

MINUTES OF MEETING  
UTAH STATE BOARD OF REGENTS  
SALT LAKE COMMUNITY COLLEGE, SALT LAKE CITY, UTAH  
September 11, 2003

Regents Present

Nolan E. Karras, Chair  
E. George Mantes, Vice Chair  
Linnea S. Barney  
Daryl C. Barrett  
Bonnie Jean Beesley  
William Edwards  
David J. Grant  
L. Brent Hoggan  
James S. Jardine  
Michael R. Jensen  
Charles E. Johnson  
David J. Jordan  
Jed H. Pitcher  
Sara V. Sinclair  
Marlon O. Snow  
Maria Sweeten

Regents Excused

Kim R. Burningham

Office of the Commissioner

Cecelia H. Foxley, Commissioner  
David Buhler, Associate Commissioner for Public Affairs  
Joyce Cottrell, Executive Secretary  
Kimberly Henrie, Budget Analyst  
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

J. Bernard Machen, President  
A. Lorris Betz, Senior Vice President for Health Sciences/Dean, School of Medicine  
David W. Pershing, Senior Vice President for Academic Affairs  
Paul Brinkman, Associate Vice President for Budget and Planning  
Nancy Lyon, Assistant Vice President for Governmental Affairs  
Michael G. Perez, Associate Vice President, Facilities Management  
Laura Snow, Special Assistant to the President and Secretary of the University

Utah State University

Kermit L. Hall, President  
Stan L. Albrecht, Executive Vice President and Provost  
Lee H. Burke, Assistant to the President for Government Relations  
Juan N. Franco, Vice President for Student Services  
Fred R. Hunsaker, Vice President for Administrative Services  
Richard W. Jacobs, Budget Director  
Sydney Peterson, Assistant Provost  
Kevin C. Womack, Associate Vice President for Administrative Services

Weber State University

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

Southern Utah University

Steven D. Bennion, President  
Abe Harraf, Provost  
Gregory L. Stauffer, Vice President for Administrative and Financial Affairs  
Kaydee Weaver, Student Body President

Snow College

Michael T. Benson, President  
Bradley A. Winn, Provost

Dixie State College

Robert C. Huddleston, President  
Phil Alletto, Vice President for Student Services  
Stanley J. Plewe, Vice President of College Services  
Joe Peterson, Acting Vice President of Academic Services

College of Eastern Utah

Ryan L. Thomas, President  
Dennis Geary, Director of Facilities, Planning and Management

Utah Valley State College

William A. Sederburg, President  
Robert E. Clark, Physical Plant Director  
Linda L. Makin, Director of Budgets  
Cameron Martin, Assistant to the President  
James L. Michaelis, Associate Vice President for Facilities-Planning  
Val Peterson, Vice President of Administration and External Affairs  
Douglas E. Warner, Associate Vice President for Finance and Human Resources

J. Karl Worthington, Associate Vice President for Academic Affairs  
Swen Swenson, Student Body President

Salt Lake Community College

Judd D. Morgan, Interim President  
Julie Curtis, Assistant to the Academic Vice President  
Betty Damask-Bembenek, Chair, Division of Health Programs  
Karla Fisher, Marketing Director  
Brent H. Goodfellow, Vice President for Community Relations  
Rand Johnson, Executive Assistant to the President  
Marilyn Nowell, Faculty Organizations Executive Council President  
Annette Palmer, Staff Association President  
Donald L. Porter, Vice President of Business Services  
David Richardson, Vice President of Academic Services  
Clifton Sanders, Chair, Division of Natural Sciences  
Dana Van Dyke, Budget Director

Utah College of Applied Technology

Gregory G. Fitch, President  
Linda Fife, Vice President for Academic and Student Services

Representatives of the Press

Shinika A. Sykes, *Salt Lake Tribune*  
Stephen Speckman, *Deseret News*

Others

Laura Bayer, Architectural Planning  
Race Davies, Governor's Office of Planning and Budget  
Boyd Garriott, Office of the Legislative Fiscal Analyst  
Debbie Headden, Office of the Legislative Fiscal Analyst  
Michael A. Petersen, Executive Director, Utah Education Network  
Kevin Walthers, Office of the Legislative Fiscal Analyst

Following meetings of the Board Committees and a luncheon meeting with the Salt Lake Community College Board of Trustees, Chair Nolan Karras called the meeting of the Committee of the Whole to order at 1:15 p.m. He excused Regent Kim Burningham.

In recognition of the events of September 11, 2001, a special flag ceremony was presented by the Utah Firemen's Association, followed by a moment of silence. Chair Karras thanked Interim President Morgan for arranging for the special presentation.

Swearing In of New Regents

Chair Karras administered the oath of office to Regents Bonnie Jean Beesley and David L. Maher and welcomed them to the Board. Regent Maher is a former pharmacist whose entire career was spent working at Osco Drug/American Stores. When he retired, he was Vice President and Chief Operating Officer of the company. He is a graduate of the University of Iowa. Regent Beesley was introduced at the July 9 meeting.

USHE Capital Development Projects

Chair Karras asked the Regents to turn to Tab P and called on Associate Commissioner Mark Spencer to lead the discussion. Dr. Spencer explained that each institution had chosen its top priority project, then the Qualification and Prioritization (Q&P) process had been run. Dr. Spencer referred to Attachment 1, which listed the projects, and Attachment 1a, which showed the priority ranking after running the Q&P. Attachment 3 explained the Q&P process and explained that the process was quantitative rather than qualitative.

Commissioner Foxley reminded the Regents of the joint meeting with the State Building Board the following morning. The Building Board will be expecting a prioritized list, so this is an action item. She referred to Attachment 3 and the various graphs which explained the components which are considered in the Q&P process. The second graph represented recent funding for higher education facilities, and slide 4 showed how the Q&P points were awarded for the projects. Associate Commissioner Spencer said the State Building Board would expect the Regents to explain why the projects were ranked in their approved order. After running the Q&P, the projects were ranked as follows:

<u>Ranking</u>	<u>Project</u>
1	Weber State University – Reek K. Swensen Building Renovation/Remodel
2	University of Utah – Marriott Library Adaptation and ASRS Facility Addition
3	Utah Valley State College – Digital Learning Center
4	Salt Lake Community College – Health Sciences & General Classroom Building
5	Utah State University – Animal Science Renovation
6	Dixie State College – Health Sciences Building
7	Southern Utah University – Teacher Education Building
8	College of Eastern Utah – San Juan Library and Health Sciences Building
9	Snow College – Library/Classroom Building

The Presidents and their key staff gave brief individual presentations on their top-priority projects. Included on the list, but not prioritized, were the following projects:

- Weber State University – McKay-Dee Hospital Property
- Utah College of Applied Technology – Uintah Basin ATC – Vernal Campus
- Utah College of Applied Technology – Bridgerland ATC – Bourns Building Acquisition

A lengthy discussion ensued on the assignment of life safety points to the various projects. Regent Jordan suggested that the Regents meet with DFCM about measuring seismic risk against electrical and other kinds of risks. He said actuarial tables are very accurate in assessing risk factors.

Regent Jordan asked why the SUU project had received the lowest number of Q points. President Bennion responded that it was probably because of consistently low enrollments. Commissioner Foxley said last year an additional factor had been added to the formula regarding centrality to an institutional mission. However, the Regents chose not to revise the policy in order to make this a permanent additional factor so those additional points could not be added this year. Associate Commissioner Spencer said while it is too late to change the policy in time for this budget cycle, the theme could still be used by the Regents to adjust the list. Regent Jordan recommended that the policy be revised to accommodate this additional factor in the future.

Regent Jordan also noted that the capital development projects list included three health sciences buildings to address the need to train additional health care professionals. He suggested that the Regents needed to determine where and how many health care professionals will be trained before they could respond to the need for facilities. Commissioner Foxley said the institutions already have health sciences programs in place, and there is a definite need. We have received the report of one external consultant regarding how best to address the nursing shortage, and we are waiting for one more, then the reports will be taken to the Program Review Committee (PRC). If the PRC is ready to make a recommendation on the proposed nursing programs, the item will be placed on the agenda for the October meeting. She stressed that all of these projects are high-need projects on the campuses. Regent Jordan said the programming issues should be dovetailed with the construction issues for a proper fit.

Commissioner Foxley pointed out that this is not a perfect process. Each year some fine-tuning is required. For example, it was recommended by DFCM and the State Building Board that we reprioritize the projects each year. The Legislative Capital Facilities Appropriations Subcommittee would prefer a shorter list. At this point in time, the Legislature has not indicated a willingness to go over the amount of bonding retired this year, which is \$65 million.

Regent Atkin suggested that partial funding be considered for the University of Utah Marriott Library to keep it on the priority list. Commissioner Foxley said this occasionally had been done in the past. USU's Old Main Building is a good example of phase-funding a large project over several years. However, Legislative Leadership and the Governor have expressed a strong preference for whole-project funding. Regent Pitcher asked President Machen his opinion of the phased-funding approach for the Marriott Library. President Machen said none of the Presidents have a problem with phased funding. However, Legislative Leadership have said they would not phase fund capital projects because they did not want to bind a future Legislature. Last year the University was asked to withdraw its library request, which allowed USU to receive full funding for their library.

**Regent Jordan moved adoption of the Q&P priority list as shown on Attachment 1a, with the top two projects reordered so that the Marriott Library would be ranked #1 and the Swensen Building would be ranked #2. The motion was seconded by Regent Pitcher.**

President Millner said the Weber project was very small, and private donations have already been received. It should not get in the way of the University's library project. She asked that the prioritization list be left as presented in Attachment 1a.

**Vote was taken; the motion was defeated. Regent Atkin moved approval of the list as proposed with a suggestion that the Building Board and Legislature be asked to consider phased funding, but not phased construction. The motion was seconded by Regent Jensen. Regent Sinclair suggested adding to the motion that the Regents look at the reason the smaller schools were at the bottom of the priority list. Vote was taken on the motion, which passed unanimously.**

Discussion turned to "escrowed" funding, whereby the Legislature could not take the funds for other projects. President Hall said the University of Utah and Utah State University have engineering buildings where dollars have been escrowed, so there is precedent for this concept. Chair Karras asked about the WSU land acquisition. President Millner said she had left it on the list to follow up at the end of the Session. Presently it is not ready. Associate Commissioner Spencer said the project had been approved but unranked last year.

**Regent Sinclair moved that the WSU land acquisition be approved but unranked. The motion was seconded by Regent Atkin and carried.**

#### USHE "Other Funds" Capital Development Projects

Associate Commissioner Spencer referred to Tab Q, capital development projects funded with non-state funds, and requested that an additional project be added to the list. It is Building 524, West Terrace Complex on the University Medical Complex. The building will be 291,000 square feet with no O&M request. **Regent Grant moved approval of the non-state funded capital development projects list with the addition of the above facility. The motion was seconded by Regent Pitcher and carried.**

#### 2004-2005 Budget Process and Priorities

Commissioner Foxley referred to the last page of Attachment 1 to Tab R, which showed how higher education had slipped in proportion to state funds allocated. She reviewed the statutory responsibilities of the Regents regarding the budget and tuition, including tiered tuition funding. A funding formula was discussed. Commissioner Foxley noted that a formula works when we are fully funded. We have not had full buy-in by the Legislature on the formula but neither have we had full funding. She reminded the Regents that funding for growth comes at a one-year lag. Our campuses are currently teaching 9776 students (FTE) for which they have not received funding. This has been the equivalent of a \$38.1 million budget cut. Higher education has had three years of budget cuts in addition to unfunded growth. Enrollment growth is projected to continue, which will likely mean substantial continuing increases in tuition.

Attachment 2 explained the budget process. The proposed budget will be presented to the Board for adoption in October. Tuition discussions will also be included in the October meeting.

Commissioner Foxley referred finally to Attachment 3 which showed the break-out groups for the institutional budget hearings.

#### Student Financial Aid

Associate Commissioner Norris asked the Regents to keep need-based financial aid in mind as they became engulfed in other critical needs. He pointed out that the SLCC key chains on the tables were a reminder of students and their ability to pay. The UHEAA Board of Directors recommended strong consideration for need-based financial aid (see Tab N). A \$17 million loss of purchasing power was suffered in Fiscal Years 2003 and 2004, even after the amount of money was set aside from tuition increases and scholarship revenues from student loan programs (UHEAA scholarships). Six thousand students cannot attend or need to cut their class load, making them inefficient in working toward degree completion. Estimated UCOPE funding needed in FY2005 to avoid further loss of access for Utahns is projected between \$5 million and \$9 million. Mr. Norris reminded the Board that financial aid is one of the vital affirmative action/equal opportunity tools. At the same time, he acknowledged the shortage of state revenues and other urgent funding needs for higher education institutions.

#### Utah Education Network

Dr. Michael A. Petersen, Executive Director, briefly outlined UEN's budget request:

- Phase 2 of an extensive network upgrade \$400,000
- Conversion of EdNet to digital Internet-based technology 240,000
- Enterprise level technology support: Ongoing: 140,000  
One-time funding: 120,000

Dr. Petersen explained that staff salaries were another major issue for UEN. He noted that for the past six years, Internet "traffic" has doubled every 18 months.

Chair Karras thanked Dr. Petersen for his presentation and said he was sorry for the necessary brevity.

#### Institutional Budget Hearings

The Regents and Presidents moved into break-out groups for the institutional budget hearings. Chair Karras reminded the Regents of the 8:00 a.m. joint breakfast meeting with the State Building Board the following morning.

The meeting of the Committee of the Whole recessed at 3:40 p.m.

September 12, 2003

JOINT MEETING OF THE STATE BOARD OF REGENTS AND STATE BUILDING BOARD

Regents Present

Nolan E. Karras, Chair  
E. George Mantes, Vice Chair  
Jerry C. Atkin  
Linnea S. Barney  
Daryl C. Barrett  
Bonnie Jean Beesley  
Kim R. Burningham  
William Edwards  
David J. Grant  
James S. Jardine  
Michael R. Jensen  
Charles E. Johnson  
David J. Jordan  
David L. Maher  
Jed H. Pitcher  
Sara V. Sinclair  
Maria Sweeten

Regents Excused

Marlon O. Snow

Office of the Commissioner

Cecelia H. Foxley, Commissioner  
David L. Buhler, Associate Commissioner for Public Affairs  
Joyce Cottrell, Executive Secretary  
Kimberly Henrie, Budget Analyst  
Mark H. Spencer, Associate Commissioner for Finance and Facilities

INSTITUTIONAL REPRESENTATIVES

University of Utah

David W. Pershing, Senior Vice President for Academic Affairs  
Nancy Lyon, Assistant Vice President for Governmental Affairs  
Michael G. Perez, Associate Vice President, Facilities Management

Utah State University

Kermit W. Hall, President  
Stan Albrecht, Executive Vice President and Provost  
Juan N. Franco, Vice President for Student Services  
Darrell E. Hart, Assistant Vice President for Facilities  
Fred R. Hunsaker, Vice President for Administrative Services

Building Board Members Present

Larry Jardine, Chair  
Kay Calvert, Vice Chair  
Steve Bankhead  
Kerry Casaday  
Cyndi Gilbert  
Lynne Ward (*ex officio*)

Department of Administrative Services

Camille Anthony, Executive Director

DFCM Staff

Keith Stepan, Director  
Ken Nye, Deputy Director  
Kent Beers, Program Director  
Blake Court, Program Director  
Shannon Lofgreen, Administrative Secretary

Governor's Office of Planning and Budget

Randa Bezzant, Policy Analyst

Office of the Legislative Fiscal Analyst

Kevin Walthers



Richard W. Jacobs, Budget Director  
Kevin C. Womack, Associate Vice President for Administrative Services

Weber State University

F. Ann Millner, President  
Kevin P. Hansen, Assistant Vice President for Facilities Management  
Kathleen Lukken, Provost  
Norman C. Tarbox, Jr., Vice President of Administrative Services

Southern Utah University

Steven D. Bennion, President  
Abe Harraf, Provost  
Gregory L. Stauffer, Vice President for Administrative and Financial Affairs

Snow College

Michael T. Benson, President

Dixie State College

Robert C. Huddleston, President  
Phil Alletto, Vice President for Student Services  
Joe Peterson, Acting Vice President of Academic Services

College of Eastern Utah

Ryan L. Thomas, President  
Dennis Geary, Director of Facilities, Planning and Management

Utah Valley State College

William A. Sederburg, President  
Cameron Martin, Assistant to the President  
Val Peterson, Vice President of Administration and External Affairs

Salt Lake Community College

Judd D. Morgan, Interim President  
J. Gordon Storrs, Master Planning Coordinator

Utah College of Applied Technology

Gregory G. Fitch, President  
Linda Fife, Vice President for Academic and Student Services

Legislators

Brent H. Goodfellow, Utah House of Representatives  
Lorraine Pace, Utah House of Representatives

Representatives of the Media

Stephen Speckman, *Deseret Morning News*

Shinika A. Sykes, *Salt Lake Tribune*

Others Present

Race Davies, Governor's Office of Planning and Budget  
Rick Stock, Architectural Nexus

Chair Karras called the meeting to order at 8:00 a.m. and welcomed members of the State Building Board and their staff. He invited everyone to help themselves to the breakfast buffet. After everyone was seated, he asked Associate Commissioner Spencer to explain the USHE Capital Development Projects (Tab P) and the qualification and prioritization (Q&P) process, including the method of assigning points to the various projects. Dr. Spencer called attention to Attachment 1 of Tab P, which listed the projects. He noted that he had several shelves of "black books" in his office because each building in the USHE has its own black book. An outside consultant does an analysis of each of the buildings and includes all life safety issues except seismic issues. A separate outside consultant evaluates seismic issues for each building. The maximum number of life safety points allowable for any one project is 25. To get that many life safety points, a building would have to be in imminent danger in all five life safety categories (boarded up with yellow tape around it). The highest number of life safety points given in USHE history is 17.

Dr. Spencer referred to Tab Q, Capital Projects Funded by "Other Funds." This research money, brought in from the research universities, helps the System build new facilities. He reported that this list had been approved the previous day by the Board of Regents.

Associate Commissioner Spencer referred to Tab S and said the Regents use a comparative approach to funding capital projects. Attachment 3 to Tab S showed projected 20-year space needs, anticipating a \$77 million annual need to keep the buildings renovated and new space built. The current inventory shown does not include museums, hospitals, etc. There is expected to be a shortfall of six million square feet in space need for higher education in 20 years.

Chair Karras reviewed the Regents' discussion Thursday afternoon regarding the prioritization process. After extensive discussion, the Regents approved the priority list as shown on Attachment 1-A to Tab P. He explained that the Regents agree that the Marriott Library at the University of Utah is vital, and that their ultimate recommendation had been to suggest phased funding for this extremely important but extremely costly project. Chair Karras said the Regents had also determined that they need to spend more time fine-tuning the Q&P process. He welcomed the input of DFCM staff into this process. Regent Jed Pitcher has been given this assignment as Chair of the Finance, Facilities and Accountability Committee.

Commissioner Foxley said, while not a perfect process, the Q&P process gets better each year because of the input we have received from the USHE institutions, the State Building Board and the DFCM staff. This has been a joint effort of the two boards and their staffs. Mr. Stepan said this year the Building Board had suggested that only the top priorities be submitted because of the economic constraints. He thanked the Presidents, Regents, and their staff for the brevity of their request. Chair Jardine noted that higher education facilities are half of the total number of projects considered. He expressed his appreciation for the Regents' realistic request. Associate Commissioner Spencer noted that some of the projects had increased or decreased in cost over the past year. The

Marriott Library, for example, was reduced by almost \$5 million through cost-conscious programming. Updated costs will be reflected in the materials presented at the October 1 meeting of the Building Board.

Chair Karras referred to the questions shown on Attachment 1 to Tab S and asked Interim President Morgan to speak of the building needs at Salt Lake Community College.

Mr. Morgan said the College needs a health sciences facility because of the long waiting lists for the nursing programs in addition to the eight other health sciences programs offered at SLCC. Right now those programs are scattered across the Salt Lake Valley. The College has worked out partnerships with Intermountain Health Care and other groups. IHC representatives were invited to tour the campus; they saw crowded classrooms and deplorable conditions. Many of the high schools have better facilities than the College.

Enrollment growth is difficult to manage. By definition, as a comprehensive community college SLCC accepts everyone at their own skills level. Faculty have increased teaching loads. Salt Lake Community College currently has 1000 more students enrolled than at this time last year. The College has 1200 adjunct faculty, more than 320 full-time faculty, and 600 full-time employees. Fifty-five to sixty percent of the classes at SLCC are being taught by adjunct faculty, causing administrators and faculty to be deeply concerned about quality.

President Sederburg said UVSC was using about 60 percent adjunct faculty. In these difficult economic times, enrollment growth must be financed by using adjunct faculty. Commissioner Foxley noted that four-year institutions must have more full-time faculty, particularly in upper division and graduate programs. President Huddleston said Dixie has about 45 percent adjunct faculty. Interim President Morgan expressed his gratitude for what had already been done. At one time students were lined up in the Student Center with sleeping bags when offices opened in the morning, hoping to get into the nursing program.

Chair Karras said higher education struggles with the funding issue as some public schools have better facilities and more up-to-date equipment than the colleges and universities. Enrollment at UVSC alone is projected to double within the next 20 years. He briefly reviewed the list of building needs at the various institutions. In addition to these projects, each campus has other buildings with critical needs.

Chair Karras asked President Huddleston if the building need was restricting his ability to teach health sciences programs. President Huddleston responded with a definite 'yes.' Health sciences programs are currently being taught in an aircraft building. Classes are crowded in dental assisting, nursing, and EMT programs. Dixie also has a critical need for medical radiography. In addition, the college serves as the staff development arm for Dixie Regional Medical Center, which has donated over \$100,000 of equipment and will donate a full-time FTE faculty to enable Dixie State College to begin a program every fall and spring instead of just once a year.

President Millner said Weber could expand its nursing program without expanding space, barring significant demand. The constraint at WSU is faculty and funding. Accreditation requirements specify one faculty member for every 10-12 students.

Mr. Nye said the question had been posed because it is important to coordinate faculty and space needs. President Huddleston said Dixie had added a Ph.D. nursing faculty member last year with practical experience as well as teaching experience. She was selected from a very qualified applicant pool. He noted that hospitals also have master's degree-prepared faculty to help. The need at Dixie is for funding and facilities. President Bennion

noted the need at SUU was for funding and Regent approval. Enrollment in the nursing and teacher education programs at SUU is critical. Without these programs to make the institution unique, it is difficult to generate the interest of potential students.

Commissioner Foxley said the University of Utah has the responsibility for preparation of nursing faculty. Donations have been made to the University nursing program, but additional state funds are also necessary. We need more nursing educators as well as facilities. External consultants are studying that issue right now. Interim President Morgan said SLCC needs both funding and faculty. In some disciplines, the College has to wait more than a year to find a qualified individual. Salaries are also a problem in hiring qualified faculty.

Mr. Stepan asked if the Regents had expressed concern about duplication of health services, including ATC programs, or is this a regional need to be filled? Commissioner Foxley said partnerships are being built between the institutions. The Regents do not want to have more training than the state needs, but many areas of health care have critical needs for specialists. The Regents are looking at missions and roles, state resources, partnerships with institutions and industry, and doing all they can to avoid unnecessary duplication and still fill the need.

Chair Karras said some of the Regents had traveled to southern Utah to visit with Presidents Bennion and Huddleston and were told of the serious need for additional nurses in southern Utah. The "baby boomer" problem and aging population will only increase the need. Chair Karras asked President Millner to explain Weber State University's arrangement with Davis Applied Technology College. President Millner said DATC has a nursing program under the WSU accreditation. Faculties work together to plan curriculum and deliver the program. This has resulted in an increased ability to prepare health care professionals. Weber has had a statewide role in nursing and has worked with many of the institutions through the years.

President Hall said Weber had a very positive relationship with Utah State University. With scarce resources, only one of four students who apply to the program at USU can be admitted. Roughly 75 percent, or 120 applicants, are rejected. Demand far exceeds the supply.

Maintenance. Associate Commissioner Spencer said there is a critical need for Alterations, Repairs and Improvements (AR&I) funding as well as Operations and Maintenance (O&M) funding. Last year only one-half of higher education's O&M request was funded. Mr. Stepan said two years ago the Legislature increased the capital improvement (AR&I) funding to 1.1 percent of the value/cost of the buildings, statewide. That level of funding only remained in place for one year, then it was reduced to .9 percent. The State Building Board is asking for this funding to be increased to 1.1 percent again this year, although the likelihood of that happening is doubtful. Unfortunately, each year we are doing less and less about deferred maintenance. Chair Jardine said the national average of capital improvements is at least double and probably triple Utah's allocation.

Kevin Walthers, Fiscal Analyst for Capital Facilities, said Representative Loraine Pace had been key in blocking the legislation that would have permanently reduced the AR&I funding to .9 percent. In the early 1990s the amount of funding fluctuated. This year there should be up to \$45 million for deferred maintenance. Mr. Walthers said every year the state is putting more money into AR&I so that deferred maintenance can be taken care of when the library is replaced, for example. We are making good progress in that regard. Mr. Walters pointed out that most of the AR&I money (65 percent) is going to higher education facilities. He commended the DFCM staff for managing the state's facilities so well.

Associate Commissioner Spencer said each institution provides a report on their O&M budgets and O&M funds expended. The "spent" category is always higher than the amount appropriated; only once in a ten-year period did one institution spend less than they were funded. It is vital to maintain O&M funding for new buildings as well as existing buildings, many of which are over 50 years old. He commended the institutions for doing all they can to maintain their facilities.

House Minority Leader Brent Goodfellow, who sits on the Capital Facilities Appropriations Subcommittee, said the interest rate on the last bonds the state floated was less than one percent, and the rate on the last big bond was less than two percent. We need to look at the cost of money and the need. If we can get bonds for less than two percent, he recommended bonding for our buildings.

Ms. Ward said the state issued \$465 million of debt just a month ago, including \$150 million of variable rate debt, at .85 percent. This included the Centennial Highway Fund. The state saved at least \$32 million in interest over the life of those bonds. The Governor's Office is beginning the process of recommending budgets for next year, including bonding. The state has an ongoing highway program which will require bonding. The largest renovation project is the State Capitol. The Capitol Preservation Board will ask for a \$180 million bond to renovate the Capitol. At this point the state is not in any danger of jeopardizing its AAA rating, but we do have over \$1 billion in general obligation debt for our highways.

Mr. Walthers said facilities bonds are paid over a six-year period. Three or four years ago the state tried a pay-as-you-go plan, which worked for nearly nine months. Phased funding was considered at that time. There is no cash available, and setting aside an escrow account would only set aside bonding capacity, not actual money.

Regent Pitcher referred to Mr. Walther's handout and asked for clarification of the difference between "constitutional capacity" (\$900 million) and "statutory capacity" (\$185 million). Mr. Walthers said changing the statutory capacity could be done in a bond authorization or by legislation. Ms. Ward said the legal philosophy on constitutional capacity is that it is a general obligation debt of the state (statewide property tax, based on property value). Chair Karras said there is a huge amount of debt on each of the campuses for buildings which have been constructed with other than general obligation debt. Mr. Walthers said a report would be issued on the total debt, which is a huge number. Regent Burningham pointed out the large amount of building done in the school districts as well.

Regent Karras said this discussion emphasized the need for five-year projections. He appealed to Representative Pace for the Legislature to give the state agencies a five-year projection so they will have tools to work with. Mr. Stepan said the State Building Board was required to do a five-year plan each year; however, this is viewed as an historical list rather than a planning document.

Regent Karras said there are presently 480,000 students in public education. In the next ten years we will have 145,000 additional new students in the public education system. Between 1990 and 2003, 30,000 new K-12 students were added. We can use these numbers to project higher education enrollments for the future. Regent Atkin noted that a five-year plan would enable the Regents to better manage their resources.

Returning to the discussion questions, UofU Vice President David Pershing was asked to report on the current environment for attracting private funding for capital projects. Dr. Pershing responded that for the engineering project, bonding authority for \$15 million was given by the Legislature, and the University was required to raise \$13

million. They have now received \$12 million. Having legislative leverage was a very important factor to donors. Regarding the Marriott Library, Dr. Pershing said the University was asking the Legislature for \$45 million and had committed to raise \$18 million in private funds. To date, over \$16 million of that has been raised, with \$10 million in cash. Donors are waiting to see if the state will approve funding for the project. People are still willing to help, but leverage is critical in this difficult economy.

In the College of Mines, the Geoscience Building is being funded completely with private money which the University has raised over the past five years. No state money is being requested for the construction of this building, but the University will require O&M funding. Ms. Calvert asked if the donors were individuals or corporations. Dr. Pershing said corporations are giving equipment, and individuals are donating cash for bricks and mortar. Mr. Calvert remarked that a few years ago the state gave financial incentives for corporations to move to Utah. Encouraging corporations to make contributions for education would be helpful.

President Benson explained Snow College's partnership with the City of Ephraim for their proposed library. As a footnote, he indicated there is the potential of an additional \$7 million which may become available through local and state loans and grants. This would give the project seven additional points on the Q&P list. The library will contain 30,000 square feet of classroom space and would be a joint-use building of the city and the college. President Benson said it had been the city's idea to combine the libraries; it was the college's idea to add the classroom space. Private donations of \$2 million have been raised.

Commissioner Foxley pointed out that it is difficult to get private money to cover O&M costs. Private individuals do not want to give money for an O&M endowment; they expect the state to provide these ongoing funds.

Regent Grant asked about the possibility of having others own the buildings and leasing them to the colleges. Associate Commissioner Spencer said some of this is already being done at Research Park.

Chair Jardine said the State Building Board appreciated the opportunity to meet with the State Board of Regents. He expressed his appreciation for Representative Pace, Senator Evans, and the other legislators on the Capital Facilities Appropriations Subcommittee. Regent Grant said he was grateful for the increased sharing between public education and higher education. Having two members serve on each other's boards has also increased communication.

Chair Karras thanked members of the State Building Board and DFCM staff for taking the time to meet jointly with the Regents each year.

#### COMMITTEE OF THE WHOLE

The Committee of the Whole reconvened at 10:15 a.m.

#### Governor's Summit Meetings

Chair Karras asked Regent Burningham, Chair of the State Board of Education (SBE), to discuss the Governor's Summits on Competency-Measured Education. Commissioner Foxley pointed out that Superintendent Steve Laing's slide presentation was provided behind Tab T.

Regent Burningham said increasing attention to competency-based education has been generated through the Governor's Summits. The process began a year ago when an ad hoc committee of the State Board of Education was appointed to look at graduation requirements. Governor Leavitt looked at the proposal and supported it. The Utah Legislature passed SB 154 in the 2003 Legislative Session, which included an emphasis on competency. The SBE's first document came out on January 1. Another (improved) revision was published in April. Additional revisions were made by August 1.

Regent Burningham introduced Patti Harrington, Associate Superintendent for Instructional Services, and said she would be also making some remarks.

In addition to the five Governor's Summits which are being held throughout the state, the SBE held 32 public hearings to receive input on their Performance Plus plan. On October 14, following all of the hearings, the SBE will meet to make final refinements to their Performance Plus proposal in preparation for its presentation to the Legislature. The PowerPoint presentation (Supplement to Tab T) provided financial data for the plan. Regent Burningham said there were three important issues to be considered:

1. Students should advance through school on what they have learned. Many people are saying this proposal will hamper the activities and electives parts of a students' education. This is a misconception. Regent Burningham said his background was in teaching in elective areas. There will be no change in opportunities for electives. It is possible that this could be a change for students who are falling behind and not meeting competencies. Those students might choose remediation rather than electives. There is also opportunity for after school classes, summer school, etc. Electives are a local decision decided by the school districts, and the local school boards will continue to make the decisions on electives.

2. Some people perceive Performance Plus as an approach which emphasizes testing to measure competencies. This is an important factor, but it is not a testing approach. The major thrust is assessment and determining competencies so students may be helped.

3. Increased costs are a big issue. This plan will cost money. The question, Regent Burningham stated, is whether or not we really want to help the students. We must provide assistance and remediation to help students achieve competencies.

Regent Barney said three public meetings had been held in her area, with one more scheduled. The attendance has ranged from 350 to 600 concerned citizens. There is great interest and concern on the parts of parents and the community. Parents are still concerned about large class sizes.

Associate Superintendent Harrington said Utah was the last state in the nation to move into a competency environment. Many diagnostic procedures are not done by testing. Of the sizeable cost involved, \$192 million is from existing budgets for class size reductions and current interventions for student success. Implementation will also require \$203 million of new money.

Regent Johnson asked if this was a process which could be started without additional funding. Regent Burningham said public education can move in small ways without funding, but not in significant ways. Associate Superintendent Harrington said the plan would be phased in, beginning in Fall 2004, with full accountability by 2008. Some components still need to be put in place before the \$200 million is received, such as diagnostic assessment, etc.

President Hall asked about math requirements. A very high proportion of Utah students go on to higher education. Will it be possible, given the resource requirements, that our expectations about their competencies, especially in the areas of math, will be sufficiently funded so that every student who needs assistance can get it without having to take remedial classes in college? Regent Burningham said the entire issue of math has been debated at great length. The State Board of Education does not have a firm opinion. The SBE and State Office of Education are still very much open to dialogue.

Commissioner Foxley asked Assistant Commissioner Safman to tell the Board about the math and writing faculty groups appointed by Superintendent Laing and herself. Higher Education and high school faculty are asking for a higher level of math and writing competency. Assessments suggested are costly in time, but not in money. The real cost will come in professional development. Math and writing should be a continuous, integral part of teaching, with constant feedback. Generally, teachers who teach writing in high school do not write for publication. Writing faculty strongly suggest a continuous dialogue and professional development for teachers. Math teachers also need professional development so that those who teach math learn how to teach concepts rather than just formulas. If students do not take math during their last two years in high school, they have lost skills by the time they get to college. Higher education faculty are suggesting four years of writing before students get to college. Associate Superintendent Harrington agreed that education needs to return to teaching the basic rules of grammar, spelling, and punctuation.

Regent Burningham said it was important to remember that the set requirements in the SBE's Performance Plus Program are "bare bones." A large percentage of districts already have more stringent requirements. English is nearly universally required for all years of high school. Math does not have the same requirement.

Regent Jordan said he was not convinced that Algebra II should be required for university admission. He suggested that the institutions think differently about prerequisites at the college and university levels. President Hall responded that knowledge about math at a higher level spreads through all of the sciences. Math is the single biggest discriminator for success or failure in our high school students. He pointed out that new NCAA requirements are higher than the requirements outlined in Performance Plus.

Regent Barney pointed out the need for increased counseling. College-bound students need to be identified and counseled into the classes they need to take.

Regent Atkin asked for clarification: Are two levels of competencies required at the high school level – one for college-bound seniors and a lesser level for other graduates? Are additional standards required for college admission? Regent Burningham said he personally thought the CRT, which measures minimum skills, should have another aspect or level geared toward preparation for college.

President Benson said he had attended the Summit in Provo on Monday and had enjoyed the interplay between higher education and public education. He noticed that there was no foreign language requirement in the



Performance Plus plan. He suggested more emphasis on foreign languages to prepare our students to be better global citizens.

Regent Beesley commented that we do not do students a favor by lowering the bar on graduation standards. A measure of economic success is tied to education. Most people think a high school diploma signifies preparation for college. High school students do not generally know what they will be in their adult lives. Graduates compete for jobs with individuals from all over the world.

President Huddleston noted that in Utah, many students who are in applied technology education will not become doctors or lawyers. They can succeed at many occupations at the minimum graduation standards and still sustain a family. President Huddleston said he and his staff have tried to interest adults in the general education requirements for their degree, but many were not interested. This is a big challenge for a teacher who sometimes perceives a lack of support from the educational community.

President Fitch said the Performance Plus plan is of concern to higher education because it will impact us economically. It is an excellent beginning, and Dr. Fitch said he appreciated the efforts of the State Board of Education. He noted that because something has been legislated does not mean it will necessarily work. He asked, in dealing with the cost, can this be done in certain ways without a huge investment at this time? Higher education can take the present teaching and pre-teaching core with extended training and faculty development and teach them to diagnose these challenges earlier. A K-3 reading program is a good beginning. Children who can read well and comprehensively can address the challenges of math. Grades 4-7 and through high school focus on the end result. He said he would like the larger institutions to prepare students to be citizens in a global environment and allow the smaller institutions, including UCAT, to meet employment needs.

Regent Jordan requested more feedback from public education about where higher education is failing in preparing teachers to teach the students.

Chair Karras invited everyone to attend the next Governor's Summit on Friday, September 19, in Salt Lake City. He said he would like to see a white paper for the October Board meeting so the Regents can discuss this concept and its impact on higher education. Associate Commissioner Winn said the Academic Committee and Chief Academic Officers have prepared a paper which will address these issues. Commissioner Foxley indicated that a draft of the paper was hand carried to members of the committee.

Regent Burningham said he appreciated the input from the Regents and Presidents and that he was encouraged that he did not hear disagreement about competencies in general. Chair Karras said he had been attending the summits and was committing the Board to the idea of competencies. **Regent Grant moved that Chair Karras endorse the idea of competency-based public education with the Board's support. The motion was seconded by Regent Sinclair and carried unanimously.**

#### Reports of Board Committees

In the interest of time, Chair Karras asked Committee Chairs Jardine and Pitcher to give brief reports of the work of their committees.

#### Academic, Applied Technology and Student Success Committee

Utah State University – New Restructured Degrees and Certificates as Part of the Reorganization of the College of Natural Resources (Tab A). Chair Jardine said three degrees were being proposed as part of the reorganization of the College of Natural Resources which was approved in May. The University is now requesting approval of a B.S. Degree in Conservation and Restoration Ecology, and M.S. and Ph.D. Degrees in Human Dimensions of Ecosystem Science and Management, and a Natural Resources and Environmental Education (NREE) Interdisciplinary Graduate Certificate Program. This request came through the Program Review Committee as a Category IV exception, as an attempt by the University to complete the restructuring process in the College of Natural Resources. It is an appropriate exception and the committee recommended approval. **Chair Jardine moved approval of the three new degrees. The motion was seconded by Regent Sweeten and carried.**

Consent Calendar, Academic, Applied Technology, and Student Success Committee (Tab B). Chair Jardine explained that USU was renaming and reconfiguring some existing programs. They are funded by federal grants and no institutional funding will be required. UVSC has proposed the creation of an Entrepreneurship Institute in their School of Business. It is essentially a privately-funded incubator that will be housed within the School of Business. UVSC has partnered with the Community and Economic Development Office of Orem. Concern was expressed in committee about intellectual property and how the Institute's assets would be owned. The committee was reassured that the college is taking care of this in an appropriate way. SLCC has submitted two non-credit ATE certificate programs under the fast track approval process. Both are non-controversial. Chair Jardine called attention to the matrix attached to Tab B which showed UCAT's efforts to harmonize all of the certificate programs offered on all of the UCAT campuses with common cores and the opportunity for flexibility in electives. He praised it as a wonderful effort which moves forward the quality of the programming in UCAT. **Regent Jordan moved approval of the Committee's Consent Calendar. The motion was seconded by Regent Barrett and carried unanimously.**

Information Calendar, Academic, Applied Technology and Student Success Committee (Tab C). Chair Jardine noted that the only item on the Information Calendar was a name change at the University of Utah, from the Graduate School of Architecture to the College of Architecture and Planning.

Higher Education/Public Education Articulation Efforts: Mathematics and Composition Competencies for Graduating High School Students and First-Year College Students (Tab D). Chair Jardine said this information item focused on the earlier discussion of competency-based education, the interface between public education and higher education, and articulation issues.

Regent Atkin asked the status of the Program Review Committee's work on the nursing programs in southern Utah. Chair Jardine said two external consultants have been asked to study the issue, and we are awaiting their reports. Commissioner Foxley said she expected to have a recommendation at the October Board meeting.

#### Finance, Facilities and Accountability Committee

UHEAA – Transfer of Funds Between Student Loan Indentures (Tab E). Chair Pitcher reported that the Student Finance Subcommittee was recommending the transfer of \$30 million from the 1988 Student Loan Indenture to the 1993 Student Loan Indenture. This will provide a better balance in the reserve equities and decrease the amount of subordinated debt in the future. The committee was very supportive of this transaction. **Chair Pitcher moved approval of the transfer of funds. The motion was seconded by Regent Grant and carried unanimously.**

Utah State University – Conceptual Approval to Build Residence Halls, Parking and Food Services (Tab F). Chair Pitcher reported that President Hall had reviewed in committee USU's plan for new residence halls and parking structure and improved existing food services facilities. The new space would free up family housing in Aggie Village and eventually close the USU Mobile Home Park. Chair Pitcher reflected that when he was a USU Trustee in 1991, the Trustees' eventual objective had been closure of the mobile home park. **Chair Pitcher moved conceptual approval of Utah State University's plan to build residence halls, a parking structure, and improve their food services facility. The motion was seconded by Regent Atkin.** President Hall explained that he would come back in October with a detailed proposal and would request Board approval of the project. Commissioner Foxley noted that this would also require the approval of the State Building Board and the Legislature. Regent Jensen asked about the "super suites" planned for the housing units. President Hall said super suites are presently used at the University of Utah and around the nation. They promote living and learning, and this is what the students want. It is not seen as competitive with the private sector. **Vote was taken on the motion, which carried.**

Salt Lake Community College – Campus Master Plan (Tab G). Chair Pitcher said the committee had heard an excellent presentation by Interim President Morgan and Gordon Storrs, Master Planning Coordinator. Master plans of all SLCC campuses were reviewed. **Chair Pitcher moved approval of SLCC's Campus Master Plan. The motion was seconded by Regent Atkin and carried.**

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

- USHE – Proposed Revision of Policy R537
- OCHE – Monthly Investment Report
- UofU and USU – Capital Facilities Delegation Reports
- UofU – Sale of Donated Property

Administrative Efficiencies – Collaborative Opportunities Among Institutions (Tab I). Chair Pitcher said the committee had heard from the Presidents. This is a great opportunity for savings, but it is moving slowly. This issue will be discussed in more depth at the next Board meeting.

USHE – Update on Study of Early Retirement Practices (Tab J). Chair Pitcher reported that the committee had seen some excellent material which was prepared by Assistant Commissioner Brad Mortensen. The committee would like more in-depth information. Do we need early retirement programs in the System? Additional information will be presented at the next Board meeting.

USHE – Update on Institutional Health Plan Changes for 2003-2004 (Tab K). Chair Pitcher said good progress is being made on this study. The objective is for all of the institutions to move closer to achieving a Health Benefits and Premium Index equal to or less than 1.0 when compared to the State of Utah PEHP Preferred Care Plan by the 2006-2007 deadline. Presidents expressed their concern about requiring employees to pay a greater share of their insurance premiums when they have not received salary increases for the past three years.

Accountability Issues – Revised Higher Education "Report Card" (Tab L). Chair Pitcher said the revised report card is in progress. He suggested that Pat Callan, President of the National Center for Public Policy and Higher Education, be consulted to assist the committee in preparing the report. Commissioner Foxley indicated that

she had recently been contacted by Mr. Callan requesting that Utah be the focus of one of the Center's case studies on dealing with growth during times of severe fiscal constraints. She would request Pat and his staff to review the USHE "Report Card" and provide feedback.

USHE – 2002-2003 Enrollments in Technologically-based Courses (Tab M), UHEAA Board of Directors Report and Supplement (Tab N), and Utah State University – School of the Arts, Phase I, Recital Hall (Tab O). Chair Pitcher called attention to these items, which were presented for information only. Due to time constraints, he did not make an oral report of the committee discussion.

Chair Karras thanked Chairs Jardine and Pitcher for condensing their reports so that the meeting could end on schedule.

#### General Consent Calendar

**On motion of Regent Grant and second by Regent Atkin, the following items were approved on the General Consent Calendar (Tab U):**

1. Minutes – Approval of the Minutes of the Regular Meeting of the Utah State Board of Regents held July 9, 2003, at the Board Offices in Salt Lake City, Utah.
2. Grant Proposals - Approval to submit the following proposals:
  - A. University of Utah – National Science Foundation; "A Unified Experimental Environment for Diverse Network Technologies;" \$6,685,027. Frank Jay Lepreau, Principal Investigator.
  - B. Utah State University – National Institute of Health; "CH..O Hydrogen Bonds;" \$1,275,000. Steve Scheiner, Principal Investigator.
  - C. Utah State University – National Institute of Health; "Mechanisms of Acyl, Phosphoryl, and Sulfuryl Transfer;" \$1,470,000. Alvan C. Hengge, Principal Investigator.
  - D. Utah State University – National Institute of Health/NIMH; "Exceptional Survival in Families: Coordinating Center;" \$2,787,792. Christopher Corcoran, Principal Investigator.
  - E. Utah State University – Missile Defense Agency; "RAMOS Task Order 12 Continuation of Detailed Design Efforts;" \$4,024,611. Tom Humpherys, Principal Investigator.
  - F. Utah State University – Department of Commerce, Economic Development Administration; "Federal Assistance to Fund the Infrastructure Needs for the Expansion and Development of the Utah State University Innovation Campus;" \$2,700,000. M. K. Jeppesen, Principal Investigator.
  - G. Utah State University – U.S. Department of Defense, U.S. Navy; "Time Critical Sensor Image/Data Processing Task Order #3;" \$2,999,691. Niel S. Holt, Principal Investigator.

- H. Utah State University – U.S. Department of Defense, U.S. Navy; “Response to Time Critical Sensor Image/Data Processing Task;” \$11,999,964. Niel S. Holt, Principal Investigator.
- I. Utah State University – USDA Cooperative State Research Service; “Implementation of Western Region Sustainable Agriculture Research and Education (SARE) Proposal;” \$3,023,912. V. Philip Rasmussen, Principal Investigator.
- J. Utah State University – National Science Foundation; “Partnership for Building Technology Innovations in a Rural Environment;” \$1,037,424. M. K. Jeppesen, Principal Investigator.
- K. Utah State University – Institute of Education Sciences; “Prevention Plus: An Effective Program to Prevent Antisocial Behavior;” \$1,841,062. Richard P. West, Principal Investigator.
- L. Utah State University – USDA Cooperative State Research Service; “Implementation of the Western Region Sustainable Agriculture Research and Education (SARE) Professional Development Program (PDB);” \$1,090,298. V. Philip Rasmussen, Principal Investigator.
- M. Utah State University – National Aeronautics and Space Administration (NASA); “Geostationary Imaging Fourier Transform Spectrometer (GIFTS);” \$1,898,372. Gail Bingham, Principal Investigator.
- N. Utah State University – NASA; “Geostationary Imaging Fourier Transform Spectrometer (GIFTS);” \$6,170,527. Gail Bingham, Principal Investigator.
- O. Utah State University – NASA; “Far-Infrared Spectroscopy of the Troposphere (FIRST) (IIP);” \$1,315,450. Gail Bingham, Principal Investigator.
- P. Utah State University – Duke University; “Epidemiology of Alzheimer’s Dementia in Cache County, Utah;” \$1,164,179. Maria C. Norton, Principal Investigator.
- Q. Utah State University – NASA Langley Research Center; “Geostationary Imaging Fourier Transform Spectrometer (GIFTS);” \$16,361,333. Gail Bingham, Principal Investigator.
- R. Utah State University – Department of Health & Human Services; “Animal Models of Human Viral Infections for Evaluation of Experimental Therapies: Influenza and Orthopox Viruses;” \$8,487,744. Robert W. Sidwell, Principal Investigator.
- S. Utah State University – U.S. Department of Defense, U.S. Air Force; “Network Visualization and Exploratory Data Analysis;” \$1,291,426. Robert F. Erbacher, Principal Investigator.
- T. Utah State University – Department of Health & Human Services; “Mechanistic Studies on CO<sub>2</sub>-Dependent Map from E. Coli;” \$1,449,000. Richard C. Holz, Principal Investigator.
- U. Utah State University – U.S. Department of Education; “Operate Regional Resource Center, Region No. 5, Utah State University;” \$1,324,400. John Copenhaver, Principal Investigator.

- V. Utah State University – Government of the Dominican Republic; “Estudios Basicos Para el Manejo de los Sistemas de Reiego – Promasir and IDB;” \$1,417,978. Christopher Neale, Principal Investigator; Paul Box, Co-Principal Investigator.
  - W. Utah State University – U.S. Department of Defense, Missile Defense Agency; “RAMOS Joint Preliminary Design Review Task Plan 6;” \$2,720,852. Thomas Humpherys, Principal Investigator.
  - X. Utah State University – U.S. Department of Defense, U.S. Navy; “Response to Time Critical Sensor Image/Data Processing Task;” \$1,900,000. Niel S. Holt, Principal Investigator.
  - Y. Utah State University – USDA Cooperative State Research Service; “Implementation of Western Region Sustainable Agriculture Research and Education (SARE) Proposal;” \$3,012,500. V. Philip Rasmussen, Principal Investigator.
  - Z. Utah State University – U.S. Department of Defense, Missile Defense Agency; “RAMOS Task Order 12;” \$4,024,611. Thomas Humpherys, Principal Investigator.
  - AA. Utah State University – National Science Foundation; “Advance-US: Applying a Successful Business Model to a University;” \$4,184,863. Ronda Callister, Principal Investigator.
  - BB. Utah State University – Department of Health & Human Services; “Microbial Metabolism of Aliphatic Alkenes, Epoxides, and Ketones;” \$1,725,600. Scott A. Ensign, Principal Investigator.
  - CC. Utah State University – Department of Health & Human Services; “Nitrogenase Mechanism;” \$1,464,021. Lance C. Seefeldt, Principal Investigator.
  - DD. Utah State University – Department of Health & Human Services; “Exceptional Survival in Families: Coordinating Center;” \$4,045,978. Christopher D. Corcoran, Principal Investigator.
  - EE. Utah State University – Microbiosystems; “Rapid Clinical Diagnosis of Biothreat Agent Infections;” \$2,148,702. Linda S. Powers, Principal Investigator.
  - FF. Utah State University – NASA; “Microbial Monitoring for Human Health and Safety in the International Space Station;” \$5,698,853. Linda S. Powers, Principal Investigator.
  - GG. Utah State University – Northrop Grumman Space Technology; “Space-Based Surveillance (SBSS) - ECP #1 - Secondary Payloads;” \$6,518,667. Robert Anderson, Principal Investigator.
  - HH. Utah State University – Northrop Grumman Space Technology; “Space-Based Surveillance (SBSS) - Payload Portion;” \$18,156,216. Robert Anderson, Principal Investigator.
3. Proposed Revision to Policy R120, *Bylaws of the State Board of Regents*. It is proposed that the Board Executive Committee be increased by one to add a member at large, appointed by the Board Chair.

4. 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 October 31, 2003 at Utah Valley State College in Orem, Utah to consider property transactions, personnel issues, litigation, and such other matters permitted by the Utah Open and Public Meetings Act.

#### Report of the Commissioner

Proposed Meeting Schedule. Commissioner Foxley referred to the proposed meeting schedule for 2004 as well as the schedule of meetings for the remainder of this year. The December meetings for both years are scheduled on the same date as Weber State University's Winter Commencement. She asked the Regents and Presidents if they would be willing to move the December meeting date on both years to Thursday (December 11, 2003 and December 9, 2004). There was general agreement with this change.

Presidential Inaugurations. Commissioner Foxley reminded the Regents and Presidents that Ryan Thomas would be officially installed as CEU's President on Saturday, September 20, during the College's 65<sup>th</sup> birthday celebration. President Thomas announced that his installation would take place in connection with a dinner at 6:00 p.m. He invited the Regents and Presidents to attend any or all of the events of that weekend. No academic regalia will be worn; dress will be business attire. UVSC President Bill Sederburg will be installed on October 30, the day prior to the next Board meeting. Installation activities will begin with an 11:30 a.m. luncheon, with the installation immediately following. Academic regalia will be appropriate for this inauguration.

Recognition. President Huddleston introduced Phil Aletto, Vice President of Student Services at Dixie State College. He came to Dixie from Westminster College.

Commendations. Commissioner Foxley announced that President Hall, a member of the John F. Kennedy Assassination Commission, would be speaking to the National Press Club on November 14. She commended President Hall on not only what he has done in Utah but also on a national scale. President Benson is the new president of the Mountain States Association of Community Colleges, which is comprised of 36 two-year institutions in eight western states. Commissioner Foxley noted that Utah Business Magazine had recently recognized excellence in various categories throughout the state. Included in the top public company category was SkyWest. The top community enrichment category included the Utah Shakespeare Festival in Cedar City and the Utah Festival Opera Company in Logan. Regence Blue Cross Blue Shield was among the top managed care organizations. Commissioner Foxley congratulated Regents Atkin and Pitcher and Presidents Bennion and Hall.

Resolution. The Commissioner announced that former Regent Hughes Brockbank had recently passed away. He was a long-time legislator, the "grandfather" of UHEAA on whose Board of Directors he served, and a member of the State Board of Regents. **Regent Jardine moved, seconded by Regent Pitcher, that the Board send a resolution to his widow, recognizing his service to higher education. The motion carried.** Commissioner Foxley said the resolution in the Regents' folders would be signed by the appropriate parties and sent to Mrs. Brockbank.

#### Report of the Chair

Board Committee Assignments. Chair Karras said he had sent updated committee assignments to the Regents. Included in the General Consent Calendar was a revision to Policy R120 to allow for the appointment of a member at large to the Executive Committee. He announced that Regent Sweeten had been appointed to that position. Regent Barrett has been asked to chair a new Research and Economic Development Committee. The initial assignment of that committee is to help the Regents understand the research role of the University of Utah and Utah State University in economic development and the Utah System of Higher Education's role in economic development in general.

Finalists for Commissioner position. Chair Karras announced that the Commissioner Search Committee had determined the finalists to be interviewed. Dr. Warren Fox, Dr. Richard Kendell, and Dr. Diane Vines will be interviewed on September 18 by the full Board of Regents, beginning at 10:30 a.m. The new Commissioner will be appointed to work with Commissioner Foxley during the remainder of her term. Chair Karras reviewed the credentials and background of each of the three candidates and said all three were excellent candidates. Chair Karras reflected that the public process causes some pain. Several excellent individuals in the candidate pool chose not to become finalists because they did not wish their names to become public because of their present positions. Associate Commissioner Buhler, who staffed the search, has arranged for the Presidents to meet with the three finalists at the University of Utah. OCHE and UHEAA key staff will also be given an opportunity to meet them.

Commissioner Foxley commended the Regents on their search process and indicated that she knew each of these individuals personally and thought any one of them could be a good Commissioner of this System and could work very well with the Regents and Presidents. The high quality of the candidate pool shows the high regard with which the Utah System of Higher Education is held in the country. She expressed her appreciation to Secretary Cottrell for her help in preparing all of the paperwork and making the logistical arrangements for all of the CEO searches.

#### Adjournment

The meeting of the Committee of the Whole was adjourned at 11:54 a.m. The Regents then met in executive session and were adjourned from there.

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Joyce Cottrell CPS  
Executive Secretary

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Date Approved