who have re-enrolled after dropping out for a period of time. He clarified that this freeze would not apply to students serving church missions or who are active in the military.

Regent Johnson said the Regents had already established that the University's role and mission was to be a flagship institution. Increasing admissions standards fits that role. The Missions and Roles Task Force should be part of the process. Vice Chair Atkinson expressed concern about the effect the University's enrollment freeze would have on Salt Lake Community College. If students cannot enroll as freshmen at the University, they would logically look at SLCC. Also, what about SLCC students who are ready to transfer and cannot be admitted to the University? She asked what the University's discussion had been about the ramifications of their planned enrollment freeze. Vice President Pershing acknowledged that the problem was primarily at the transfer level. University officials will work with SLCC officials, as well as at Weber State University and Utah State University.

Chair Karras said the Regents had pushed the formula to break the "log jam" at the research universities. Perhaps funding should go to the other institutions with capacity. This should be considered when the Legislature decides it has funding for growth. Both of the chairs of the Higher Education Appropriations Subcommittee were open-minded to the discussion of Regent authority. Before the next Legislative Session, we need to pursue the discussion about funding for enrollment growth. We also need to help everyone understand the difference between research institutions and teaching institutions.

Regent Mantes said we also need to consider the roles and missions of our institutions and how they interrelate. He referred to a recent WICHE publication about accountability, copies of which were distributed to the Regents and Presidents. David Longanecker, Executive Director of WICHE, wrote that policymakers

need to deal with what he called “the four Ps – philosophy, practice, practicality, and politics.” Regent Mantes read from the report:

“States need to be explicit about what they want from higher education (which is not necessarily the same as what higher ed wants to provide). Do they want excellent education for all (quality)? Parity in participation and success for all (equity)? Participation and success for all who want to benefit (access)? Participation that contributes to economic development? All of this done as ‘economically’ as possible (efficiency)? Or all of the above? Are all of these goals equally important (and are there resources to support them), or are some more critical than others?”

Regent Jordan agreed that the University of Utah’s decision to freeze enrollments at a certain level was consistent with their role and mission. However, the System must be given time to prepare to react to this kind of decision. The policy on roles and missions should include a discussion of how these decisions are made and a requirement of notice given (with time lag) so the other institutions can consider how to respond and absorb these students. Chair Karras agreed and suggested that this should be developed by the Council of Presidents with a subsequent report to the Board of Regents. Chair Karras asked Commissioner Foxley and the Council of Presidents to prepare a recommendation which would go through the Academic, Applied Technology and Student Success Committee (Academic Committee) before it is presented to the full Board. The Public Affairs Committee would also be involved in helping the Legislature understand our top priorities.

Nursing. Chair Karras said the Legislature had allocated a token amount of funding to Dixie State College for their nursing program. He worried about a System reaction to this decision and asked if it were possible to reallocate resources internally to get more nursing graduates. President Thomas said the question would be whether to eliminate four English graduates or one nursing graduate, which is the approximate difference in cost. President Huddleston said Dixie officials were doing everything in their power to reallocate funding because the community needs graduates in the area of health sciences. Chair Karras acknowledged that the bottleneck was in educating nursing teachers. Vice President Pershing said the University of Utah had reallocated money to graduate more nurses. This is necessary to “prime the economy.” Chair Karras said if the institutions did this as a System, we would be better prepared to go back to the Legislature with a request for funding for the medical profession.

Regent Johnson said the institutions had received some industry-specific help, but perhaps the industry could be more aggressive in helping the universities resolve the nursing shortage. Vice Chair Atkinson said IHC had contributed \$2 million to the University of Utah. Individual hospitals have also given money to an extent. Utah is unique because we have the applicants. In fact, we are losing prospective students to other states. Salt Lake Community College has 450 applicants each year and can only graduate 100. If even half of the applicants could be accepted, this would make a huge difference in the nursing shortage.

Chair Karras said Maureen Keefe, Dean of the College of Nursing at the University of Utah and head of the Utah Nursing Council, had requested a paper on the barriers to reallocation and the issues faced in funding nursing education. After the report is complete, it should be shared with the Public Affairs Committee. Regent Jordan asked about getting more funding from the health care industry. Regent Pitcher said the two large non-profit chains should also be included in the discussion.

Commissioner Foxley clarified that funding would be an issue for the Finance Committee, while education would be an issue for the Academic Committee. A collaborative effort will be required. The Nursing Leadership Forum can also collaborate with them. Chair Karras asked both committees to put this item on their agenda for an upcoming meeting. He also suggested that a letter be sent under his and Commissioner Foxley's signatures to the Hospital Association, Nursing Home Association, and other similar groups. Commissioner Foxley pointed out the summary of issues related to nursing education which was in the Regents' folders. The handout also showed the number of applicants.

Regent Sweeten moved that the Board be supportive of trying to determine the issues and that they involve the industry in an effort to attain additional resources. The motion was seconded by Regent Douangdara and carried unanimously.

Final Action on 2003-2004 Tuition

Commissioner Foxley referred to the three parts of the Commissioner's Recommendation in Tab S and asked for separate action on the three recommendations:

1. Finalize the first-tier increase at 4.5 percent, including the set-aside of the revenue from 0.5 percent of the increase for need-based student financial aid. Commissioner Foxley referred to Attachment 2 which detailed the amounts of revenue to the individual institutions from the first-tier tuition and how it would be used. **Regent Jensen moved approval of the first recommendation, seconded by Regent Pitcher. The motion carried.**

2. After identifying specific increases for CEU and UVSC, finalize the second-tier increases as described on Attachment 3, noting the policy exception for USU and SUU with regard to the relationship between nonresident and resident tuition. Commissioner Foxley asked Presidents Thomas and Stoddard what their final recommendation would be for their second-tier tuition increase. President Thomas said CEU would implement a 4 percent second-tier increase, and President Stoddard said UVSC would raise their second-tier tuition by 8 percent. Commissioner Foxley asked for comments from the students. The students expressed their appreciation to the Board and staff for their efforts in working with them to resolve their concerns. Chair Karras said he had received a phone call from a student who asked him if the Regents honestly understand how difficult it is for the students to pay such high tuition and fees. He noted that across the country, tuition is increasing as state funding decreases. Many states are balancing their budgets by increasing tuition. Vice President Pershing said one reason the University of Utah was implementing an enrollment freeze was that they do not want to request another 10 or 11 percent tuition increase next year.

Vice Chair Atkinson asked the Presidents if it would be possible to get information from students who are dropping out of school or decreasing their class load because of the increase in tuition and/or fees. She pointed out that many students are finding it difficult to obtain work to pay for their education.

President Huddleston called attention to pages 3 and 4 of Attachment 1, which compares Utah tuition with WICHE institutions and other schools in the Mountain State Region. He pointed out that Utah community

college tuition is excessively above their peer institutions. Vice President Pershing noted that even with the projected increases, Utah will probably have the lowest tuition rates of all Research I universities in the western United States. President Hall said student financial aid is critical and suggested that the Presidents try to project tuition increases on a three-year basis for strategic planning purposes. Vice Chair Atkinson agreed and suggested that the Presidents also look at a three-year plan for increasing financial aid.

Regent Jardine moved approval of the second part of the Commissioner's recommendation. The motion was seconded and carried.

3. Discuss the proposed differential graduate tuition proposals, and if satisfied that these increases support the objectives of Master Plan 2000 and needs of the programs, approve the differential graduate tuition increases for the Graduate School of Social Work at the University of Utah and for the Master of Education and Master of Accountancy Programs at SUU. Vice President Pershing explained that the University's Graduate School of Social Work was requesting an increase of \$40 per credit hour. **Regent Mantes moved approval of the differential increase at the University of Utah's Graduate School of Social Work. The motion was seconded by Regent Pitcher and carried.** President Bennion explained that SUU's tuition increase involved four Master's programs which complement each other; the proposed increase will realign tuition to be comparable in these areas. **Regent Barrett moved approval of SUU's second-tier increase. The motion was seconded by Regent Sweeten and carried.**

Proposed 2003-2004 Fee Increases

Chair Karras asked Regent Pitcher to discuss the proposed fee increases (Tab G). Chair Pitcher referred to Replacement Attachment 1 in the Regents' folders which included the proposed increases for CEU and Dixie. Attachment 2 was a summary of proposed tuition and fees by institution. He explained that the Finance Committee had asked Associate Commissioner Spencer to reclassify some of these areas next year. Attachment 3 showed a ten-year history of undergraduate student fees with percentages of increase. **Stating that the committee had recommended approval of the fee structure, Chair Pitcher moved approval by the Board. The motion was seconded by Regent Grant.** Regent Jensen pointed out that some of the schools had not increased their fees for several years. President Benson explained that this was the reason the students are willing to accept large increases this year. **Vote was taken on the motion, which carried.**

State Board of Education Report on Competency-based Education

Chair Karras announced that Regent Burningham had left the meeting earlier and that his report on competency-based education would be rescheduled for a later Board meeting. Commissioner Foxley said Regent Burningham was participating in a telephone interview to be considered as President-elect of the National Association of School Boards of Education. She added that Regent Burningham had told her that with the new legislation, there is much for the State Board to address and come to an understanding of what the Legislature expects. Therefore, he requested that the discussion on competency-based education be

postponed. The USHE institutions will be involved as public education students graduate with competency-based diplomas and come to our schools for higher education.

Noel-Levitz Report

Commissioner Foxley reported that Lee Noel and Lana Low, consultants for Noel-Levitz, had spent three days in Salt Lake City in January. Their report was sent to the Regents with the Board agenda. She read an excerpt from the cover letter: "Uniquely absent was the defensiveness we sometimes encounter – all seemed open and receptive to ways to improve their operations. And based on our extensive experience with public colleges and universities, we are convinced that the Utah system has significant opportunities to improve its record in access, completion and affordability."

The Commissioner referred to the Challenges and Opportunities listed on pages 6 and 7 of the report. She explained that Utah State University was already in Phase III of this experience with Noel-Levitz. The consultants' recommendations were listed on pages 7 and 8 of the report. Commissioner Foxley said meeting these challenges would take cooperative effort from the institutions and the Board. An important recommendation was improving advising systems to help parents understand that prudent borrowing for a college education is a good investment. President Benson referred to the third opportunity ("the inordinate number of Utah residents classified as having *some college/no degree*") and said an article in the *Salt Lake Tribune* pointing out that Utah has the highest percentage of married couples probably has a bearing on that issue. Many students do have to drop out of college because of family obligations. Our course offerings need to be coordinated in an effort to facilitate this problem.

Commissioner Foxley said one point made verbally by the consultants was that we should let students know of higher education opportunities in Utah and also help them see which institution is the best match for them individually. Where are they likely to be most successful? Which institution has the best programs of study for that individual? The consultants also recommended that our institutions look more critically at their promotional materials which are sent to prospective students and their families. President Hall said this had been a very valuable experience for Utah State University. The Noel-Levitz group had been very good to work with in taking enrollment management data from peer institutions and helping USU chart itself against the institutions they should be most like.

Regent Johnson said the Student Success Task Force had developed a very action-oriented document. Much of the information which is available on the AdviseUtah or UtahMentor web sites is underutilized. Commissioner Foxley said the two web sites would be combined to become a better promotional tool. Associate Commissioner Norris said the problem with bringing the web site "up to speed" had been the resources crisis and obtaining the necessary data from the institutions.

Regent Jordan said the note about the USHE's poor retention system was partially attributable to the cultural demographic of Utahns marrying younger and starting families earlier than in most other states. He asked if the quantitative work had been done to understand how much of the retention issue was truly associated with this demographic. How much is truly attributable to the missionary factor? How much of our

comparative data are due to these unique cultural issues? We cannot convince our students to defer marriage or families; therefore, we need to decide how to make our programs more accessible to married students who have full-time jobs or children at home. President Hall said Noel-Levitz had provided options for student living, payment of education, etc. They can help us follow students within the System. President Bennion reported that Noel-Levitz had helped SUU with a student satisfaction survey revealing that approximately 60 percent of Utah graduates had attended more than one institution. This makes tracking more difficult.

Vice Chair Atkinson asked if it would be agreeable to ask the Student Success Task Force to meet once more to go over the Noel-Levitz report and make specific recommendations to the Regents and Commissioner's staff and give them direction. Regent Johnson said that would be possible. He stated that the Task Force had already developed seven recommendations; perhaps there will be additional recommendations as a result of this report. Regent Jardine said the action steps from the Student Success Task Force would be included on the next meeting agenda of the Academic Committee. Chair Karras asked that a list of next steps and recommendations be developed.

Reports of Board Committees

Academic, Applied Technology and Student Success Committee

Relationship of Policy R401, Approval of New Programs, Program Additions or Program Changes; "Exceptions to the Moratorium on New Programs;" and "Guiding Principles for Program Discontinuation and Personnel Reductions (Tab F). Chair Jardine said the committee had begun with this discussion because agenda items A and B relate to this issue. The Guiding Principles (Attachment 3) reflected a document which was drafted by the committee and melded with a similar document drafted by the Legislature. The committee agreed that these decisions should be made on the campuses in cooperation with the Commissioner's Office. A suggestion was made that the criteria for the Guiding Principles be incorporated into the actual policy. He noted that the Guiding Principles document included a discussion about cost savings which was not included in the draft of Policy R401. The committee directed the Commissioner's staff to add this into the policy, realizing that there may come a time when short-term cost savings, as well as long-term savings, could be realized.

Regarding the Exceptions to the Moratorium, the committee decided the moratorium was in place until the Regents lifted it. This document allows the committee to look at new programs but changes the presumption that everything brought to the committee would be approved. The present presumption is that the burden is on the institutions to make a compelling argument for a new program. The ultimate decision of the committee was to incorporate the Exceptions to the Moratorium document into the policy as well.

Chair Jardine said the committee had approved a change to the wording in Category I of the Exceptions document to "Demonstrate Cost Savings and/or Efficiencies" because some benefits may be cost-neutral. The committee will interpret the exceptions on a case-by-case basis, but they agreed that the word "Urgent" should be retained in Category III.

The staff was asked to incorporate these changes into Policy R401 and bring it back to the next meeting of the committee after input has been received from the Chief Academic Officers (CAOs). Provost Albrecht mentioned to the committee that USU was doing a major restructuring of its College of Natural Resources. He asked if changing of department or program names was considered "new." Chair Jardine said the committee had agreed to work in the next 30 days to determine whether or not this is something new, to approve the restructuring, or to create another category. Provost Albrecht will address this issue with his staff and report back to the committee.

Chair Karras asked if an institution could eliminate one program and put the money into another program. Chair Jardine said a redistribution of funds would be allowed. In that case, it would not be necessary to seek committee approval. Chair Karras said he had been encouraging the colleges to consider vertical or diagonal cuts. Chair Jardine said guidelines would be incorporated into the policy to encourage this. Representative Johnson said he was very pleased to know that the committee had considered the Legislators' guiding principles and recommendations as well as their own. Chair Jardine said the two documents were actually quite similar and that he was very pleased with the process.

University of Utah – Bachelor of Arts and Bachelor of Science Major and Minor in International Studies (Tab A). Chair Jardine said this was the first of two exceptions to the program moratorium on this agenda. The International Studies Program had been approved by the Program Review Committee and recommended to the Academic Committee, which approved it as an appropriate exception to the moratorium. The committee decided this fit into Exception Category I, Demonstrates Cost Savings and/or Efficiencies. It creates an opportunity without additional classes, courses, instructors, etc. It also fits within Category III, Urgent Need, because it had been advertised within the University before the moratorium was implemented. In addition, the marketplace has put a premium on students having more than one major or minor. Vice President Pershing said many students were very interested in this program. The courses are already being taught, and when seats are available, students can be added without a great financial impact. Many University students have lived outside of the United States so this is a very timely issue. **Chair Jardine moved approval of the Bachelor of Arts and Bachelor of Science Major and Minor in International Studies at the University of Utah. The motion was seconded by Regent Jordan and carried unanimously.**

Weber State University/Utah Valley State College – Bachelor of Applied Technology (BAT) Degree (Tab B). Chair Jardine said this request was unique because it was a joint proposal from two institutions. It is a unique degree in the United States as well as in Utah. President Millner said Weber and UVSC have a strong partnership with UCAT, who now has the AAT Degree, and they want to provide a seamless transition. UVSC and WSU would incorporate the upper division course work, the general education program, advanced emphasis in the technical side, and organizational development component within the specialty. Chair Jardine said no one knows how many students will immediately choose to take advantage of this transition, but it is a logical necessity since UCAT does not and cannot grant college credit. **Chair Jardine moved approval of the Bachelor of Applied Technology Degree for Weber State University and Utah Valley State College. The motion was seconded.**

President Fitch thanked WSU and UVSC for offering the BAT Degree. In response to a question from Regent Grant, he explained that the 60 hours in the AAT Degree become a base toward this degree. Those

hours are not college credits but can become the foundation for a BAT Degree. President Millner said this provides the opportunity for a student to build on a technical background. President Fitch said the 60 hours will transfer to the institutions. General education courses will transfer as part of the degree. The BAT Degree is similar to a terminal degree in a technical area.

Vote was taken on the motion to approve the BAT Degree. The motion carried unanimously.

Report on Utah State University and University of Utah Third Annual Undergraduate Research Poster Session, and National Conference on Undergraduate Research (Tab C). Chair Jardine said the "Posters on the Hill" report was for information only. Commissioner Foxley noted that this was the third year for this program. The legislators enjoy the posters and talking with the students about their research projects. The program provides good visibility for our institutions.

Information Calendar, Academic, Applied Technology and Student Success Committee (Tab D). Chair Jardine welcomed questions on the Information Calendar, which included the elimination of the Center for Aerospace Technology at Weber State University and the Aero Technology/Air Flight Program at Dixie State College. The names of other programs at Weber and UVSC had changed. There were no questions.

Policy R312, Institutional Categories, Accompanying Criteria, and Institutional Missions and Roles (Tab E). Chair Jardine reported that the committee had not received feedback from all trustees and other constituencies. Discussion will be continued for the April meeting. He referred to the first paragraph at the top of page 2 of the Commissioner's cover letter and read: "The policy reflects what is considered appropriate at this point in time and for the near future. However, as situations in Utah change, there is an opportunity for institutions to have their mission and role revisited if there are compelling criteria that indicate a revision is in the best interest of the students, the institution and the citizens of Utah." Chair Jardine said he expected a vigorous discussion around this issue in April.

Chair Karras said discussions will be needed about communities' plans for the institutions to develop differently than the Regents expect. The System is already underfunded. Only the two research universities should be doing basic research. If other institutions decide they need this function, an open and candid discussion should ensue. Regent Grant requested that this discussion occur in the Committee of the Whole. Chair Jardine said the committee would bring a completed draft back to the Board.

President Benson asked if it would be appropriate to invite the chairs and vice chairs of the Boards of Trustees to the April meeting to participate in the discussion of institutional missions and roles. Chair Jardine suggested that it might be better to have a special meeting on this topic alone. Chair Karras asked the Presidents to let him or Chair Jardine know if there were areas of concern on an exception basis. He agreed that it would be appropriate to have an open discussion of this issue in April or in a subsequent meeting.

Chair Karras said the Presidents should represent and be the voice of their institutions. The Regents should interact with the Presidents, and the Presidents need to deal with their faculty and other constituents. Regent Jordan agreed that a President speaks for the institution. However, the President does not speak for the Board of Trustees. They are a separate voice from a separate faction of the community. Sometimes Presidents are

not willing to articulate those differences to the Board. Regent Jordan pointed out that sometimes the Presidents are not always “on the same page” with the Chair of their Board of Trustees. Chair Jardine recognized that the communities and trustees generally have a single focus, which is to make the institution and its community as great as it can be, irrespective of its role in the System. The Regents can help the Presidents by letting the trustees and others know the environment in which they are working from the Regents’ perspective.

Chair Jardine said it would be helpful to get input from the trustee chairs and/or vice chairs and develop a proposed draft of policy R312 by the April Board meeting. He proposed that the committee see how far they get in April and schedule another meeting in May, if necessary. Chair Karras agreed that the trustees need to hear the discussion on a System level and that it would be helpful if this could be done before the discussion by the entire Board of Regents. He said he would schedule a meeting of trustee chairs and vice chairs prior to the April 18 Board meeting. He asked the chairs of the Resource and Review Teams to contact their Presidents and Trustee Chairs and get their agreement on the mission and role of their respective institutions prior to the April Board meeting.

Proposed Revisions to Policy R513, *Tuition Waivers and Reductions* (Tab I). Chair Jardine said the committee was asked to discuss and approve the revisions to policy R513. However, it was their understanding that it would be handled by the other committee, so they took no action.

Finance, Facilities and Accountability Committee

Capital Improvements Priorities for 2003-2004 (Tab H). Chair Pitcher said the committee had reviewed the priority list and had authorized its submission to the State Building Board. **Chair Pitcher moved approval of the Capital Improvement Priorities for 2003-2004. The motion was seconded by Regent Grant and carried unanimously.**

Proposed Revisions to Policy R513, *Tuition Waivers and Reductions* (Tab I). Commissioner Foxley pointed out that HB75, sponsored by Representative Loraine Pace, was to help our institutions which were most heavily affected by HB331 in 2002. The proposed revisions to this policy would give an additional 500 waivers to be inserted into the policy on page 5. Unused waivers can be reassigned from one institution to another. The Supplement to Tab I in the Regents’ folders clarified that these waivers can be used for Job Corps students. The Presidents have informally agreed that if the Job Corps students meet the criteria, they can be considered for some of these waivers. The Commissioner’s Recommendation would add to the policy this amendment and the number of waivers to be allocated.

Regent Jordan asked about section 5.3.4 on page 4 of the policy. Commissioner Foxley said these 500 waivers are new and are designed to help the institutions phase in to the new residency requirement. The chart on page 4 referred only to border waivers. New tuition waivers can be border waivers; there are no restrictions on residency. Regent Jordan said he thought this would create a conflict in policy language in section 5.2.3. That section says the total number of border waivers cannot exceed the total shown in the table. Commissioner Foxley agreed that this could change the numbers. She cautioned the Regents to remember that these are not just additions to border waivers and that the additional 500 waivers will go away after five years. She said she and her staff would look at the language in the policy.

Regent Grant moved approval of the policy changes in concept. The motion was seconded by Regent Pitcher and carried unanimously.

Recognition of Vice Chair Atkinson. Chair Karras called attention to the article, "A Saint for the Homeless," from the Family Circle Magazine which recognized Vice Chair Atkinson. He congratulated her and said it was a wonderful honor for her to get national recognition. He also called attention to the newspaper article announcing that the state's homeless trust fund had been named in her honor by the 2003 Legislature. Vice Chair Atkinson said she was deeply honored to have this recognition. She was ill and left the meeting.

UHEAA – Approving Resolution, SBR Student Loan Revenue Bonds, Series 2003Y (Tab J). Chair Pitcher pointed out that the opening paragraph to Attachment 1 should read "The State Board of Regents of the State of Utah met in regular session at their offices in Salt Lake City, Utah on March 14, 2003. . ." He said the committee had reviewed the resolution in detail and had approved the transaction. **Chair Pitcher moved approval of the Student Loan Revenue Bonds. The motion was seconded by Regent Grant and was adopted by the following vote:**

YEA:

Jerry C. Atkin
Daryl C. Barrett
Khay Douangdara
David J. Grant
L. Brent Hoggan
James S. Jardine
Michael R. Jensen
Charles E. Johnson
David J. Jordan
Nolan E. Karras
E. George Mantes
Jed H. Pitcher
Maria Sweeten

NAY:

(None)

Regent Johnson pointed out that interest rates were at historic lows. He recalled that the System had been able to save a considerable amount of money a few years ago by refinancing some bonds and asked if that were a possibility at this time. Blake Wade responded that most Regent bonds have a ten-year call protection to the bond holders and can be refinanced. However, it does not make sense to recall and refinance all bonds, especially since they can only be refinanced once under federal law.

Utah State University – Lease of Property to Logan City (Tab K). Chair Pitcher said the property would be leased to the City of Logan to build a fire station. An important consideration is that emergency response time would be improved. The fire station would serve the campus as well as the nearby residential neighborhood. Logan City will pay for all construction and landscaping costs, as well as ongoing O&M costs. The City would pay USU \$1 for the first year with no further rental fees during the remainder of the term. The

land is currently being used for parking and a recreational area. **Chair Pitcher moved approval of the lease. The motion was seconded by Regent Hoggan and carried unanimously.**

Snow College – Activity Center Expansion and Renovation (Tab L). Chair Pitcher said funding for this project would come from the Permanent Community Impact Board (CIB) in the form of grants and loans which will be repaid by an increase in student fees. President Benson said he had met with the CIB and would be submitting an application for funding on April 1. College officials hope to have the money in hand by August. The building is 25 years old and is in dire need of renovation. He reported that the increase in student fees had already been approved. **Regent Grant moved approval of the expansion and renovation of the Activity Center. The motion was seconded by Regent Hoggan and carried unanimously.**

Dixie State College – Campus Master Plan (Tab M). Chair Pitcher said President Huddleston had introduced the Campus Master Plan in committee, and Vice President Plewe had reviewed it in detail. **Chair Pitcher moved approval of Dixie State College's Campus Master Plan. The motion was seconded by Regent Grant and carried unanimously.**

Report of the Audit Review Subcommittee (Tab N). Chair Pitcher noted that this report was provided to the Regents for information only. He commended Regent Hoggan, who chairs the Subcommittee, for doing a good job of updating the committee's actions throughout the end of January. The committee discussed training sessions for Presidents, Regents, financial staffs, etc. Those sessions would be coordinated by Associate Commissioner Spencer to help the various groups understand the new requirements from Congress and to update discussions on internal controls or clients and how they impact our operations. The Presidents are required to sign financial statements, and they need to know where the risks are. Chair Pitcher noted that with the scandals at Enron, Worldcom, etc., we are living in a new world of corporate accounting. Regent Jardine suggested that Randy Van Dyke (Chief Internal Auditor at the University of Utah) be included; his expertise would be invaluable to this group. Regent Jardine noted that Mr. Van Dyke had been trained by Regent Johnson. Chair Pitcher agreed to include Randy Van Dyke in the training sessions.

Regent Jordan asked about the audit of Snow College. President Benson said the audit was ongoing and will be done in two parts. The Richfield section will take a while, but the Ephraim report should be completed in a month or so. Chair Karras asked that this be the first item on the committee's agenda until it is completed. The Regents want to be sure that something like this does not happen in our System and that if it does, it will be faced immediately.

UHEAA Board of Directors Report (Tab O). Chair Pitcher said Associate Commissioner Norris had given the committee a good report. The next meeting of the UHEAA Board of Directors will be on April 3. The report was provided for information only and required no action by the Regents.

Progress Report on Health Benefits Study (Tab P). Chair Pitcher called attention to the Replacement Attachment in the Regents' folders. The attachment showed the standardized benefits for health care and pharmacy in terms of employer/employee contributions. The committee has asked that a summary of health and dental programs and wellness programs be prepared for its April meeting. The committee asked for industry research data so that a "Best Practices" document can be prepared. They will also need to coordinate

with the state government study to which Mr. Massey referred earlier. Chair Pitcher said the committee was encouraged with the progress of the Health Benefits Study.

Consent Calendar, Finance, Facilities and Accountability Committee (Tab Q). **On motion by Chair Pitcher and second by Regent Grant, the following items were approved on the committee's consent calendar:**

1. OCHE Monthly Investment Report
2. UofU and USU Capital Facilities Delegation Reports

General Consent Calendar

On motion by Regent Hoggan and second by Regent Grant, the following items were approved on the Board's General Consent Calendar:

1. Minutes
 - A. Approval of the Minutes of the Regular Meeting of the Utah State Board of Regents held January 17, 2003, at the University of Utah
 - B. Approval of the Minutes of the Special Meeting of the Utah State Board of Regents held February 17, 2003, by teleconference
2. Grant Proposals - Approval to submit the following proposals:
 - A. University of Utah – National Institutes of Health; "Extramural Research Facilities Construction Grant: The Gauss House: A campus-wide core facility for high field NMR;" \$9,567,710. Dr. Ronald Pugmire, Principal Investigator.
 - B. University of Utah – National Institutes of Health; "Novel Treatments and Etiologies of Conotruncal Defects;" \$15,664,818. Robert Shaddy, Principal Investigator.
 - C. Utah State University – National Aeronautics & Space Administration (NASA); "Geostationary Imaging Fourier Transform Spectrometer (GIFTS);" \$2,000,000. Gail Bingham, Principal Investigator.
 - D. Utah State University – National Science Foundation; "Identification of Novel Cell Wall Protein Genes and their Functionality in Arabidopsis;" \$1,092,269. Yajun Wu, Principal Investigator.
 - E. Utah State University – Department of Health & Human Services; "Detection of Food and Waterborne Pathogens by Novel Technologies;" \$1,519,227.01. Bart C. Weimer, Principal Investigator.
 - F. Utah State University – University of California/Davis; "Improving Pastoral Risk Management on East African Rangelands;" \$1,200,000. D. Layne Coppock, Principal Investigator.

- G. Utah State University – National Institutes of Health; “In vitro antiviral screening program: Biodefense Pathogens;” \$3,674,879. Robert Sidwell, Principal Investigator.
- H. Utah State University – National Science Foundation; “Mathematics & Science Partnership for All Utah Students: Middle Grades Initiative;” \$8,849,621. James Cangelosi, Principal Investigator.
- I. Utah State University – National Science Foundation; “PBI: Biodiversity and evolution of the megachild bees of the World (Insecta, Hymenoptera: Megachilidae);” \$3,133,036. Terry Griswold, Principal Investigator.
- J. Utah State University – National Institutes of Health; “Determination of Hydrogen-Bond Energy in Biomolecules;” \$1,100,000. Steve Scheiner, Principal Investigator.
- K. Utah State University – National Science Foundation; “Vegetation and climate controls on soil organic carbon dynamics in the Intermountain West;” \$1,216,099. Helga Van Miegroet, Principal Investigator.
- L. Utah State University – National Institutes of Health; “In vitro antiviral screening program: Respiratory Viruses;” \$2,294,642. Robert Sidwell, Principal Investigator.
- M. Utah State University – Duke University; “Epidemiology of Alzheimer’s Dementia in Cache County, Utah;” \$1,164,179. Maria C. Norton, Principal Investigator.
- N. Utah State University – National Institutes of Health; “Phosphoinositides in Breast Cancer Metastasis;” \$1,425,000. Daryll B. DeWald, Principal Investigator.
- O. Utah State University – National Institutes of Health; “Regional Centers of Excellence for Biodefense and Emerging Infectious Diseases Research Program;” \$1,614,004. Linda Powers, Principal Investigator.
- P. Utah State University – Missile Defense Agency; “RAMOS Task Order 12;” \$1,405,229. Tom Humpherys, Principal Investigator.
- Q. Utah State University – National Science Foundation; “Do Leaves Compute? Distributed Emergent Computation;” \$2,508,263. Keith A. Mott, Principal Investigator.
- R. Utah State University – National Institutes of Health; “Regional Biocontainment Laboratory Facilities;” \$2,227,786. David Norton, Principal Investigator.
- S. Utah State University – Brigham Young University (via NSF); “ITR: Automatic Animation of Virtual Characters Using Cognitive Artificial Intelligence;” \$1,010,070. Hugo de Garis, Principal Investigator.

- T. Utah State University – National Science Foundation; “EduCommons: Learning Through Creating, Improving, Sharing & Discussing Educational Resources;” \$2,003,268. David Wiley, Principal Investigator.
3. 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 April 17-18, 2003, on several USHE and UCAT campuses to consider property transactions, personnel issues, litigation, and such other matters permitted by the Utah Open and Public Meetings Act.

Report of the Commissioner

Commissioner Foxley referred to the handouts in the Regents’ folders. In addition to the recognition of Vice Chair Atkinson, she called attention to the *Deseret News* article about Regent Sinclair receiving the Rotarian of the Year Award in Logan. Regent Pitcher was recognized by USU’s Davis County Aggies group as an outstanding alumnus. The cover story of a recent Utah Business Magazine issue was “40 Rising Stars Under 40.” President Benson was featured in that article, as was President Bennion’s son, Jeff, former student body president at Utah State University. On behalf of the Utah System of Higher Education, Commissioner Foxley expressed condolences to Associate Commissioner Spencer on the recent passing of his father.

The Commissioner called attention to a column by Chair Karras which was published in several area newspapers during the Legislative Session. A recent KSL Editorial Opinion talked about the need for higher education funding.

Commissioner Foxley pointed out the “Policy Alert” in the Regents’ folders published by the National Center for Public Policy and Higher Education. It was entitled “State Shortfalls Projected Throughout the Decade” and was written by Dr. Dennis Jones, who has worked with our System in the past. The Commissioner called attention to the tables on pages 2 and 3 and noted that only five states anticipate a budget surplus in the next decade. Wisconsin’s funding level is expect to remain the same, and Tennessee is anticipating nearly a 10 percent shortfall. The Commissioner cautioned that the System needs to be prepared for a sustained period of time with conservative fiscal resources.

Commencement. Commissioner Foxley asked the Regents to let Joyce know as soon as possible which institutions they expect to visit for commencement. We will then let the Presidents know which Regents will be attending their graduation exercises.

April Board Meeting. Rather than traveling to the three different sites as scheduled earlier, it has been agreed that the Academic Committee will meet on the morning of Friday, April 18, from 8:30 to 11:30 a.m., and that the Finance Committee will meet that afternoon from 1:00 to 4:00 p.m. This change was made so that the Presidents and Regents can attend both committee discussions, if they desire. There are several substantive issues to be addressed in the committee meetings.

President Bennion reported that one percent of the SUU student body had been called up by the military. This is a sobering time for the institutions. Commissioner Foxley said Regent policy provides that for students and employees called up for military duty, we take care to see that they can be reinstated. Students will not lose their tuition. She indicated that a reminder of this policy was sent to the Presidents a few months ago.

Adjournment

Chair Nolan thanked everyone for attending the meeting. He welcomed input on improved performance of Board meetings.

Regent Mantes moved that the meeting be adjourned. The motion was seconded by Regent Grant and carried unanimously.

The meeting was adjourned at 2:05 p.m.

Joyce Cottrell CPS
Executive Secretary

Date Approved