



AGENDA
MEETING OF THE
UTAH STATE BOARD OF REGENTS

October 26, 2006

**Utah State Board of Regents
Office of the Commissioner of Higher Education
Board of Regents Building, The Gateway
60 South 400 West
Salt Lake City, Utah 84101-1284**

STATE BOARD OF REGENTS MEETING
OCTOBER 26, 2006
REGENTS' OFFICES, SALT LAKE CITY, UTAH

Agenda

9:00 a.m. - COMMITTEE OF THE WHOLE
10:00 a.m. (Large Board Room, Lobby Level)

1. Welcome and Overview
2. Resolution in Memory of Former Regent Jay Dee Harris
3. 2007-2008 USHE Budget Request (including Utah Education Network) Tab A
4. State Building Board's Final Recommendations on Capital Projects Tab B

10:00 a.m. -
11:00 a.m. MEETINGS OF BOARD COMMITTEES

ACADEMIC (PROGRAMS) COMMITTEE
Commissioner's Board Room, 5th Floor

ACTION:

1. University of Utah – Master of Health Care Administration Tab C
2. Utah State University – Master of Science Degree in Computer Engineering Tab D

INFORMATION:

3. Information Calendar, Programs Committee Tab E
 - A. University of Utah
 - i. Jazz Studies Track in Master of Music Degree
 - ii. Interdisciplinary Graduate Certificate in Historic Preservation
 - B. Southern Utah University – Program Name Change
 - C. Salt Lake Community College – Organization Changes in the School of Business
4. University of Utah – Graduate Council Reviews Tab F

FINANCE AND FACILITIES COMMITTEE
Large Board Room, Lobby Level

ACTION:

1. Proposed Revisions to Policies R926, *Use of Office-Owned IT Resources*, and R927, *Use and Security of Property* Tab G
2. Approval of First-Tier Tuition Range for 2007-2008 Tab H
3. Utah State University – Proposed Institutional Investment Policy Tab I
4. Weber State University – Approving Resolution, Refunding of 2001 and 2005 Bonds Tab J
5. Utah Valley State College – Property Purchase Tab K
6. Utah Valley State College – Lease-Purchase of Building Tab L
7. Salt Lake Community College – Lease of Space in Downtown Salt Lake City Tab M

CONSENT:

- 8. Consent Calendar, Finance Committee Tab N
 - A. UofU and USU – Capital Facilities Delegation Reports
 - B. USHE – Proposed Revisions to Policy R506, *Inventory of Budget-Related and Self-Supporting Courses*

INFORMATION/DISCUSSION:

- 9. USHE – Fall 2006 Enrollment Report Tab O
- 10. USHE – Annual Report on Leased Space Tab P
- 11. USHE – Annual Report on Institutional Residences Tab Q
- 12. University of Utah – Follow-up Report on University Hospital Revenue Bond Sale Tab R
- 13. UHEAA Update Tab S

STRATEGIC PLANNING AND COMMUNICATIONS COMMITTEE
Small Board Room, Lobby Level

ACTION:

- 1. USHE – Legislative Priorities Tab T

INFORMATION:

- 2. Report of National Commission on the Future of Higher Education Tab U
- 3. Report on Joint Legislative Meeting, September 21, 2006 Tab V
- 4. Report of Task Force on Minority and Disadvantaged Students Tab W
- 5. Legislative Outreach

11:00 a.m. -
12:00 noon

COMMITTEE OF THE WHOLE
Large Board Room, Lobby Level

- 1. Update on the Utah Science Center/The Leonardo
- 2. Reports of Board Committees
- 3. College of Eastern Utah/Southeast ATC Collaboration Study Tab X
- 4. Outline of Study Parameters for SLCC/SLTATC, SUU/SWATC, and DSC/DXATC Tab Y
- 5. General Consent Calendar Tab Z
- 6. Report of the Commissioner
- 7. Report of the Chair

12:00 noon -
1:30 p.m.

LUNCHEON MEETINGS
(Buffet outside Board Rooms, Lobby Level)

STATE BOARD OF REGENTS – EXECUTIVE SESSION
 4th Floor Executive Conference Room

Chief Academic Officers – Library, 5th Floor
 Legislative Liaisons – EdNet Room, 5th Floor
 Others – Commissioner’s Board Room, 5th Floor



Projected times for the various meetings are estimates only. The Board Chair retains the right to take action at any time. In compliance with the Americans with Disabilities Act, individuals needing special accommodations (including auxiliary communicative aids and services) during this meeting should notify ADA Coordinator, 60 South 400 West, Salt Lake City, UT 84180 (801-321-7124), at least three working days prior to the meeting. TDD # 801-321-7130.

October 18, 2006

MEMORANDUM

TO: State Board of Regents

FROM: Richard E. Kendell

SUBJECT: USHE – 2007-2008 USHE Budget Request (including Utah Education Network)

Statute requires the State Board of Regents to “recommend a combined appropriated for the operating budgets of higher education institutions for inclusion in the state appropriations act” (UCA 53B-7-101(1)).

The attached budget recommendation focuses on the themes established by the Regents during the July planning meeting, *Completion, Participation, and Preparation*. The prioritized categories as identified in the request represent an “equitable distribution of funds among the respective institutions in accordance with the aims and objectives of the statewide master plan for higher education” in a manner that we believe the Legislature can fund that is “consistent with the financial ability of the state” (UCA 53B-7-101(3)).

The FY 2008 Budget recommendation seeks a compensation plan equivalent to that of state employees, additional funds to help retain key faculty and staff members, funding to support key infrastructure needs of building operation and maintenance, utility rate increases, institutional key budget priorities and partnerships, a continued commitment to the role of Higher Education in workforce development, and appropriations to enhance student success through additional financial aid opportunities. The request asks for \$47.2 million in ongoing funds beyond the compensation package and an additional \$13.3 million in one-time funding for critical needs.

Attachment One provides the detailed USHE request. In addition to the USHE budget requests, Regents are being provided with a copy of the Utah Education Network budget request (Attachment Two) and will receive a draft copy of the Utah College of Applied Technology 2007-2008 Budget Request the day of the meeting. Staff and institutional representatives will be available to answer questions.

State Board of Regents
October 18, 2006
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Recommendation

The Commissioner recommends approval of the FY 2008 budget recommendation.

REK/MHS/KLH
Attachments

Richard E. Kendell
Commissioner of Higher Education



**Utah System of Higher Education
Operating Budget Request Summary (Tax Funds Only)
FY 2007-08 and FY 2006-07 Supplemental**

*Revised
October 17, 2006*

ESTIMATED FY 2007-08 STATE TAX FUNDS ADJUSTED BASE BUDGET \$ 650,300,600

New Ongoing Funding *Base Compensation + \$47,207,600*

A. Base Budget (Compensation and Mandated Costs)	21,673,200	+ <i>Base Compensation</i>
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B. Participation and Completion	25,096,900
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C. Preparation	437,500
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Ongoing Funds Base Budget Percentage Increase 7.3%

One-Time Funding *\$10,500,000*

Supplemental Funding *\$2,805,900*

Notes:

A 3% compensation package increase (including 9.5% for Health insurance Rates, 4% for Dental and 0% for Retirement) would require \$20,164,500 in additional new tax funds. This represents an additional 3.1% increase in base budget funding (10.4% total). The 3% package would require a first tier tuition increase of approximately 3.5% to cover the institutions' share of compensation.

Utah System of Higher Education

Estimated Operating Budget Request Summary (Tax Funds Only)

FY 2007-08 and FY 2006-07 Supplemental

*Revised
October 17, 2006*

ESTIMATED FY 2007-08 STATE TAX FUNDS ADJUSTED BASE BUDGET **\$ 650,300,600**

USHE BUDGET PRIORITIES **\$47,207,600**

<i>Basic Budget</i>		
1. Compensation		<i>Base Compensation + \$7,498,900</i>
A. Equivalent State Employee Compensation Package ⁽¹⁾	<i>TBD</i>	
B. Salary Retention Funds	7,498,900	
2. Mandated Costs		14,174,300
A. Utility Rate Increases	8,738,800	
B. IT Software Licensing Costs	900,000	
C. Database and Disaster Recovery Management	464,100	
D. O&M Requests for State and Non State Funded Projects (Currently On Line)	1,133,200	
E. O&M Requests for State and Non State Funded Projects (Online for 2007-08)	357,000	
F. Hearing Impaired Student Translators	1,939,200	
G. Academic Library Consortium	642,000	
<i>Participation and Completion</i>		
3. Focused Participation Rate Increases		3,359,400
A. Student Financial Aid		
(1) Need Based Student Aid - (UCOPE)	3,149,100	
(2) Mandated Federal Aid State Match	210,300	
4. Institutional Priorities and Partnerships		15,500,000
A. Priorities	10,500,000	
B. Partnerships	5,000,000	
5. Workforce Development		6,237,500
A. Engineering & Computer Science Initiative	5,045,200	
B. Nursing ⁽²⁾	500,000	
C. T.H. Bell	692,300	
<i>Preparation</i>		
6. Student Support and Success		437,500
A. New Century Scholarships	437,500	

ONE-TIME INCREASES **\$10,500,000**

1. A. Engineering, Computer Science, and Scientific Equipment	4,000,000	\$10,500,000
B. IT Equipment - Network Infrastructure	3,000,000	
C. IT Equipment - Disaster Recovery	1,000,000	
D. CTE Equipment	1,000,000	
E. Utah State Scholar Initiative	500,000	
F. Library Enhancements & Acquisitions	1,000,000	

SUPPLEMENTAL INCREASES **\$2,805,900**

1. A. New Century Scholarship	130,100	\$2,805,900
B. SLCC 2006-07 O&M Budget Correction	325,000	
C. Utility Rate Increases	2,250,800	
D. Database and Disaster Recovery Management	100,000	

REQUEST SUMMARY

USHE Budget Priorities	\$47,207,600
USHE Priorities Request Percent Increase	7.3%
One-time Increases	\$10,500,000
Supplemental Increases	\$2,805,900

Notes:

UN & UCAT Budgets are considered separately from the USHE budget.

(1) 1% Tax Funds: Salary & Wages \$4,049,900; Salary Related Benefits \$819,500; Health \$567,300; Dental \$44,700; State Retirement \$134,600

(2) Nursing Request is a conversion of one time to ongoing funding.

Utah System of Higher Education

Estimated Operating Budget Request Summary (Tax Funds Only)

FY 2007-08 and FY 2006-07 Supplemental

*Revised
October 17, 2006*

ESTIMATED FY 2007-08 STATE TAX FUNDS ADJUSTED BASE BUDGET **\$ 650,300,600**

USHE BUDGET PRIORITIES **\$47,207,600**

<i>Basic Budget</i>			
1. Compensation			Base Compensation + \$7,498,900
A. Equivalent State Employee Compensation Package ⁽¹⁾			<i>TBD</i>
B. Salary Retention Funds			7,498,900
1.	University of Utah	2,923,800	
2.	Utah State University	1,564,600	
3.	Weber State University	772,300	
4.	Southern Utah University	327,100	
5.	Snow College	158,000	
6.	Dixie State College	190,900	
7.	College of Eastern Utah	111,900	
8.	Utah Valley State College	727,400	
9.	Salt Lake Community College	696,500	
10.	State Board of Regents Office	26,400	
2. Mandated Costs			14,174,300
A. Utility Rate Increases			8,738,800
1.	University of Utah	4,697,900	
2.	Utah State University - Education and General	1,534,300	
	Utah State University - Uintah Basin	49,400	
3.	Weber State University	402,800	
4.	Southern Utah University	384,600	
5.	Snow College	582,700	
6.	Dixie State College	147,500	
7.	College of Eastern Utah - Price	177,800	
	College of Eastern Utah - San Juan	4,200	
8.	Utah Valley State College	483,000	
9.	Salt Lake Community College	274,600	
B. IT Software Licensing Costs			900,000
1.	State Board of Regents Office	900,000	
C. Database and Disaster Recovery Management			464,100
1.	State Board of Regents Office	464,100	
D. O&M Requests for State and Non State Funded Projects (Currently On line)			1,133,200
1.	University of Utah		
	<i>Emma Eccles Jones Medical Research Building</i>	196,900	
	<i>Chemistry Gauss House</i>	64,500	
	<i>Warnock Engineering Building</i>	166,050	
	<i>Moran Eye Center II</i>	283,750	
2.	Weber State College		
	<i>Reed K. Swenson Building</i>	32,200	
3.	College of Eastern Utah		
	<i>San Juan Library and Health Sciences Building</i>	56,150	
	<i>San Juan Center "Quad" Building</i>	8,650	
9.	Salt Lake Community College		
	<i>Health Sciences Building</i>	325,000	

USHE BUDGET PRIORITIES (continued)

E. O&M Requests for State and Non State Funded Projects (Online for 2007-08)		357,000	
1. University of Utah			
<i>Social Work Building</i>	27,700		
<i>Humanities Building</i>	53,200		
<i>Moran Eye Center II</i>	195,800		
2. Utah State University			
<i>South Animal Farm Teaching / Research Facility</i>	38,400		
<i>David G. Sant Engineering Innovation Building</i>	41,900		
F. Hearing Impaired Student Translators		1,939,200	
1. State Board of Regents Office	1,939,200		
G. Academic Library Consortium		642,000	
1. State Board of Regents Office	642,000		
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Participation and Completion			
3. Focused Participation Rate Increases			3,359,400
A. Student Financial Aid			
(1) <i>Need Based Student Aid - (UCOPE)</i>		3,149,100	
State Board of Regents Office			
(2) <i>Mandated Federal Aid State Match</i>		210,300	
State Board of Regents Office	210,300		
4. Institutional Partnerships			15,500,000
A. Institutional Priorities		10,500,000	
1. University of Utah	1,000,000		
2. Utah State University	1,000,000		
3. Weber State University	1,000,000		
4. Southern Utah University	1,000,000		
5. Snow College	500,000		
6. Dixie State College	1,500,000		
7. College of Eastern Utah	500,000		
8. Utah Valley State College	3,000,000		
9. Salt Lake Community College	1,000,000		
B. Partnerships (such as:)		5,000,000	
1. University of Utah and Dixie State			
2. Utah State University, College of Eastern Utah and Snow College			
3. Weber State University, Utah State University and Hill Air Force Base			
5. Workforce Development			6,237,500
A. Engineering & Computer Science Initiative		5,045,200	
1. State Board of Regents Office	5,045,200		
B. Nursing ⁽²⁾		500,000	
1. State Board of Regents Office	500,000		
C. T.H. Bell Teaching Loan Incentive Program		692,300	
1. State Board of Regents Office	692,300		
Preparation			
6. Student Support and Success			437,500
A. New Century Scholarships		437,500	
1. State Board of Regents Office	437,500		

DRAFT

ONE-TIME INCREASES \$10,500,000

1.	A. Engineering, Computer Science, and Scientific Equipment	4,000,000	<u>\$10,500,000</u>
	1. State Board of Regents Office	4,000,000	
	B. IT Equipment - Network Infrastructure	3,000,000	
	1. State Board of Regents Office	3,000,000	
	C. IT Equipment - Disaster Recovery	1,000,000	
	1. State Board of Regents Office	1,000,000	
	D. CTE Instructional Equipment	1,000,000	
	1. State Board of Regents Office	1,000,000	
	E. Utah State Scholar Initiative	500,000	
	1. State Board of Regents Office	500,000	
	F. Library Enhancements & Acquisitions	1,000,000	
	1. State Board of Regents Office	1,000,000	

SUPPLEMENTAL INCREASES \$2,805,900

1.	A. New Century Scholarship	130,100	<u>\$2,805,900</u>
	1. State Board of Regents Office	130,100	
	B. SLCC 2006-07 O&M Budget Correction	325,000	
	1. Salt Lake Community College	325,000	
	C. Utility Rate Increases	2,250,800	
	1. University of Utah	876,400	
	2. Utah State University - Uintah Basin	70,800	
	3. Weber State University	111,500	
	4. Southern Utah University	135,300	
	5. Snow College	568,700	
	6. Dixie State College	0	
	7. College of Eastern Utah - Price	86,300	
	8. Utah Valley State College	246,900	
	9. Salt Lake Community College	154,900	
	D. Database and Disaster Recovery Management	100,000	
	1. State Board of Regents Office	100,000	

REQUEST SUMMARY

<u>USHE Budget Priorities</u>	<u>\$47,207,600</u>
USHE Priorities Request Percent Increase	7.3%
<u>One-time Increases</u>	<u>\$10,500,000</u>
<u>Supplemental Increases</u>	<u>\$2,805,900</u>

Notes:

UEN & UCAT Budgets are considered separately from the USHE budget.

- (1) 1% Tax Funds: Salary & Wages \$4,049,900; Salary Related Benefits \$819,500; Health \$567,300; Dental \$44,700; State Retirement \$134,600
- (2) Nursing Request is a conversion of one time to ongoing funding.

FY 2008 BUDGET REQUEST - ACTION

Issue

The FY2008 UEN budget request requires approval by the Steering Committee before submittal to the Legislature for its consideration. UEN staff has worked on the planning and development of this year's request in cooperation with our stakeholders. Because the deadline for submitting budget requests to the Governor's Office of Policy and Budget (GOPB) was September 25th, UEN has already submitted a preliminary FY2008 budget request to the Governor's Office.

Background

Economic conditions in the state for this year continue to be favorable. The Legislative Fiscal Analyst is projecting that one-time supplemental funding may be available in FY 2007 for State appropriations, subject to statutory spending limitations. Also, FY 2007 revenue collections are coming in ahead of target suggesting continued growth in available revenue for FY 2008.

Major FY 2008 Budget Issues

Essential Funding for Critical Staff Retention

Statewide funding increases for salary and benefit adjustments for State employees, public education and higher education are made by the Executive Appropriations Committee. Nonetheless, additional funding is requested above the statewide salary adjustment for FY 2008 for retention of crucial technical staff. Private firms continue to attract key personnel because UEN salaries for technical staff are running 50% below market. The request of \$300,000 is essential for technical staff retention.

Priority 1: Final Phase of Network Infrastructure Project (Phase IV)

For FY 2008, UEN requests ongoing funding of \$1.5 million for the final phase of the Gigabit bandwidth expansion project begun in FY 2004. Last year, the Legislature appropriated \$1.5 million of one-time funding for this purpose. For FY 2008, UEN's highest priority is to convert the one-time money to ongoing funds to pay the on-going circuit charge expenses associated with the multi-year contract obligations entered into by UEN in FY 2007. When this final phase is completed, all public colleges, universities and secondary schools will be connected to the network with 100 mb/s or greater connections.

Priority 2: Final Phase of EDNET Classrooms Conversion to IP-Video

UEN requests that \$1,000,000 be appropriated for FY 2008 to fund the final phase to convert EDNET classrooms in Utah County and Salt Lake County high schools to IP-based videoconferencing technology. Reflected in this amount is \$800,000 in one-time funds for equipment and \$200,000 in ongoing funding for maintenance and support of the network and classroom equipment. Major progress has been made to convert EDNET to IP-based videoconferencing technology. By the end of FY 2007, 225 classrooms in the statewide EDNET

network will have been converted. High-capacity IP Video interface equipment has been installed at six locations throughout the state, and new management software has been implemented to manage scheduling and operation of the new videoconferencing system. We are proposing to upgrade the remaining 50 EDNET classrooms to IP videoconferencing technology in FY 2008.

Priority 3: Host Course Management System for Utah State University, Utah Valley State College, and the University of Utah

UEN is requesting \$1,110,000 to host a centralized course management system (Vista) at Utah State University, Utah Valley State College and the University of Utah. UEN already hosts Dixie State College, College of Eastern Utah, Snow College and the Utah College of Applied Technology. Reflected in this amount is \$480,000 in one-time funds to purchase equipment and increase the capacity of our Oracle database license and \$630,000 in ongoing funds for the annual discounted Vista license, personnel and operating expenses. With UEN hosting an enterprise-level course management system, the Utah System of Higher Education maximizes information technology resources, optimizes investments in hardware and software, and ensures system reliability and performance. For faculty, the enterprise model expands the opportunity to improve the quality of courses, lesson assignments, and student assessments. It also means that course material developed by a professor on one campus can be reused system-wide by other departments and colleges. This feature offers exciting possibilities for both increased efficiencies and increased richness to traditional classroom instruction as well as online courses. A UEN hosted course management system will result in significant cost savings to the state compared to the cost if each institution managed its own system. The annual license is discounted 35 percent below the cost that institutions would pay, half the personnel will be required, and hardware expenditures will be approximately 60% lower.

Priority 4: One-Time Supplemental Request: UEN Satellite Conversion to IP Video

The UEN satellite system (UENSS), an essential component of the UEN network, has been in operation for nearly 10 years and is now unreliable and at risk of suffering catastrophic failure. Uplink equipment at USU (which sends the live instructor communication to the satellite and out to students at receive sites) is no longer even manufactured. We purchase replacement equipment from a broker who resells the limited remaining stock of parts. Essentially, we depend on buying equipment through eBay to keep the most critical components of the satellite system operational. The cost to upgrade obsolete uplink equipment to current technology (MPEG 4), and to install new equipment that works with MPEG 4 at 10 satellite origination sites and 221 receiving classrooms is estimated to be \$1.8 million. Because of more efficient and capable technology, upgrading the UENSS is not the preferred solution. The best solution for the state is to convert UENSS to an Internet-based, fully interactive videoconferencing technology. \$2.1 million in one-time funding is required to convert 10 origination sites and 176 receiving classrooms to the new IP technology. The remaining classrooms can be converted within the existing ongoing budget.

UEN requests that \$2,100,000 in one-time funds be appropriated for FY 2008 to convert the UEN Satellite System (UENSS) in partnership with Utah State University to an Internet-based interactive videoconferencing system. UEN prefers that the Legislature appropriate this request from FY 2007 supplemental funds so that we have enough time for procurement and conversion of UENSS before the Fall 2007 academic term to accommodate the more than 7,000 USU students currently receiving classes over the system.

Summary of FY 2008 Budget Request

1. Finish the final phase of the major network infrastructure improvements we have made in the past several years.
2. Complete the final phase of converting the EDNET system to IP-based videoconferencing technology.
3. Host a critical enterprise course management system (Vista) for the University of Utah, Utah State University, and Utah Valley State College, plus the four institutions already supported.
4. Replace the UEN Satellite System with IP-based videoconferencing technology.
5. Request funding for critical staff retention

UEN will request a total of \$6,010,000 in new funding for FY 2008. \$3,380,000 is one-time funds and \$2,630,000 is ongoing funds. The chart below illustrates the distribution of the UEN FY 2008 budget request.

Utah Education Network FY 2008 Budget Request			
	One-time Funding	On-going Funding	Total Funding
Staff Retention		\$300,000	\$300,000
Network Infrastructure Final Phase (IV)		\$1,500,000	\$1,500,000
IP Video (EDNET)	\$800,000	\$200,000	\$1,000,000
Enterprise Course Management System	\$480,000	\$630,000	\$1,110,000
Satellite Replacement	\$2,100,000		\$2,100,000
Total FY 2008 Request	\$3,380,000	\$2,630,000	\$6,010,000

Recommendation

It is recommended that the UEN Steering Committee take action on the following items:

1. **Review the proposed budget priorities and the recommended FY 2008 budget request of \$3.38 million in state ongoing funds and \$2.63 million in one-time state funds.**
2. **Adopt the budget request and support its consideration and approval by the State Legislature and Governor during the 2007 General Legislative Session.**

October 18, 2006

MEMORANDUM

TO: State Board of Regents
FROM: Richard E. Kendell
SUBJECT: State Building Board's Final Recommendations on Capital Projects

The State Building Board met on October 19 to provide its annual ranking of statewide projects. This meeting occurred after the mailing date for the Regents' agenda. Staff will provide and updated memo at the meeting regarding the rankings.

Richard E. Kendell
Commissioner of Higher Education

REK/MHS

October 18, 2006

MEMORANDUM

TO: State Board of Regents

FROM: Richard E. Kendell

SUBJECT: University of Utah - Master of Healthcare Administration (MHA) Alone and Jointly with Three Professional Degrees: Master of Business Administration (MBA)/MHA, Master of Public Administration (MPA)/MHA and the Master of Public Health (MPH)/MHA. Effective Fall, 2007 – Action Item

Issue

The University of Utah requests approval to offer a Master of Healthcare Administration (MHA) effective Fall, 2007. This request also seeks approval to offer the Master of Healthcare Administration as a joint degree with three existing professional degrees in a joint degree format as an MBA/MHA, MPA/MHA and MPH/MHA effective Fall, 2007.

Background

The MHA degree program will provide advanced and specialized professional preparation for students wishing to enter positions in healthcare administration. The proposed degree program will prepare students for administrative, policy, and planning positions in both the public and private sectors. It will prepare them to address the complex and rapidly changing world of healthcare delivery in which access, quality, and efficiency must be balanced.

Students may complete the degree as a stand-alone master's degree or as a joint degree in combination with an MBA, MPA, or MPH. The proposed MHA degree will be offered in addition to the Health Services Administration (HSA) graduate emphasis which has been offered by the University of Utah for over twenty years. Offering the MHA degree will enable pursuit of accreditation from the Commission on Accreditation of Healthcare Management Education (CAHME), the major accrediting association for degrees in healthcare administration. The accrediting association does not accredit non-degree programs, so the current HSA emphasis is not eligible for certification.

In addition, a graduate degree from a program accredited by the Commission on Accreditation of Healthcare Management Education (CAHME) is fast becoming the credential sought by employers, and thus by students. Many scholarships, internships, and employment opportunities are open only to students of such accredited programs.

The MHA degree is co-sponsored by the School of Business, the School of Medicine, and the College of Social and Behavioral Science, each of which has a successful professional graduate program, and by the Governor Scott M. Matheson Center for Health Care Studies. The degree extends the curriculum of the HSA emphasis in several important ways. The proposed degree program includes coursework in law and ethics, areas of great concern in healthcare today. It allows students to gain exposure in one of three areas of expertise unique to the three participating colleges (entrepreneurship and technology venture development, clinical informatics, and healthcare administration in the global context). Finally, the degree adds an essential practicum/internship as a capstone experience. Students will be advised and encouraged to complete their internships in their area of exposure, thus allowing them to gain practical experience beyond their classroom training.

A variety of career options exists for graduates, from joining a large healthcare system, to working in information technology supporting the delivery of healthcare, to promoting an entrepreneurial venture with medical technology.

Policy Issues

The Chief Academic Officers reviewed the proposed program and voiced support. No issues were raised.

Commissioner's Recommendation

The Commissioner recommends that the Regents approve the University of Utah's request to offer a Master of Healthcare Administration (MHA) as a stand-alone program and as a joint degree with three existing professional degrees: the Master of Business Administration/MHA, the Master of Public Administration/MHA, and the Master of Public Health/MHA effective Fall, 2007.

Richard E. Kendell, Commissioner

REK/PCS
Attachment

Academic, Applied Technology, and Student Success Committee

Action Item

Request to Offer the Master of Healthcare Administration Alone and Jointly with the Master of Business Administration, the Master of Public Administration, and the Master of Public Health

Effective Fall 2006

University of Utah

Prepared for
Richard E. Kendell
by
Phyllis C. Safman

October 18, 2006

SECTION I: The Request

The University of Utah requests approval to offer a Master of Healthcare Administration (MHA) effective Fall, 2007. This request also seeks approval to offer the Master of Healthcare Administration as a joint degree with three existing professional degrees, specifically in a joint degree format as an MBA/MHA, MPA/MHA and MPH/MHA. This program was approved by the institutional Board of Trustees on June 12, 2006.

SECTION II: Program Description

Complete Program Description: The Master of Science Degree in Healthcare Administration (MHA) at the University of Utah is an interdisciplinary, multi-department program designed to provide students with analytical skills and content expertise in the field of healthcare administration. Students may complete the degree as a stand-alone master's degree or as a joint degree in combination with an MBA, MPA, or MPH. The MHA degree will be offered in addition to the Health Services Administration (HSA) graduate emphasis which has been offered by the University of Utah for over twenty years. Offering the MHA degree will enable pursuit of accreditation from the Commission on Accreditation of Healthcare Management Education (CAHME), the major accrediting association for degrees in healthcare administration. The accrediting association does not accredit non-degree programs so the current HSA emphasis is not eligible for certification. The HSA emphasis will be offered in the short-term and the need for both the emphasis and the degree will be carefully evaluated. It is anticipated that within 3-5 years a request will be made to include additional existing masters' degrees as joint degree options with the MHA. Other masters programs that currently participate in the HSA emphasis will be consulted regarding the future offering of that emphasis.

The MHA degree is co-sponsored by the School of Business, the School of Medicine, and the College of Social and Behavioral Science, each of which has a successful professional graduate program, and by the Governor Scott M. Matheson Center for Health Care Studies. The degree extends the curriculum of the HSA emphasis in several important ways. The degree includes coursework in law and ethics, areas of great concern in healthcare today. It allows students to gain exposure in one of three areas of expertise unique to the three participating colleges (entrepreneurship and technology venture development, clinical informatics, and healthcare administration in the global context). Finally, the degree adds an essential practicum/internship as a capstone experience. Students will be advised and encouraged to complete their internships in their area of exposure, thus allowing them to gain practical experience beyond their classroom training.

The MHA degree covers essential knowledge areas through a combination of required and elective courses. The elective courses add flexibility so that students can get exposure to necessary knowledge components from the special focus of their particular interest area. Students will be responsible for fulfilling any prerequisites for the courses they choose. Depending upon the courses chosen by an individual student, the total credit hours for the MHA program will range from 48 to 53.

Upon application to the Graduate School, students will elect the MHA as a stand-alone degree or as a joint degree with the MBA, MPA, or MPH. Students who enroll in one of the joint degree programs can count up to 12 credit hours of course work from each degree towards the requirements of the other degree thus reducing their total time in the combined programs. Taken as a joint program, the MHA will have between 36-41 unique semester credit hours beyond those required for the joint master' program. These credit hours will involve an additional two semesters of course work plus the internship/practicum. Sample programs of study for the MHA as a stand-alone degree and for the MBA/MHA, MPA/MHA, and MPH/MHA can be found in Appendices B and D.

The major areas of study in the MHA curriculum are:

A. Administrative and management skills (15-16.5 credit hours)

Note: Exceptions to the requirements in this section will be made for MPA/MHA students allowing them to substitute appropriate core MPA finance and organizational behavior courses.

1. Financial Management and Control

Accounting (4.5 credit hours)

ACCTG 6000 Financial Accounting (3)

ACCTG 6001 Managerial Accounting (1.5)

Finance (3 credit hours)

FINAN 6020 Financial Management (3)

2. Organizational Behavior (choose one of the following; 3 credit hours):

MGMT 6051 Managing and Leading in Organizations (3)

MGMT 5680 Human Behavior in Organizations (3)

3. Operations and Services Management (choose one; 3 credit hours)

MGMT 6060 Production and Operations Management (3)

MGMT 6670 Services Operations (3)

4. Marketing Skills (3 credit hours)

MKTG 6550 Marketing for Health Professionals (3)

B. Social and Behavioral Sciences (all are required; 9 credit hours)

1. Health Economics

ECON 6190 Health Economics (3)

2. Health Policy

POLS 6321 Health Policy (3)

3. Health Behavior

FPMD 6600 Social Context of Medicine and Public Health (3)

C. Health systems and delivery (10-11 credit hours)

1. Health Care Systems (2-3 credit hours)

HEDU 5100 Health Care in the United States (3)

HEDU 6790 Health Services Administration (3)

FPMD 6401 Health Policy & Managed Care (2)

2. MHA Integrative Courses (take both; 8 credit hours)

MHA 6800 Current Issues in Healthcare Administration (3)

MHA 6900 Healthcare Administration Internship (5)

D. Law and ethics (take 1 law and 1 ethics course; 3.5-6 credit hours)

1. Law (one course; 2-3 credit hours)

POLSCI 6230 Administrative Law (3)

FPMD 6603 Law & Medicine I (2)

FPMD 6604 Law & Medicine II (2)

LAW 7360 Health Law (3)
MGMT 6310 Business Law (3)

2. Ethics (one course (1.5-3 credit hours))

PADMN 6870 Public Administration and Ethics (3)
MGMT 6540 Ethics of Management (1.5)
PHIL 6500 Contemporary Ethical Theory (3)
PHIL 6520 Advanced Bioethics (3)

E. Research and quantitative skills (2 courses required; 6 credit hours)

1. Statistics (one graduate level statistics course; 3 credit hours)

Options from business, social work, educational psychology, nursing, economics, FPMD, and public administration. Example:

MGMT 6040 Data Analysis & Decision Making (3)

2. Program Evaluation (choose one; 3 credit hours)

HEDU 6100 Program Evaluation (3)
NURS 6003 Program Planning & Development (3)

F. Exposure (choose one, take 3 credit hours. Internship to compliment Exposure as appropriate)

1. Technology Venture Development (take at least 1 course; 3 credit hours)

MGMT 6710 Strategy and Technology (3)
MGMT 6810 Entrepreneurship and Emerging Business (3)
MGMT 6840/FINAN 6881 Managing the Venture Process (3)
MGMT 6860 Lasonde Venture (3)
MBA 6500 Business Analytics Practicum (3)

2. Clinical Informatics (take at least 1 course; 3 credit hours)

MDINF 6000 Introduction to Medical Informatics (3)
MDINF 6600 Introduction to Bioinformatics (3)
MDINF 6700 Public Health Informatics (3)
IS 6010 Information Systems (1.5)
IS 6410 Process Analysis and IS Project Management (3)
IS 6481 Data Warehousing (1.5)
NURS 6800 Introduction to Clinical Informatics (2)

3. Healthcare Administration in the Global Context (take at least 1 course; 3 credit hours)

ECON 6520 Multinational Firms (3)
FINAN 6550 International Finance (3)
FPMD 6502 International Public Health Issues (3)
MGMT 6590 Managing the Global Workforce (3)
MGMT 6791 Global Strategic Management (3)
POLS 6630 Foundations of International Organizations (3)
POLS 6800 Theories of International Relations (3)

One of the key benefits of the interdisciplinary structure of the MHA program is the opportunity to take advantage of new courses that become available as departments hire new faculty and/or interests of current faculty evolve to include healthcare. With prior approval, students may have the opportunity to substitute appropriate courses relevant to the program core topic areas as new courses are offered. Potentially relevant substitute courses will be reviewed by the program director and advisory board.

Purpose of the Degree

The MHA degree will provide advanced and specialized professional preparation for students wishing to enter positions in healthcare administration. The degree program will prepare students for administrative, policy, and planning positions in both the public and private sectors. It will prepare them to deal with the complex and rapidly changing world of healthcare delivery in which access, quality, and efficiency must be balanced. A variety of career options exists for graduates, from joining a large healthcare system, to working in information technology supporting the delivery of healthcare, to promoting an entrepreneurial venture with medical technology.

Institutional Readiness

The University of Utah has offered a master's-level emphasis option in Health Services Administration (HSA) since 1984, graduating more than 125 students. The HSA program is an interdepartmental master's emphasis; students in the program must be matriculated in one of ten participating master's degree programs and concurrently pursue the requirements of their chosen degree and the HSA emphasis.¹ The HSA program is coordinated through the Governor Scott M. Matheson Center for Health Care Studies and overseen by the Senior Vice President for Health Sciences and the Senior Vice President for Academic Affairs. Graduates of the program have found ready employment, locally and nationally, thereby demonstrating the quality of education delivered by program's interdisciplinary, multi-department structure.

The University of Utah has had excellent experience with interdisciplinary, multi-department degrees. Some of the most successful interdisciplinary degrees include the undergraduate degree in Behavioral Science and Health, the MBA housed in the School of Business, the graduate degree in Neuroscience and the Master's of Statistics. The University of Utah also has had extensive experience managing dual-degree programs. The Master of Business Administration (MBA), Master of Public Administration (MPA), Master of Public Health (MPH), and Master of Social Work (MSW) all have dual degree options and bring seasoned experience to the table.

Faculty

Because of the interdisciplinary nature of the MHA program, students will have access to faculty from several different departments and with specialty preparation in a variety of fields related to healthcare. The MHA degree includes primarily existing courses offered through departments across campus. Faculty from the School of Business will offer courses in accounting, entrepreneurship, finance, information systems, management, and marketing. Faculty from the Department of Family and Preventive Medicine and Medical Informatics in the School of Medicine will provide courses for the program. From the College of Social and Behavioral Science, faculty will offer courses in economics, political science, public administration and sociology. Participating faculty also

¹ The affiliated master's degree programs are: Anthropology, Business (MBA), Economics, Health Education and Promotion, Medical Informatics, Nursing, Pharmacy, Political Science (MPA), Family and Preventive Medicine (MPH, MSPH), and Social Work.

represent the Department of Health Education in the College of Health, Philosophy in the College of Humanities, as well as the College of Nursing, and the College of Law. Faculty from these departments have participated in the Health Services Administration graduate emphasis option for the past 20 years, are accustomed to including topics relevant to healthcare in their courses, and welcome students with this focus into their classes. As departments recruit new faculty some of the courses in the MHA curriculum may be taught by different faculty, including qualified adjunct professors. However, no new faculty will be required to support the MHA degree.

A partial listing of faculty currently teaching courses from the Health Services Administration emphasis is included in Appendix C. This list includes 52 faculty from 19 different departments. Of the faculty listed, 43 have Ph.D. or equivalent degrees in their fields, 40 are tenure-track, five are lecturers, five are adjuncts, and two are clinical track. AACSB, the accrediting association for schools of business, expects that in graduate programs at least 80 percent of faculty will be academically qualified (have a terminal degree in a relevant topic area) and that other faculty will be professionally qualified (have professional experience related to the courses they teach). As a group, the faculty who teach the MHA curriculum surpass these requirements.

Staff: The MHA program will be staffed by a director and a graduate assistant and be supported by advising/career management staff. The director will be a regular faculty member with an appointment in the School of Business. The director will be at .10 FTE for two years working primarily on recruiting students, identifying internship opportunities, and preparing for CAHME accreditation. As enrollments increase, particularly with students taking the MHA as a stand-alone degree, the director will increase time allocated to program administration to .25 FTE; duties will include curriculum oversight, program assessment, coordination of course scheduling through participating departments, and coordination of student services. A graduate assistant will begin in year three as enrollments increase to help with administrative duties.

The colleges participating in the joint MHA programs will have primary responsibility for advising their students. The David Eccles School of Business will have responsibility for admissions, advising, and career management functions for students taking the MHA as a stand-alone degree. These student services will be provided by its Masters Programs and Services staff with the addition of a .25 FTE staff person in year three increasing up to .50 FTE in years four and beyond.

Library and Information Resources: Students in the MHA program will likely access reference materials from the J. Willard Marriott, Eccles Health Sciences, and S.J. Quinney Law Libraries. The current library collections and services (including on-line databases) available in and through these libraries are more than sufficient to support the MHA program. Students will be encouraged to have laptop computers that are compatible with software available on campus. Access to the campus computer network from off-campus will be important as many courses use WebCT and access to campus databases and computer services will be necessary for some courses.

Admission Requirements: To be admitted to the MHA program, students must satisfy the University of Utah graduate school admissions criteria. Applicants will be evaluated based on their prior academic performance, prior work experience, and career objectives. They will be required to take one of the standard graduate admissions tests, (GRE, GMAT, or MedCAT). To be eligible for the MHA, students must have completed a bachelor's degree. Depending upon their former preparation, students may be required to take college level algebra, calculus and statistics courses prior to beginning coursework for the MHA. Work experience, particularly in a healthcare setting, will be emphasized. Students admitted to one of the participating joint programs must additionally be accepted into those programs.

Student Advisement: Students admitted to the MHA program as a stand-alone degree will be assigned an academic advisor in the Masters Programs and Services Office of the David Eccles School of Business. Students enrolled in the MHA as a joint program will be assigned to an academic advisor in their home department. Because of the breadth of course choices available to students, it will be important for them to have frequent consultation with their advisors. Advisors will develop and recommend to students model tracks for those in each joint program and in the stand-alone degree. These models will be developed to ensure that students take courses from each relevant discipline and that their degree experience has consistency. Students will meet with their advisors once a semester to ensure that appropriate courses are selected. Since initially students will come from three joint programs, there should not be a significant increase in advising support needed in any of the three programs. Staff expertise is currently being developed in the School of Business to assist students in identifying appropriate internship, fellowship, and career opportunities. As enrollments warrant, a .25 FTE staff person will be added to the Masters Programs and Services staff in the School of Business in year three and will moving to .50 FTE in year four. This person will have responsibility for working with the MHA students.

Justification for Number of Credits: The proposed MHA degree requires between 48-53 credit hours. If taken jointly with another master's degree, 12 credit hours from each degree will be counted towards the other degree. Thus, as a joint degree, the MHA will add approximately two semesters of work beyond the primary master's degree. Because of the breadth of material necessary to prepare someone for a professional position in healthcare administration, students will be taking courses in six primary areas of study necessitating more credit hours than a typical master's degree. As a professional degree, the MHA is analogous to an MBA (62.5 credit hours) and an MPA (42 credit hours).

External Review and Accreditation: The MHA curriculum is designed to meet the accreditation requirements of the Commission on Accreditation of Healthcare Management Education (CAHME), the major accrediting entity for healthcare programs while also meeting the accreditation requirements of the joint programs. A summary of CAHME curriculum requirements annotated to demonstrate the courses in the MHA degree that are intended to meet these requirements is included in Appendix E.

Application to CAHME for candidacy accreditation of the MHA degree will be sought as soon as the degree is eligible, most likely in 2008. The candidacy process generally takes two years before an accreditation visit can be scheduled. Thus, the earliest that accreditation is likely to be awarded is 2010. Reports will be made to the Graduate Council as the program progresses through the various stages of accreditation, including when initial application for candidacy is submitted and upon response from CAHME. The MHA will immediately fall under the scope of AACSB accreditation, along with other School of Business degree programs.

An MHA Advisory Board, including faculty from each sponsoring college, the director of the Scott M. Matheson Center for Health Care Studies, students, working professionals, and potential employers was consulted during the development of the degree curriculum. This Advisory Board will meet at least annually to review the program, consider changes in the environment that impact the education and experience professionals in healthcare administration need, and ensure that resources supporting the program are adequate. A subcommittee of the board consisting of the faculty and students will meet once a semester to review the curriculum. This group will deal with any issues that arise with regard to course content or scheduling and make recommendations about any needed curricular revisions.

Projected Enrollments: Anticipated admissions for the first and second years are 12 students each. Admissions are predicted to increase to 15 the third year, 20 the fourth year, 25 the fifth year and to remain at that level. These enrollment estimates are based on queries received from students, responses to a student survey, and projected growth in the labor market. It is expected that 12 students will graduate each year initially with that number growing to 15.

Student Enrollment	FY 2007	FY 2008	FY 2009	FY 2010	FY 2011
Admissions	12	12	15	20	25
Total students in program	12	24	27	35	45
Graduates	0	12	12	15	15

Because the MHA curriculum consists primarily of currently available courses from multiple departments, it is not possible to calculate a mean student-to-faculty ratio. Average course size for participating students will vary from 10 in some of the specialized elective courses to 60 in some of the core required courses. In general there will be approximately 50 faculty across campus offering courses included in the MHA curriculum. The faculty backing for the program suggests that students will not only be well supported but that they will have specialty expertise available from faculty in many relevant fields.

Expansion of Existing Program: As noted, the MHA is an expansion of the current Health Services Administration graduate emphasis option. Historically, student demand for the current HSA emphasis has been strong and steady. While the numbers from the various affiliated masters' degree programs have fluctuated over the past tens years, the aggregate number of enrolled students has remained fairly constant. Over the past ten years an average of twelve new students has entered the HSA program (a high of 15 and a low of 8). Currently, there are 34 students enrolled in masters' degree programs who are also enrolled in the HSA emphasis. On average, 10 students graduate with the HSA emphasis each year. To date, the HSA emphasis has been awarded to more than 125 graduates.

SECTION III: Need

Program Need

Utah's future medical and healthcare managers must be prepared to deal with evolving and increasingly complex health care delivery systems, technological innovations, regulatory requirements, and population demographics. Managers in all settings will be called on to improve the quality and efficiency of health care services while controlling costs, as insurance companies and Medicare demand higher levels of fiscal accountability.

A graduate degree from a program accredited by the Commission on Accreditation of Healthcare Management Education (CAHME) is fast becoming the credential sought by employers, and thus by students. A list of colleges and universities offering CAHME accredited degree programs is included in Appendix F. Many scholarships, internships, and employment opportunities are open only to students of such accredited programs. The current HSA emphasis is not eligible for accreditation; CAHME only accredits degree programs. Additionally, industry experts recommend that, if possible, students obtain a primary master's degree as well as a specialized degree in healthcare administration. For administrative positions in healthcare, business students with both an MBA and an MHA, for example, are generally preferred to students with just an MBA. Offering an MHA degree and pursuing CAHME accreditation is an opportunity to respond to current market conditions, thus serving the interests of both students and employers.

Market Demand

The size and growth of the healthcare sector of the economy are well documented. Health care expenditures grew 7.9 percent in 2004 and ultimately consumed 1.9 trillion dollars (16% of gross domestic product). Federal government estimates indicate an anticipated average annual growth rate of 7.3 percent based upon steady or increased demand for health care as the population demographics shift toward the older generation and as medical technology advances.

The jobs available in healthcare management are diverse and challenging. According to the U.S. Department of Labor (BLS), more new jobs (3.6M) will be created between 2004 and 2014 in healthcare than in any other industry. Medical and health services managers will be employed by hospitals, healthcare management companies that provide management services to hospitals and other organizations, as well as by specific departments such as emergency, information management systems, managed care contract administration, and physician recruiting. Other opportunities for managers in the provider segment are with nursing homes, insurance companies, managed care organizations, and home health agencies. In the supplier sector, opportunities exist in medical supplies and equipment, pharmaceuticals, biotechnology, and healthcare consulting. A variety of local, state and federal agencies and associations, such as state Health Departments, the American Red Cross, and the American Hospital Association also offer a variety of employment opportunities.

The local market demand for healthcare managers is also projected to increase. As Utah's population increases, more healthcare services will be delivered. According to the 2006 Economic Report to the Governor, the health services sector is projected to have one of the highest average annual growth rates over the next five decades. Health Services will grow from 9 percent of all jobs in 2005 to 11 percent by 2020 and 16 percent by the year 2040. The biotechnology industry is also rapidly growing in Utah and was recently identified as a strategically important business segment. Entrepreneurial opportunities, especially in small and medium sized technology firms, are expected to stay strong. Currently, the local health departments, healthcare delivery organizations, insurance companies, pharmaceutical benefit management companies, and technology start-ups must look to out-of-state universities to fill most of their administrative and management vacancies. The University of Utah's proposed MHA program will produce qualified resident healthcare executives to fill the growing number of healthcare administrator positions in the state.

Student Demand

Student demand for the current Health Services Administration emphasis has been strong and steady. Over the past ten years on average twelve new students have enrolled in the HSA program and 10 students have completed the program each year. A survey of the 34 current HSA students indicates that 73 percent would be interested in the MHA degree. It is expected that among students currently attracted to the HSA emphasis, around eight students per year would be interested in the MHA degree. It is anticipated that three-quarters of these students will choose to complete a joint MHA (with an MBA, MPA, or MPH). In the future an opportunity exists to expand enrollment to other joint masters' degrees and to recruit students specifically for the MHA program. The program is likely to attract students who may have gone out of state in order to obtain this specialized master's degree.

Similar Programs Already Offered in the USHE

Weber State University and the University of Utah have offered certificates in Health Services Administration for a number of years. Weber State plans an MHA program targeted primarily to students currently working in the healthcare field. A key focus of the Weber program is distance delivery in order to reach professionals working outside the Wasatch Front. The degree is a single-department program with the option of taking some elective courses from the business school. Weber's program model is quite different from the University of Utah's model which is multi-disciplinary and linked to three existing professional programs. The University of Utah's MHA degree will be unique in two aspects: first, it is a multi-department degree including courses offered through multiple departments of three colleges with fine reputations for educational excellence; and second, the degree is intended primarily for students concurrently enrolled in a second professional master's degree.

A review of the Associated University Programs in Health Administration reveals that there are currently no masters' programs offered by member schools in Utah. Even in the surrounding states (Arizona, California, Colorado, Washington, Oregon, and Idaho) there are a limited number of graduate programs with emphases in health services. Thus, the opportunity for the University of Utah to offer such a degree drawing upon its acknowledged excellence in business, medicine, and social and behavioral science is ripe.

Benefits

The proposed MHA degree will benefit from the 20 years of experience at the University of Utah in offering the interdisciplinary Health Services Administration graduate emphasis. It expands beyond that emphasis curriculum in important ways. Degree requirements increase students' exposure to issues in ethics and law specific to the healthcare sector, current topics of importance in healthcare administration, internships with healthcare organizations, and an area of established excellence at the University of Utah, that is, technology venture development, clinical informatics, or administration in a global marketplace. These areas of additional exposure are already being discussed by CAHME as possible credentials within the industry.

Consistency with Institutional Mission

As the flagship institution of the Utah state system of higher education, the University of Utah strives to create an academic environment where the highest standards of scholarship are observed. A particular strength of the campus is its professional programs. The mission of the David Eccles School of Business is to build foundations for business leadership by creating, discovering, and communicating knowledge about leading-edge research and best management practices. It is highly ranked nationally and internationally and among the most respected business schools in the nation. The University of Utah's School of Medicine has three major missions: education, research, and clinical service. The three missions are closely interrelated. Each supports and, in turn, benefits from the others. All are considered to be of equal importance. The mission of the College of Social and Behavioral Science is to advance knowledge and instruction in the foundations of social and behavioral science which, in turn, contributes directly or indirectly to improvements in the quality of life. The mission of the Scott M. Matheson Center for Health Care Studies includes the support of education that enables healthcare professionals (physicians, hospital administrators, nurses, public health officers) to better manage health care services. The Center gives special attention to building linkages between medicine, management, and other disciplines to help educate future administrators in the skills of health care administration.

By joining together to offer the MHA degree, the individual missions of the David Eccles School of Business, the School of Medicine, the College of Social and Behavioral Science and the Scott M. Matheson Center for Health

Care Studies are reflected in the goal of training students to be contributors to the management of one of the largest and fastest growing sectors of the economy. The healthcare sector poses challenging issues of individual, organizational and social importance. The interdisciplinary nature of the MHA and the synergy of the sponsoring Schools, Colleges and Center will enhance the potential of the MHA program to train graduates who can deliver at each level.

The inter-departmental sponsorship of the MHA degree is in keeping with President Young's vision that the University take a leadership role in interdisciplinary teaching. The MHA degree will further solidify collaboration between the sponsoring Schools, Colleges, and Center and create new opportunities for students to learn in an interdisciplinary setting and from faculty and students across disciplines. The MHA degree will enhance the University's profile as a national leader in interdisciplinary studies while also preparing graduates who can significantly impact the quality of life of Utah residents.

SECTION IV: Program and Student Assessment

Program Assessment

The goal of the MHA program is to graduate students who can assume professional positions in healthcare organizations. Students will acquire analytical skills and content expertise in the field of healthcare administration. At the most global level, program success will be evaluated by examination of student placements and career progression after graduation. Thus, statistics for graduating students such as number of interviews, number of job offers, and number of job placements with healthcare organizations will be tracked. Additionally, feedback from employers hiring graduates will be sought on a regular basis.

With regard to specific analytical skills and expertise, students' performance in MHA courses will be monitored every semester by their advisor. The MHA Advisory Board will play a critical role in reviewing the program. The employers and healthcare professional members of the board will provide perspective on the ability of graduates to contribute to healthcare organizations. The faculty and student members of the board will provide assessment of student performance data and student course evaluations. The full board will make recommendations on any needed curricular improvements. As the degree moves through the accreditation process, input from the CAHME advisors will be considered with regard to appropriate curriculum modifications.

Expected Standards of Performance

Students will be required to maintain an average GPA of 3.0 throughout their programs. In today's world, it is important that professionals have the right balance of breadth of training and experience as well as an area of special expertise. The MHA curriculum thus requires both breadth and depth in course work. Through effective advising and consultation with faculty, students will be expected to incorporate breadth into their programs by selecting appropriate electives outside their primary area of focus. Students will choose one area of exposure enhancing their expertise in a focused area. In addition to course specific knowledge, students will be expected to demonstrate strong communications, team work, and leadership skills. Industry experts suggest that these skills are essential for success in the healthcare sector, particularly because of the complexities of this industry and the variety and diversity of the organizations involved in the industry. These skills will be evaluated within the context of specific courses as appropriate, and in particular, during the required internship.

SECTION V: Finance

Budget

The budget for the MHA program is modest for administration. Since the MHA program consists primarily of existing courses, instructional costs are the marginal costs associated with adding students to an existing class and will be borne by the departments offering classes. In turn, these departments will receive the productivity revenue generated by the MHA students enrolled in these courses. Most of the courses currently have excess

capacity and the additional students will be a benefit to the departments in terms of increased tuition revenue. An internship/practicum will be a new requirement and this experience will be managed by the MHA program director.

A faculty member will act as program director and, as enrollment grows, will increase in time allocated to administration from .10 FTE to .25 FTE. A part-time student assistant will be added as enrollment grows. Part time advising and career management services, critical to the students' success, will be added as the program grows and more students are enrolled in the MHA as a stand-alone degree, from .25 FTE in year three up to .50 FTE in years four and beyond.

Current operating expenses include recruiting costs and expenses associated with application for accreditation by CAHME.

Program Expenses:	FY 2007	FY 2008	FY 2009	FY 2010	FY 2011
Salaries and Wages:					
MHA Director	8,000	8,000	25,000	25,000	25,500
Graduate assistant			10,000	10,200	10,400
Advising/Career Mgmt	-0-	-0-	10,000	20,000	20,400
Benefits @ 35%	-0-	-0-	3,500	15,750	16,065
Current expenses	13,000	13,000	13,000	13,000	13,000
Library	-0-	-0-	-0-	-0-	-0-
Equipment	-0-	-0-	-0-	-0-	-0-
Travel	-0-	-0-	-0-	-0-	-0-
Totals	21,000	21,000	61,500	83,950	85,365

*Administrative expenses are projected to increase at 2.00% annually.

Funding Sources

A program fee of \$2500.00 to be charged to MHA degree-seeking students will be requested. It is expected that this fee will be in place by year three. The program fee will be set at a level to cover the costs of administering the program. In addition, the program will generate productivity funds from new enrollments in existing courses and graduate tuition differential for courses offered through the School of Business and the School of Medicine. Initial seed funding from the sponsoring colleges and the Governor Scott M. Matheson Center for Health Care Studies will be available to help with program start-up costs.

Funding Sources:	FY 2007	FY 2008	FY 2009	FY 2010	FY 2011
Productivity Funding*	33,660	33,660	42,075	56,100	70,124
DESB Differential Tuition	12,750	12,750	14,875	21,250	25,500
MHA Program Fee @ \$2500			37,500	50,000	62,500
Seed funding sponsoring	20,000	20,000	20,000	10,000	-0-

colleges and center					
Total revenue	66,410	66,410	114,450	137,350	158,125
Total Funding available for Program Admin and delivery	32,750	32,750	72,375	81,250	88,000

*Based upon 33 credit hours/student at \$85.00/credit hour. Productivity funding will be earned by departments offering courses in the MHA.

** School of Business courses generate graduate differential tuition. It is estimated that half the MHA students will be enrolled in MPA or MPH joint programs or the MHA alone and their typical program will include 17 credit hours in the School of Business.

Impact on Existing Budgets

Each of the sponsoring colleges and the Matheson Center for Health Care Studies has agreed to provide start-up seed funding to support the MHA degree. Departments offering courses in the MHA will earn SCH-based tuition revenue for incremental students. The School of Business will receive graduate differential tuition for non-business students taking courses offered through the school of business.

Appendix A: Program Curriculum

New Courses to be Added in the Next Five Years: The MHA degree is built around currently available courses. As participating departments offer new courses, there may be an opportunity to include new or additional course options in the curriculum modules of the MHA. However, it is anticipated that only two courses not currently available will be added to the degree requirements, Current Topics in Healthcare Administration and Healthcare Administration Internship.

Course Number	Course Title	Credit Hours
MHA 6800	Current Issues in Healthcare Administration	3.0
MHA 6900	Healthcare Administration Internship	5.0

All Program Courses:

Course Number	Course Title	Credit Hours
ACCTG 6000	Financial Accounting	3.0
ACCTB 6001	Managerial Accounting	1.5
FINAN 6020	Financial Management	3.0
MGMT 6051	Managing and Leading in Organizations	3.0
MGMT 5680	Human Behavior in Organizations	3.0
MGMT 6060	Production and Operations Management	3.0
MGMT 6670	Services Operations	3.0
MKTG 6550	Marketing for Health Professionals	3.0
ECON 6190	Health Economics	3.0
POLS 6321	Health Policy	3.0
FPMD 6600	Social Context of Medicine and Public Health	3.0
HEDU 5100	Health Care in the United States	3.0
HEDU 6790	Health Services Administration	3.0
FPMD 6401	Health Policy & Managed Care	2.0
MHA 6800	Current Issues in Healthcare Administration	3.0
MHA 6900	Healthcare Administration Internship	5.0
POLS 6230	Administrative Law	3.0
FPMD 6603	Law & Medicine I	2.0
FPMD 6604	Law & Medicine II	2.0
LAW 7360	Health Law	3.0
MGMT 6310	Business Law	3.0
PADMN 6870	Public Administration and Ethics	3.0
MGMT 6540	Ethics of Management	1.5
PHIL 6500	Contemporary Ethical Theory	3.0
PHIL 6520	Advanced Bioethics	3.0
MGMT 6040	Data Analysis & Decision Making	3.0
HEDU 6100	Program Evaluation	3.0
NURS 6003	Program Planning & Development	3.0
MGMT 6710	Strategy and Technology	3.0

Course Number	Course Title	Credit Hours
MGMT 6810	Entrepreneurship and Emerging Business	3.0
MGMT 6840/FINAN 6881	Managing the Venture Process	3.0
MGMT 6860	Lassonde Venture	3.0
MBA 6500	Business Analytics Practicum	3.0
MDINF 6000	Introduction to Medical Informatics	3.0
MDINF 6600	Introduction to Bioinformatics	3.0
MDINF 6700	Public Health Informatics	3.0
IS 6010	Information Systems	1.5
IS 6410	Process Analysis and IS Project Management	3.0
IS 6481	Data Warehousing	1.5
NURS 6800	Introduction to Clinical Informatics	2.0
ECON 6520	Multinational Firms	3.0
FINAN 6550	International Finance	3.0
FPMD 6502	International Public Health Issues	3.0
MGMT 6590	Managing the Global Workforce	3.0
MGMT 6791	Global Strategic Management	3.0
POLS 6630	Foundations of International Organizations	3.0
POLS 6800	Theories of International Relations	3.0
SOC 6436	Global Social Structure	3.0

MHA Core Course Descriptions:

Administrative and management skills:

ACCTG 6000 Financial Accounting (3) Prerequisite: Masters status in the School of Business.

Designed to provide students with an understanding of the financial-reporting process followed by all public and many private companies. Students gain the ability to read and understand published financial statements and perform formal financial analysis.

ACCTG 6001 Managerial Accounting (1.5) Prerequisite: Master's status in the School of Business and either ACCTG 6001 or equivalent.

Focuses on the way managements determine the information they need for effective decision-making and how those needs are met. Includes consideration of a variety of management-planning, control, and decision-making tools. Considers the communication and behavioral aspects of their use.

FINAN 6020 Financial Management (3) Prerequisite: Master's status in the School of Business and either ACCTG 6001 or equivalent.

Topics include financial analysis, planning, working-capital management, financial math, valuation, and capital budgeting.

MGMT 5680 Human Behavior in Organizations (3) Cross listed as MGT 3680.

Examination of behavioral theories and research. Application to human-resource problems and administrative processes in service and production-oriented organizations. Focuses on the individual in such areas as socialization, motivation, communications, leadership, decision-making, conflict resolution, and adaptation to

change. Application is demonstrated through the consideration of the impact of the individual on the overall performance of the organization. 5680 may only be registered for by graduate students.

MGMT 6051 Managing and Leading in Organizations (3) Prerequisite: Masters status in the School of Business.

The purpose of this course is to understand the theory and processes of working in a group or team. The course is designed to be relevant to the broad spectrum of problems that are faced in a variety of group settings. Students will learn analytical and behavioral tools to effectively diagnose complex dynamics in work groups and take action to improve group performance. Students will also learn practical interpersonal skills useful for implementing effective strategies in group situations. The course is intended to help students be more effective while working in study groups at the DESB and later working in groups and teams once they graduate. Considerable emphasis will be placed on simulations, role-playing, and cases. This course will incorporate many of the topics that are currently being addressed during orientation and will culminate with the business challenge.

MGMT 6060 Production and Operations Management (3)

Operations management studies the way that firms manage procurement, production, and distribution of goods and services in an increasingly competitive international marketplace. This course develops skills and knowledge critical for successful design and strategic management of world-class manufacturing and service operations. Topics covered may include integrated product/process analysis and design, materials management, supply chain management, use of information technologies in the extended enterprise, service operations, total quality management, experience curves, technology management, project management, and operations strategy.

MGMT 6670 Service Operations (1.5 to 3) Prerequisite: MGT 6060 or 6061.

This course aims to develop a better understanding of best practices in the service sector through analysis of leading-edge firms and the strategies they have employed to create and maintain competitive advantage. The course emphasizes the close coordination of marketing and operations in the design and implementation of service delivery processes. Topics include the importance of developing both human and technical skills among employees who represent the most critical point of contact between the service organization and its customers, and the role of technology, in particular information technology, in changing the nature of the service delivered and/or the way in which the service is delivered. The course relies heavily on the analysis of a number of case studies, and includes a group project where the principles developed in the course are applied to a real service organization.

MKTG 6550 Marketing for Health Professionals (3)

Designed to acquaint health professionals with marketing theory and methods to demonstrate their application to health services, programs and medical practice. Theoretical issues relevant to effective program design, distribution, pricing and promotion are studied with emphasis on marketing research and its role in improving these activities.

Social and Behavioral Sciences

ECON 6190 Health Economics (3)

Meets with ECON 5190. Graduate students should register for ECON 6190 and will be held to higher standards and/or additional work. Economics of health care, health-care delivery systems, public and private health insurance, location of health facilities, and health-care inflation.

POLS 6321 Health Policy (3) Cross listed as PADMN 6321.

Meets with POL S 5321. Graduate students should register for POL S 6321 and will be held to higher standards

and/or additional work. Introduction to health policy issues in U.S.; needs and demands for public action; organization and nature of political support; process and problems of decision making in health policy areas.

FDMD 6600 Social Context of Medicine and Public Health (3) Prerequisite: MPH, MSPH or HSA students only or instructor's consent.

The course will consider disease and illness within socio-cultural contexts. Emphasis will be placed on the ethical, behavioral, social, cultural, political and economic factors that influence the prevention/treatment of medical and public health problems.

MHA 6800 Current Issues in Healthcare Administration (3)

Important issues in health care such as the uninsured, health care costs, the pharmaceutical, hospital and insurance industries will be explored using current reading materials and focused class discussion. Organization of the US health care system will be explained and compared to other health care delivery systems. The class will build upon the fundamentals of health care economics and policy to build an understanding of the current, complex issues facing health care. Writing assignments are designed to encourage the student to analyze current health care issues, to develop opinions and ideas about the issues, and to communicate their opinions and ideas succinctly. To this end, the writing assignments will be short, editorial style papers that would be suitable for publication as an opinion piece in a major newspaper.

MHA 6900 Healthcare Administration Internship (5)

Supervised independent field experience to survey management problem, propose and implement solution within the context of a healthcare organization. Provides an opportunity to review, apply, and integrate major components of the MHA program. The student consults with a healthcare organization on a significant issue facing that organization and provides a formal management report. Ideally, students will do their internship in their area of additional exposure.

Elective Courses:

Health Care Systems

HEDU 5100 Health Care in the United States (3)

Organization and financing of U.S. health-care system; evolution of roles played by provider and consumer organizations in meeting community needs; changing health status of Americans; and proposals for improving health-care delivery system.

HEDU 6790 Health Service Administration (3)

Opportunity for students to develop selected managerial competencies practiced by entry-level administrators and provider/professional-managers in health services organizations.

FPMD 6401 Health Policy and Managed Care (2)

Organization and financing of health-care delivery systems including integrated delivery systems and managed care such as HMOs and PPOs. Formation of health policy by federal and state government and its impact on private health care systems.

Research and Quantitative Skills

One graduate level statistics course – many possible courses, for example:

MGMT 6040 Data Analysis and Decision Making (3) Prerequisite: Master's status in the School of Business, MATH 1090, MGT 2490.

This course will develop decision making abilities with data-analysis and decision models. Applications will be in the business functional areas. Students will use computers to solve business problems. Course topics will include advanced statistical analysis, regression models, linear programming, decision analysis, and project management.

HEDU 6100 Program Evaluation (3) Prerequisite: H EDU 6550. Recommended Prerequisite: H EDU 6080.

Developing process and outcome evaluation models and plans, selecting measures and evaluation designs, implementing data collection, reduction, and analysis, and evaluating barriers and success in implementation. Actual development and implementation of a program evaluation with a community agency.

NURS 6003 Program Planning and Development (3) Prerequisite: Graduate standing or Instructor's consent.

Focuses on assessment, planning, program/project development, and evaluation appropriate for groups, communities, and organizations. Strategic planning, decision making, and marketing analysis and strategies incorporated. Required for community health nursing majors.

Law and Ethics:

FPMD 6603 Law and Medicine I (2)

The legal aspects of the physician/patient relationship, including the substantive and procedural elements of medical malpractice litigation.

FPMD 6604 Law and Medicine II (2)

The business and ethical aspects of health care.

MGMT 6310 Business Law (1.5 to 3)

Basic principles of business law for graduate students.

LAW 7360 Health Law (3)

Surveys the central legal issues involved in the delivery of health care today. Efforts will be made to integrate traditional legal materials drawn from economics, public policy, health administration, and bioethics. Topics coverage will include the provider-patient relationship, informed consent, quality of care, malpractice, health-care organizations, licensing and self-care, withholding and withdrawing care, procreation and abortion, and research with human subjects. Students may wish to (but are not required to) also participate in the Health Law Clinic. See Clinical Program Descriptions for more information regarding Health Law Clinic.

POLS 6230 Administrative Law (3) Recommended Prerequisite: POLS 1100.

Delegation of power, judicial review, tort liability, investigating, rule making, adjudication, hearings, informal procedure, bias, evidence, constitutional rights of public employees, disclosing information, regulatory reform. Major tort law changes, dysfunctional fear of litigation, liability of governments and individuals under the Constitution. Federal Civil Rights Act of 1871, Federal Tort Claims Act and state law, immunity categories, Utah law and policy issues. Risk management, preventing liability, insurance aspects, and reform controversies.

PADMN 6870 Seminar: Public Administration and Ethics (3) Prerequisite: POLS 6220 and 6230 and 6290 and 6300 and 6330 and 6360 and 6380 or instructor's consent.

Integration of courses and administrative experience; application of ethical theories to public administration practice; required major research paper on ethical issues in government.

MGMT 6540 Ethics of Management (1.5 to 3)

The purpose of this course is to help students understand the ethical problems that confront managers and to approach their role as managers with a sense of purpose and vision. The course explores students' own ethical orientations, the values of practicing managers, and alternative approaches to ethical problems. Representative topics include making choices about influencing and obeying the law, profits versus other values, the relationship between the interests of individuals and groups, how corporate policies affect the ethical choices of individuals, and criteria for making ethical judgments.

PHIL 6500 Contemporary Ethical Theory (3) Prerequisite: Graduate standing required.

Justification of moral beliefs, or critical consideration of particular moral theories or concepts.

PHIL 6520 Advanced Bioethics (3) Prerequisite: Graduate standing required.

Advanced topics in bioethics.

Additional ExposureTracks:

Technology Venture Development:

MGMT 6710 Strategy & Technology (1.5 to 3)

An introduction to the management of technology as a business activity. The focus is on the processes by which technological enterprises evolve, and on the technological innovation process in established technology-based firms. Special emphasis is placed on intellectual property issues and the management of knowledge. Heavy emphasis is placed on classroom analysis of published case studies of technological enterprises, together with readings which outline basic concepts applicable to the subject.

MGMT 6810 Entrepreneurship and Emerging Business (1.5 to 3)

This course introduces the concept of the entrepreneur and of the role of the entrepreneur and innovator in the modern economy. It introduces the processes involved in identifying and defining opportunities in emerging industries and of developing and refining the business concept. At the end of this course, the student should understand the potential of Entrepreneurship as a career option and should have completed the preliminary analysis for an entrepreneurial business idea. The course will involve extensive exposure to entrepreneurs and entrepreneurial ventures and will require a formal business concept paper. Students are encouraged to develop new venture teams with both classmates and outside business partners.

MGMT 6840 Managing the Venture Process (1.5 to 3) Cross listed as FINAN 6881. Prerequisite: FINAN 6300.

Meets with MGT 5840. This capstone course provides students with hands-on experience in managing the process of evaluating and funding a start-up company with venture capital funds. Working in teams, the class will place funds from the David Eccles School of Business Student Venture Fund and work with the managers of funded companies and with the board of the Fund. The class will be structured as a year-long venture capital management project supported by a series of seminars taught by regular faculty, venture capitalists, and new venture service providers from the community. Topics will include identification of new ventures, due diligence procedures, firm valuation methods, the role of the venture capitalist as a board member, selecting and structuring management teams, setting up compensation and reward structures, and other relevant topics to be determined by the instructional team.

MGMT 6860 Lassonde Venture (1.5 to 3)

Meets with MGT 5860. This course provides students an unparalleled opportunity to apply knowledge and expertise to the commercial development of University technologies. Lectures and topics include venture capital

and new venture finance, market research and due diligence, intellectual property and patent protection, technology transfer issues, as well as guest lectures from prominent business leaders and local entrepreneurs.

MBA 6500 Business Analytics Practicum: Tech Ventures (3)

Meets with BUS 5500. This is a project-based course in which students will assist the U's Office of Technology Venture Development (Tech Ventures). This office, which was founded in 2005, is headed by Eccles School Dean Jack Brittain. Its aim is to help the university capture value from the innovations developed by researchers throughout the U. The course will match student groups with projects suggested by the Tech Ventures office. Student groups will analyze markets, industries or firms, and report their findings to representatives from Tech Ventures.

Clinical Informatics

MDINF 6000 Introduction to Medical Informatics (6)

Provides an overview of the basic concepts of medical informatics. The course includes systems development, databases, data representation, data acquisition and presentation, man-machine interfaces, communication and networking, statistics, experimental design, decision support, knowledge engineering, genetic epidemiology, introduction to health information systems, quality improvement, signal processing, physiologic models, and medical imaging.

MDINF 6600 Introduction to Bioinformatics (3)

Introduction to Bioinformatics is taught in the Spring Semester. It is an introductory course to Bioinformatics covering computational biology, DNA sequence analysis, genomics, proteomics, molecular databases, and phylogenies.

MDINF 6700 Public Health Informatics (3) Prerequisite: MDINF 6000.

The Public Health Informatics introductory course will provide background material for those interested in applying Medical Informatics techniques to the field of Public Health. The new (2002) 34 chapter textbook "Public Health Informatics and Information Systems" will be the basis of the course. The State of Utah and many of its health authorities have already been broadly involved in establishing databases of hospital discharge summaries, immunization records, tracking adverse drug events and Bioterrorism surveillance. Thus, there is a need and an opportunity to better apply Medical Informatics techniques to this field. In cooperation with the Utah Department of Health, this course will be offered to give students an opportunity to learn about and discover the real needs of Public Health Informatics.

IS 6010 Information Systems (1.5)

Deals with the application of current information-related technology in management. This includes the role of information technology in gaining a competitive advantage, as well as in planning, control, and decision making. Management's responsibilities and activities in making investments in technology is also discussed.

IS 6410 Process Analysis and IS Project Management (3)

This course introduces you to the field of information systems analysis, analysis tools, and the procedures for managing information systems analysis projects. Topics covered include the role of the systems analyst in organization; concepts, philosophies, and trends in systems analysis and design; and tools and techniques for such analysis activities.

IS 6481 Data Warehousing (1.5)

This course introduces database technologies for building scalable data warehouse systems and technologies for

user-oriented, interactive data analysis. Data warehouse systems differ from on-line transaction processing systems in time span and access mode of the data, and in query types and purposes.

NURS 6800 Introduction to Nursing Informatics (2) Prerequisite: Instructor's consent.

Introductory course to clinical/nursing informatics focusing on the theoretical basis of clinical informatics with an emphasis on management and processing of clinical data, information, and knowledge. Clinical vocabulary and language systems are addressed.

Global Administration:

ECON 6520 Multinational Firms: International Trade & Investment I (3) Prerequisites: ECON 4010 and 4020. Meets with 5520. A two part course, in sequence. Part I is a microeconomics focus, emphasizing firm and industrial organization, imperfect competition theory and empirical evidence; Part II is a macroeconomics focus, emphasizing national development interactions with the MNE and international trade and empirical evidence.

FINAN 6550 International Finance (3) Prerequisite: FINAN 6020 or equivalent.

Financial management of the multinational firm or firm with international affiliates, suppliers, or markets. Subjects parallel those of standard financial management with added dimensions of exchange rate phenomena, risks and hedging, payment mechanisms, instruments, and institutions for international business.

FPMD 6502 International Public Health Issues (3)

Current issues in international health relevant to public health and primary care providers. Problems in economics, technology transfer, child survival, primary health care, maternal health, and ethics are presented in an international context.

MGMT 6590 Managing the Global Workforce (3)

This course focuses on human resource issues facing managers whose activities require them to operate in an international environment in the United States or abroad. This course is intended for students considering careers in multinational organizations and students whose current or future work assignments include responsibilities for employees in other countries. In today's global marketplace, the success of an organization depends on how well it manages individuals and groups in its home country, in host countries where its subsidiaries are located and in third countries where it may hire some of its employees. Managing such a global workforce requires a sound understanding of human resource management issues and practices of multinational corporations such as international recruitment and selection, training and development, performance management, and compensation. In this course we will cover these topics. In addition we will explore the impact of cultural differences on management practices in countries other than the US. The course uses a variety of learning approaches including case analyses, lectures, class discussions, videos, experiential exercises, and a group project.

MGMT 6791 Global Strategic Management (1.5 to 3)

Focuses on unique aspects of strategic management in the global environment. Such issues as worldwide competition, global technology, political risk, global financial strategies, and multinational organizations are addressed. The course is primarily a case-analysis course with limited lectures. Students can expect written case analyses, group projects, and a major paper.

POLS 6630 Foundations of International Organization (3) Recommended Prerequisite: POLS 2100 or 3800.

Meets with POL 5630. Graduate students should register for POLS 6630 and will be held to higher standards and/or additional work. Concentrates on the history and functions of public (IGO) and private (NGO) international

organizations. Special efforts will be devoted to examining the changing roles of both IGOs and NGOs with relations to both member and non-member states.

POLS 6800 Theories of International Relations (3) Recommended Prerequisite: POLS 2100 or 3800. Graduate students will be held to higher standards and/or additional work. Analysis of theories of international relations, such as Realism, Liberalism, Constructivism; using major works and current theoretical research. Recommended introduction to upper-division students.

SOC 6436 Global Social Structure (3)

Meets with SOC 5436. Structure of the global system historically and in modern times. Relationships between world structure and national institutions and processes.

Appendix B: Sample Program

MHA degree only
4 semesters + internship

Year 1 Fall Semester	Year 1 Spring Semester
ACCTG 6000 Financial Accounting (3) MGMT 6040 Data Analysis I (First half) (3) FINAN 6020 Financial Management (Second half) (3) MGMT 6051 Managing and Leading in Organs (3) ECON 6190 Health Economics (3)	ACCTG 6001 Managerial Accounting (first half) (1.5) MGMT 6040 Data Analysis II (second half) (continued) FINAN 6020 Financial Management (first half) (continued) POLS 6321 Health Policy (3) MGMT 6060 Production and Operations Mgmt (3)
Year 2 Fall Semester	Year 2 Spring Semester
FPMD 6600 Social Context of Med & Pub Health (3) MGMT 6310 Business Law (3) MGMT 6810 Entrepreneurship and Emerging Bus (3)	MGMT 6540 Ethics of Management (last half) (1.5) MKTG 6550 Marketing for Health Professionals (3) FPMD 6401 Health Policy & Managed Care (2) MHA 6800 Current Issues in Healthcare Administration (3)
Year 2 Summer Semester	
MHA 6900 Healthcare Administration Internship (5)	

Sample Program
MHA degree only
3 semesters + internship

Year 1 Fall Semester	Year 1 Spring Semester
ACCTG 6000 Financial Accounting (3) MGMT 6040 Data Analysis I (First half) (3.0) FINAN 6020 Financial Management (Second half) (3) ECON 6190 Health Economics (3) MGMT 6051 Organizational Behavior (3) FPMD 6600 Social Context of Med & Pub Health (3)	ACCTG 6001 Managerial Accounting (first half) (1.5) MGMT 6040 Data Analysis II (second half) (continued) FINAN 6020 Financial Management (first half) (continued) POLS 6321 Health Policy (3) HEDU 6100 Program Evaluation (3) MGMT 6670 Services Operations (3) MGMT 6710 Strategy and Technology (3)
Year 2 Fall Semester	Year 2 Spring Semester
MHA 6900 Healthcare Administration Internship (5)	FPMD 6401 Health Policy and Managed Care (2) FPMD 6603 Law & Medicine (2) MGMT 6540 Ethics of Management (last half) (1.5) MKTG 6550 Marketing for Health Professionals (3) MHA 6800 Current Issues in Healthcare Administration (3)

Appendix C: Faculty

Partial List of Faculty Currently Teaching Health Administration Emphasis Courses

Faculty Member	Department	Rank	Degrees	School
Sandra J. Parkes	Academic Outreach & Continuing Education; Political Science	Associate Dean and Adjunct Associate Professor	D.P.A	Arizona State University
Robert D. Allen	Accounting & Information Systems	Associate Professor	Ph.D. MAcc	Michigan State University Brigham Young University
Jerry Carvalho	Accounting & Information Systems	Lecturer	MBA	University of Utah
Jeff Doyle	Accounting & Information Systems	Assistant Professor	Ph.D.	University of Michigan
Paul Hu	Accounting & Information Systems	Associate Professor	Ph.D. MIS	University of Arizona
Taylor Randall	Accounting & Information Systems	Associate Professor	Ph.D. MBA	University of Pennsylvania
Olivia Sheng	Accounting & Information Systems	Presidential Professor	Ph.D.	University of Rochester
Polly Wiessner	Anthropology	Professor	Ph.D.	University of Michigan, Ann Arbor
Korkut Erturk	Economics	Assistant Professor	Ph.D.	New School for Social Research
Qayyim Said	Pharmacology Research Center	Assistant Professor	Ph.D. MA	University of Utah University of Essex
Gabriel A. Lozada	Economics	Associate Professor	Ph.D.	Stanford University
Norman J. Waitzman	Economics	Associate Professor	Ph.D.	American University
Michael K. Gardner	Educational Psychology	Professor	Ph.D. MS	Yale University
Lillian Tom-Orme	Family & Preventive Medicine	Assistant Professor	Ph.D. MSPH	University of Utah
Fred Gottlieb	Family & Preventive Medicine	Associate Professor	MD	University of Utah
Ann E. LaPolla	Family & Preventive Medicine	Lecturer	M.P.H.	University of Utah
Dean A. Byrd	Family & Preventive Medicine	Adjunct Professor	Ph.D., M.B.A., M.P.H.	Brigham Young University
Douglas J. Hammer	Family & Preventive Medicine	Associate Professor	M.P.H., J.D.	University of Utah
George L. White, Jr.	Family & Preventive Medicine	Professor	Ph.D. MSPH	University of Utah
J. Lynn Lyon	Family & Preventive Medicine	Professor	M.P.H., M.D.	University of Utah Harvard University
Steve Alder	Family & Preventive Medicine	Assistant Professor	Ph.D. MA	University of Utah
Karl Linz	Finance	Associate Professor	Ph.D. MBA	University of North Carolina University of California, Los Angeles
Scott Shafer	Finance	Associate Professor	Ph.D.	Stanford University
Jeffrey B. Flinders	Health Promotion & Education	Lecturer	M.B.A., M.P.H.	San Diego State University
Leslie Francis	Law/Philosophy	Professor	Ph.D., J.D.	University of Michigan University of Utah
Abe Bakhsheshy	Management	Lecturer	Ph.D.	University of Utah
Kristina Diekmann	Management	Associate Professor	Ph.D.	Northwestern University
Mark Grosser	Management	Adjunct Instructor	M.B.A.	Brigham Young University
Blaine Hoefling	Management	Lecturer	JD	University of Utah
Karen Fladmoe-Lindquist	Management	Associate Professor	Ph.D.	University of Minnesota
Gerardo Okhuysen	Management	Associate Professor	Ph.D.	Stanford University
William Schulze	Management	Associate Professor	Ph.D. MBA	University of Colorado, Boulder

Harris Sondak	Management	Associate Professor	Ph.D.	Northwestern University
Markus Vodosek	Management	Assistant Professor	Ph.D. MBA	University of Michigan Portland State University
Don G. Wardell	Management	Associate Professor	Ph.D.	Purdue University
Debra Scammon	Marketing	Professor	Ph.D. MS	University of California-Los Angeles
Joyce Mitchell	Medical Informatics	Professor	Ph.D.	University of Wisconsin
Scott Williams	Medical Informatics	Adjunct Assistant Professor	MD, MPH	University of Utah
Richard J. Sperry	Medicine	Professor	M.D., Ph.D.	University of Utah
Rosemary B. Field	Nursing	Assistant Professor	M.S.	University of Utah
Marilyn L. Stewart	Nursing	Associate Professor	M.B.A.	University of California at Irvine
Jackie A. Smith	Nursing	Clinical Assistant Professor	Ph.D.	University of Utah
Cindy Squire	Nursing	Clinical Instructor	M.S.	University of Utah
Carole Gassert	Nursing	Associate Professor	Ph.D., RN	University of Texas, Austin
Margaret Battin	Philosophy	Professor	Ph.D. MFA	University of California at Irvine
Gary Nakao	Political Science	Adjunct Associate Professor	Ph.D.	University of Utah
Michael Zuhl	Political Science	Adjunct Associate Professor	M.P.A.	University of Utah
Daniel Levin	Political Science	Associate Professor	Ph.D., MA	University of Wisconsin-Madison University of North Carolina
Howard Lehman	Political Science	Associate Professor	Ph.D.	University of Minnesota
Robert Huefner	Political Science	Professor	D.B.A.	Harvard University
Steve Alder	Public Health	Assistant Professor	Ph.D.	University of Utah
Wen Kuo	Sociology	Professor	Ph.D., MA	Johns Hopkins University State University of New York

Appendix D: Joint Programs of Study

Example Programs of Study for Students in Joint Program Options

Course No.	Course Name	MBA Credits	MPA Credits	MPH Credits	MHA Credits
MBA					
Acctg 6000	Financial Accounting	3			3
Acctg 6001	Managerial Accounting	1.5			1.5
Finan 6020	Financial Management	3			3
Finan 6025	Managerial Economics	1.5			
IS 6010	Information Systems	1.5			1.5
MBA 6000	Career Strategies	0.5			
MBA 6800	Field Study	3			
MBA 6810	Field Study	1.5			
MGT 6040	Data Analysis & Decision Making	3			3
MGT 6050	Foundations of Teamwork	1.5			
MGT 6051	Managing/Leading in Organizations	3			
MGT 6052	Business Communications	1.5			
MGT 6060	Production/Operations Mgmt	3			
MGT 6070	Business Strategy	3			
MKTG 6090	Marketing Management	3			
Electives	Unique to MBA	16.0			
Electives	12 MHA credits may be counted toward MBA	12			
	Total Credit Hours	62.5			

Appendix D: Joint Programs of Study (continued)

Course No.	Course Name	MBA Credits	MPA Credits	MPH Credits	MHA Credits
MPA					
PADMN 6220	Constitutional Law		3		
PADMN 6230	Administrative Law		3		3
PADMN 6289	Research Design for Public Admin		3		
PADMN 6300	Administrative Theory		3		
PADMN 6330	Practice of Public Management		3		
PADMN 6360	Public Human Resource Mgmt		3		
PADMN 6380	Public Budgeting & Finance		3		3
PADMN 6870	Public Admin and Ethics		3		3
PADMN 6890	Capstone in Public Admin		3		
Concentration	From approved list		3		3
	12 MHA credits may be counted toward MPA		12		
	Total Credit Hours		42		
MPH					
FPMD 6100	Introduction to Biostatistics			3	3
FPMD 6300	Introduction to Epidemiology			3	
FPMD 6401	Health Policy & Managed Care Systems			2	2
FPMD 6500	Introduction to Public Health			3	
FPDM 6600	Social Context of Medicine and Public Health			3	3
FPMD 6700	Environmental Health Problems			3	
FPMD 6960	Public Health Practicum			6	
FPMD 6400	Health Care Administration: Occupational and Environmental Health and Safety			3	
FPMD 6404	Health Services Administration			3	
FPMD electives	Approved Elective Courses - MHA credits may be counted toward MPH			8	4
	Total Credit Hours			34	

Appendix E: Commission on Accreditation of Healthcare Management Education (CAHME)

Curriculum Content Requirements Mapped to MHA Courses

The required curriculum must include a body of knowledge, understanding, skills and values relevant to health administration core competencies. These are outlined below:

III.B.1. Structuring, marketing, positioning, and governing health organizations to achieve optimum performance.

HEDU 6790	Health Services Administration
HEDU 6100	Program Evaluation
MKTG 6550	Marketing for Health Professionals
NURS 6003	Program Planning and Development
MHA 6800	Current Issues in Healthcare Administration

III.B.2. Financial management of health organizations.

ACCTG 6000	Financial Accounting
ACCTG 6001	Managerial Accounting
FINAN 6020	Financial Management

III.B.3. Leadership, interpersonal relations, conflict and change management, and written and oral communications skills.

MGMT 5680	Human Behavior in Organizations
MGMT 6051	Managing and Leading in Organizations
HEDU 6790	Health Services Administration

III.B.4. Managing human resources and health professionals in diverse organizational environments (e.g., hospitals, clinics, home health agencies, insurers, pharmaceutical firms).

HEDU 6790	Health Services Administration
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III.B.5. Managing information including the collection, the statistical and non-statistical analysis, and summarizing management and health data for decision-making.

Various	Graduate level statistics course (e.g., MGMT 6040 Data Analysis & Decision Making)
NURS 6003	Program Planning & Development
HEDU 6100	Program Evaluation

III.B.6. Economic analysis to support decision-making.

MGMT 6040	Data Analysis & Decision Making
Other relevant statistics courses from ECON, POLS	
ECON 6190	Health Economics

III.B.7. Legal and ethical analysis applied to business and clinical decision-making.

POLS 6230 Administrative Law
FPMD 6603 Law & Medicine I
FPMD 6604 Law & Medicine II
LAW 7360 Health Law
MGMT 6310 Business Law

PADMN 6870 Public Administration and Ethics
MGMT 6540 Ethics of Management
PHIL 6500 Contemporary Ethical Theory
PHIL 6520 Advanced Bioethics

III.B.8. Government health policy formulation, implementation, and evaluation.

ECON 6190 Health Economics
FPMD 6600 Social Context of Medicine and Public Health
POLS 6321 Health Policy
FPMD 6410 Health Policy and Managed Care
MHA 6800 Current Issues in Healthcare Administration

III.B.9. Assessment and understanding of the health status of populations, determinants of health and illness, and health risks and behaviors in diverse populations.

HEDU 5100 Health Care in the United States
FPMD 6600 Social Context of Medicine and Public Health
Exposure in Clinical Informatics

III.B.10. The management of change in health care organizations in diverse communities drawing broadly on the social and behavioral sciences.

MGMT 6590 Managing the Global Workforce
POLS 6630 Foundations of International Organizations
FPMD 6600 Social Context of Medicine and Public Health
Exposure in Healthcare Administration in a Global Context

III.B.11. Quality assessment of both business practices and health care delivery focusing on outcomes measurements, process/outcome relationships, and methods for process improvement.

MGMT Production and Operations Management
MGMT Services Operations
MGMT Quality Improvement
IS 6410 Process Analysis and IS Project Management
NURS 6003 Program Planning & Development
HEDU 6100 Program Evaluation

III.C.1. The program will ensure that students apply critical thinking and problem solving skills as well as management knowledge and skills in appropriate situations.

Various	Graduate level statistics courses (e.g., MGMT 6040 Data Analysis & Decision Making)
MHA 6800	Current Issues in Healthcare Administration
MHA 6900	Internship in Healthcare Administration
	Exposure in Technology Venture Development

III.C.2. The curriculum will include integrative experiences that demonstrate students' ability to draw upon and apply material covered throughout the program of study and to demonstrate skills in continuous learning through information access, synthesis and use in critical thinking.

MHA 6800	Current Issues in Healthcare Administration
MHA6900	Healthcare Administration Internship

Appendix F: CAHME Accredited Healthcare Administration Programs

CAHME ACCREDITED Health Care Administration Programs			
University	MHA Degrees	Joint Degrees	Other Degrees
Ordered by US News & World Report, 2003 Ranking			
1 - University of Michigan		MHSA/MBA	MHSA, MPH (OJ/OC)
2 - University of North Carolina at Chapel Hill	MHA		MSPH
3 - University of Pennsylvania			MBA
4 - Northwestern University			MM
5 - University of Minnesota	MHA		MHSA
6 - University of Washington-Seattle	MHA		
7 - Virginia Commonwealth University	MHA		MSHA
8 - University of California – Berkeley			MPH
9 - University of California – Berkeley		MBA/MPH	
10 - University of Alabama at Birmingham		MSHA/MBA	MSHA
11 - Johns Hopkins University	MHS		
12 - University of California - Los Angeles		MBA/MPH	MPH
13 - University of Iowa	MHA		
14 - Duke University			MBA
15- Ohio State University	MHA		
16 - Boston University			MBA/HCM
17 - New York University			MPA
18 - University of Missouri-Columbia	MHA		
19 - Washington University - St. Louis	MHA		
20 - Arizona State University			MHSA
21 - Pennsylvania State University	MHA		
22 - Saint Louis University	MHA	MHA/MBA, MHA/JD	
23 - Trinity University			MS
24 - U.S. Army-Baylor University	MHA		MSBA
25 - University of Colorado at Denver		MSHA/MBA	MSHA
26 - University of Pittsburgh	MHA		
27- George Washington University			MHSA
28 - Georgia State University	MHA	MBA/MHA	MSHA
Accredited Programs not ranked by US News & World Reports			
University of Arkansas for Medical Sciences			MSHA
Armstrong Atlantic State University			
Baruch College/CUNY		MBA/HCA	
California State University, Long Beach		MS/HCA	
University of Central Florida			MSHA-HSA
Cleveland State University		MBA/HCA	
University of Colorado at Denver/Network for Healthcare Management			MSHA

Cornell University	MHA		
Delhousie University			MSHA
University of Florida	MHA		
Governors State University	MHA		
University of Houston, Clear Lake	MHA	MHA/MBA	
Indiana University	MHA		
University of Kansas Medical Center			MSHA
University of Kentucky	MHA		
Kings College			MSHA
Marymount University			MSHCM
Medical University of South Carolina	MHA		
University of Memphis	MHA		
University of Miami			EMBA-HA
Universite de Montreal			MSc
University of North Florida	MHA		
University of Oklahoma	MHA		
University of Puerto Rico			MSHA
Rush University			MS-HSM
San Diego State University			MPH
University of Scranton	MHA		
Simmons College	MHA		
University of South Carolina	MHA		
University of Southern California	MHA		
University of Southern Maine			MS HPM
University of St. Thomas			MBA
Temple University			MBA
Texas State University, San Marcos	MHA		
Texas Tech University			MBA (HOM)
Texas Woman's University, Houston			MS
University of Toronto			MHSc
Tulane University	MHA	MBA/MHA; JD/MHA	
Union College			MBA-HSA
Washington State University Spokane			MHPA
Winder University		MHA/MBA	
Xavier University			MSHA
Yale University			MPH

October 18, 2006

MEMORANDUM

TO: State Board of Regents

FROM: Richard E. Kendell

SUBJECT: Utah State University – Master of Science Degree in Computer Engineering, Effective Spring Semester 2007 – Action Item

Issue

Officials at Utah State University (USU) request approval to offer the Master of Science degree in Computer Engineering, effective Spring Semester 2007. The USU Board of Trustees approved this proposed program on May 26, 2006. The Program Review Committee approved the Letter of Intent on August 3, 2006 and directed the institution to move forward with a full proposal.

Background

In 1997, recognizing the trends in Computer Engineering, the Department of Electrical Engineering at USU added a bachelor's degree in Computer Engineering and changed its name to the Department of Electrical and Computer Engineering.

Since the program was approved, the program has grown to where one-third of BS graduates in the department are in Computer Engineering. Graduates in Computer Engineering wanting to continue for graduate work have been required to go to other institutions (often out-of-state) because the graduate curriculum and research opportunities were not available at USU. Creating a masters program in Computer Engineering will allow graduates to pursue advanced degrees at USU and provide graduate students for research projects developed by faculty.

The original Computer Engineering faculty members were mostly senior faculty with few research projects. With the help of the Governor's Engineering Initiative, the Computer Engineering program has grown within the department. Three of original faculty members have retired. The retired faculty

members have been replaced with three new Assistant Professors. The department has also added a USTAR Professor in Computer Engineering, with a fifth position in the search phase. With this increase in faculty positions comes an increase in research in Computer Engineering.

Policy Issues

USHE institutions have reviewed the proposal and have expressed no objections to the approval of the proposed degree. However, a question was raised concerning the projections about the growth of the graduate program due to the approval of the new degree.

Many universities have computer engineering undergraduate degrees but only offer EE and CS graduate degrees. Students with undergrad computer engineering degrees usually go into one or the other of EE and CS for MS and Ph.D. degrees. Most of the students who go into the new MS in Computer Engineering degree may be ones who would have otherwise been in their MSEE or MSCS programs. Therefore, the new MS in Computer Engineering may not draw as many students as they project.

USU is confident that the student demand is sufficient to support the new program as well as the existing programs.

Commissioner's Recommendation

The Commissioner recommends that the Regents approve the Request to Offer a Master of Science Degree in Computer Engineering at Utah State University, effective Spring, 2007.

Richard E. Kendell, Commissioner

REK/GW
Attachment

Academic, Applied Technology and Student Success Committee

Action Item

Request to Offer a Master of Science Degree in Computer Engineering Effective Spring 2007.

Utah State University

Prepared for
Richard E. Kendell
By
Gary Wixom

October 18, 2006

SECTION I: The Request

Utah State University requests approval to offer the Master of Science degree in Computer Engineering effective Spring Semester 2007. The USU Board of Trustees approved this program on May 26, 2006. The Program Review Committee of the Board of Regents authorized this proposal on August 3, 2006. If approved, the new degree programs will be effective Spring Semester 2007.

SECTION II: Program Description

The proposed MS program will require at least 30 credit hours beyond the bachelor's degree.

The **MS Degree** will have two options, namely, research-based and design-based.

MS Degree (plan A) Requirements: The MS (plan A) degree is based on current research and a formal thesis. It is designed to prepare graduates for entering a PhD program or performing research in industry or government labs. It consists of core courses (5000-, 6000-, and 7000-level) in Computer Engineering, technical electives, and a research project. The following is required:

1. At least 12 credits are required (two sequences) of core Computer Engineering courses.
2. At least six credits are required (one sequence) of technical electives in CE, EE, or CS.
3. At least six credits of Thesis Research (ECE 6970).
4. At least five credits are required of electives (6000- or 7000-level) in CE, EE, CS, or other related technical areas.
5. At least one credit is required of Computer Engineering Colloquium (ECE 6810).

Note: Only three 5000-level courses will count toward the degree.

MS Degree (plan B) Requirements: The MS (plan B) degree is based on engineering design and a formal design project report. It is designed to prepare graduates for employment requiring advanced design in industry. It consists of core courses (5000-, 6000-, and 7000-level) in Computer Engineering, technical electives, and a design project.

1. At least 12 credits is required (two sequences) of core Computer Engineering courses.
2. At least six credits is required (one sequence) of technical electives in CE, EE, or CS.
3. At least three credits are required of Thesis Research (ECE 6970).
4. At least three credits are required of Design Project (ECE 6950).
5. At least five credits are required of electives (6000- or 7000-level) in CE, EE, CS, or other related technical areas.
6. At least one credit is required of Computer Engineering Colloquium (ECE 6810).

Note: Only three 5000-level courses will count toward the degree.

Purpose of Degree

The new degree program will provide undergraduate students in Computer Engineering programs an opportunity to continue their studies at the graduate level. It is expected that students completing this degree program will be employed by industry and research organizations requiring a master's degree for advanced design and technical managerial positions. Graduates from this program are also expected to be

potential applicants to doctoral programs.

Institutional Readiness

The new degree program will be administered by the Department of Electrical and Computer Engineering, which has in place the administrative structure necessary to manage the program. A committee oversees the graduate programs and a full-time secretary assigned to the graduate program.

Faculty

Three additional faculty (in addition to the five required for the BS program) are needed for the new master's program. With the Governor's Engineering Initiative, two of the three have been hired and the third is in the search process. The University is currently searching for a computer engineering faculty member in the area of VLSI design, computer architecture or embedded systems. The advertisement is already on the department Website and will appear in the November issue of the IEEE Spectrum. The starting date will be August 2007.

All eight faculty members will be full-time, one of whom will be non-tenure track. In addition, two Emeritus Professors are teaching half time. (See Appendix C for a list of faculty.)

All of the current computer engineering faculty members will support the B.S. program in computer engineering and will support the students and programs including the computer engineering emphasis area in the current MS and PhD programs in Electrical Engineering. With recent hires and the impending new hire, USU has a very strong faculty in computer engineering. Many of the faculty are Principal Investigator (PI) or Co-PI on external research grants/contracts. A summary is given below.

- Paul Israelson: PI/Co-PI on over \$500K of external funding
- Scott Budge: PI/Co-PI on over \$500K of external funding
- Aravind Dasu: PI on over \$300K of external funding
- Krishna Shenai: PI on over \$750K of USTAR funding

The computer engineering faculty is composed of effective teachers and successful researchers. It is the strongest computer engineering faculty that USU has ever had. The ECE department has strong graduate programs in electrical engineering with over 100 full time graduate students. The addition of the MS program in Computer Engineering will further enhance the strength of the department. As the only MS program in Computer Engineering in the State of Utah, USU will serve to fill a void in the state. With this program, USU hopes to educate future computer engineers to serve the state and nation.

Staff

Additional staff will not be required. The current resources within the Department of Electrical and Computer Engineering will be able to accommodate the new programs.

Library and Information Resources

The major library resource needed for the new program is the IEEE Xplore database, which has recently been acquired by the library. The acquisition gives USU access to all IEEE journals, magazines, and conference proceedings.

Admission Requirements

Applicants with a bachelor's degree in Electrical Engineering, Computer Engineering, or Computer Science from an ABET-accredited program and a 3.1 GPA or better can generally be admitted without restriction. Additional coursework in computer engineering fundamentals may be required in individual cases. Students must take the general GRE exam; however, the subject GRE is not required. All graduate students are expected to have a working knowledge of a computer language (preferably C or C++).

Student Advisement

The mechanics of admission to the programs and fulfilling program requirements are handled by the department's full-time graduate secretary. As students are admitted into the program, they are assigned a temporary faculty advisor who guides them on which courses to take the first semester. During the first semester, students select a graduate committee and a major professor who advise them throughout the rest of their program.

Justification for Number of Credits

The number of credits required for this program (30) is the same as the currently offered Master of Science in Electrical Engineering and complies with Regent's guidelines.

External Review and Accreditation

As with the current MS program, there will be no accreditation sought for the proposed program.

Projected Enrollment

Approximately one-third of Electrical Engineering graduating BS students remain at USU for their master's degree. If this were to hold true for CE students, the following is the expected enrollment. Note that the faculty members (except for one) are already in place, so the student/faculty ratio increases.

	<u>Enrollment</u>	<u>Student/Faculty</u>
2006	10	1.43
2007	15	1.88
2008	20	2.5
2009	25	3.13
2010	30	3.75

Expansion of Existing Program

Year	2000/2001	2001/2002	2002/2003	2003/2004	2004/2005
Students in Communication pre-major	33	125	211	223	226

SECTION III: Need

Program Need

In 1997, recognizing the trends in Computer Engineering, the Department of Electrical Engineering at USU added a bachelor's degree in Computer Engineering and changed its name to the Department of Electrical and Computer Engineering. The program has grown such that approximately one-third of BS graduates are in Computer Engineering. The five original Computer Engineering faculty members were mostly senior faculty with few research projects. Graduates in Computer Engineering wanting to continue for graduate work were required to go to other institutions (often out-of-state) because the graduate curriculum and research opportunities were not available at USU. With the help of the Governor's Engineering Initiative, the Computer Engineering program has grown within the department. Three of the five original faculty members have retired. They have been replaced with three new Assistant Professors. The department has also added a USTAR Professor in Computer Engineering, with a fifth position in the search phase. With this increase in faculty positions comes an increase in research in Computer Engineering. Creating a masters program in Computer Engineering will allow graduates to pursue advanced degrees at USU and provide graduate students for research projects being developed by the new faculty.

Labor Market Demand

A recent article in Money Magazine (money.cnn.com), entitled *Best Jobs in America* ranked 166 jobs. Software Engineering (another name for Computer Engineering) was listed as the top career in America. The data below lists the top ten jobs with job growth and average pay:

<u>Rank</u>	<u>Career</u>	<u>Job Growth</u>	<u>Average Pay</u>
1.	Software engineer	46.07%	\$80,427
2.	College professor	31.39%	\$81,491
3.	Financial advisor	25.92%	\$122,462
4.	Human resources manager	23.47%	\$73,731
5.	Physician assistant	49.65%	\$75,117
6.	Market research analyst	20.19%	\$82,317
7.	Computer/IT analyst	36.10%	\$83,427
8.	Real estate appraiser	22.78%	\$66,216
9.	Pharmacist	24.57%	\$91,998
10.	Psychologist	19.14%	\$66,359

This program will help meet the need for high-paying technical jobs in the State of Utah as stated in the governor's Engineering Initiative. It is expected that the demand for Computer Engineering graduates will continue to increase within the state as well as within the US. Although no major market demand change is

expected, the impact on the program from a change in demand will be minimal, since the faculty associated with this program will continue to participate in the BS Computer Engineering program and the graduate Electrical Engineering programs.

Student Demand

Undergraduate Computer Engineering students have become a significant fraction of the ECE Department. Students in this program have expressed a desire to continue in a graduate Computer Engineering program after graduation. The number of students in the BS Computer Engineering program has been strong at approximately 100, which represents about 1/3 of the total undergraduate student population in ECE. As improved recruitment and policy changes in the University take effect, the department expects to see an increase in demand for the CE Degree.

Similar Programs

The School of Computing and the Department of Electrical and Computer Engineering at the University of Utah jointly offer a Bachelor of Science degree in Computer Engineering. The program is administered by the Computer Engineering Committee, which consists of faculty members from both departments. The University of Utah offers graduate degrees in Electrical Engineering and Computer Science, but not in Computer Engineering. Within the state, but not part of USHE, the Department of Electrical and Computer Engineering at Brigham Young University offers BS degrees in Electrical Engineering and in Computer Engineering. Their MS and PhD degrees are in Electrical Engineering, but students can emphasize computer engineering.

Collaboration with and Impact on Other USHE Institutions

Richard Brown, Dean of the College of Engineering at the University of Utah has expressed support for the MS degree in Computer Engineering at USU. It should not conflict with their current program. In fact, there has been some discussion in having USU and UofU team together in providing extension opportunities for programs such as at Hill Air Force Base.

Benefits

The proposed program will allow students interested in Computer Engineering at the graduate level to continue their education at USU. Significantly, these graduate students will enhance the ability of new faculty in Computer Engineering to attract and perform research within their areas of specialization.

The USHE will also benefit from this program because it will be the first graduate Computer Engineering program within the system, with the potential for attracting students to USU from outside the state, and retaining students from within the USHE who would otherwise seek educational opportunities in Computer Engineering elsewhere.

Consistency with Institutional Mission

The mission of Utah State University is to be one of the nation's premier student-centered land grant and space-grant universities by fostering the principle that academics come first, by cultivating diversity of thought and culture, and by serving the public through learning, discovery, and engagement.

The master's degree in Computer Engineering will support the University Mission Statement in the following ways:

1. The department becomes more student-centered by providing a program to meet the needs of the students.
2. The master's program will improve academics in Computer Engineering by fostering research in the forefront of the field.
3. The master's program will serve the public by application of the research produced.

SECTION IV

Program and Student Assessment

The major goal for the program is to graduate MS students who have an interest in Computer Engineering and who are prepared to meet the needs of industry and academia for Computer Engineers by having learned modern skills and tools of Computer Engineering. Attainment of this goal will be measured by the placement rate of graduates within industrial, research laboratories, and PhD programs.

Student Assessment

The standard of performance that all students must obtain is a B- or better in all classes required for the degree. In addition, all students must satisfactorily pass a defense of their MS thesis or project. These standards are already expected for the existing MS degree program in Electrical Engineering.

SECTION V

Budget

The following budget will be needed for the three additional faculty members.

	<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>
Salaries and Wages:	204.0k	209.2k	214.4k	219.8k	225.3k
Benefits:	88.8k	92.0k	95.4k	98.9k	102.5k
Current Expense:	18.0k	19.5k	21.0k	22.5k	24.0k
Library:	0k	0k	0k	0k	0k
Equipment:	30.0k	30.0k	15.0k	15.0k	15.0k
Travel:	6.0k	7.5k	9.0k	9.0k	9.0k
TOTAL:	338.8k	358.2k	354.8k	365.2k	375.8k

Funding Sources

Funding for this program has already been allocated by the Governor's Engineering Initiative program. Funding is currently in place, so additional funding is not required.

Reallocation

No current reallocation of program funds is planned.

Impact on Existing Budgets

Other costs, such as secretarial help, will be absorbed as part of the current department budget. Research assistantships are covered from research grants. Teaching assistantships are covered from department lab fees.

Appendix A

Program Curriculum

New Courses to be Added in the Next Five Years:

ECE 6440	Reconfigurable Computing	3
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Topics in hardware and software for reconfigurable computing systems. Topics include: SRAM based FPGAs, Look up tables, pass transistor based switching/routing matrices, Mapping of Boolean expressions onto FPGAs, Synthesis tools/languages, map, place/route tools for FPGAs, and soft processors. Includes a class project and presentation.

ECE 6450	Advanced Semi-conductor Devices	3
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Examines the physics, behavioral modeling and design of integrated solid-state devices. Topics include carrier transport theory, energy band diagrams, PN junctions, metal-semiconductor junctions, MOS field effect transistors, photonic devices and current semiconductor process technology.

ECE 6480	Mixed Signal VLSI	3
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Digital-to-Analog and Analog-to-Digital data conversion architectures and design techniques. Topics include design and implementation of CMOS comparators, switched-capacitor circuits, flash, pipelined and cyclic architectures, and delta-sigma converters.

ECE 6730	Embedded Software	3
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The development and use of tools for design, analysis, verification, and synthesis of software-based embedded systems. Topics include modeling, scheduling analysis, models of computation, middleware, and verification. Includes a survey of existing commercial and research-based design tools for embedded systems. . Includes a class project and presentation.

ECE 6740	Model Integrated Computing	3
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This course address the problems of designing, creating, and evolving information systems by providing rich, domain-specific modeling environments including model analysis and model-based program synthesis tools.

ECE 6770	Parallel Processing	3
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Parallel processing system design. Topics include: Amdahl's and Gustaffson's laws, communication and memory issues related to parallel processing, and use of hardware/software programming to implement a parallel scientific applications on CPU/FPGA hybrid machines. Students will study a variety of approaches,

including pipelining and superscalar techniques, multiprocessors, vector, SIMD, and MIMD computers. . Includes a class project and presentation.

ECE 6810 Computer Engineering Colloquium 0.5

Weekly seminars or colloquia. Students are normally required to enroll for two semesters.

ECE 7480 Systems-on-a-chip Design 3

This course focuses on integrating information processing, storage, communication, power management, sensing and control electronics on a single-chip platform for emerging low-power electronics applications in information and bio technologies. The course includes projects performed in collaboration with leading industries utilizing advanced EDA tools and design strategies.

ECE 7620 Advanced Topics in Computer Networking 3

Advanced topics in computer networking, including wireless and ad-hoc networks, advanced and emerging protocols, and high-performance routing techniques.

All Program Courses:

VLSI Design:

ECE 5530	Digital System Design	3
ECE 6430	Applied CMOS Electronics	3
ECE 6440	Reconfigurable Computing	3
ECE 6450	Advanced Semi-conductor Devices	3
ECE 6460	Digital VLSI System Design I	3
ECE 6470	Digital VLSI System Design II	3
ECE 6480	Mixed Signal VLSI	3
ECE 7480	Systems-on-a-chip Design	3

Computer Architecture:

ECE 5750	High-Perf. Microprocessor Architecture	3
ECE 6770	Parallel Processing	3
ECE 7760	Advanced Topics in Distributed Systems	3

Computer Networking

ECE 6600	Computer Networking I	3
ECE 7610	Computer Networking II	4
ECE 7620	Advanced Topics in Computer Networking	3

Embedded Systems

ECE 5640	Real-Time Processors	4
ECE 5770	Microcomputer Interfacing	4
ECE 5780	Real-Time Systems	4
ECE 6730	Embedded Software	3
ECE 6740	Model Integrated Computing	3
ECE 7770	Advanced Topics in Real-Time Systems	3

Concurrent Systems

ECE 5740	Concurrent Programming	3
ECE 6750	Concurrent Systems Engineering I	3
ECE 6760	Fault-Tolerant Systems	3
ECE 6780	Device Drivers	3
ECE 7710	Concurrent Systems Engineering II	3
Colloquium		
ECE 6810	Computer Engineering Colloquium	0.5

Appendix B
Program Schedule

Master of Science (MS-plan A)

<u>Fall 1</u>		<u>Spring 1</u>		<u>Summer 1</u>		<u>Fall 2</u>	
ECE 6810	0.5	ECE 6810	0.5	ECE 6970	<u>6</u>	Elective 3	
CE core 1	3	CE core 1	3		6	Elective <u>3</u>	6
CE core 2	3	CE core 2	3				
Tech Elect 1	<u>3</u>	Tech Elect 1	<u>3</u>				
	9.5		9.5				

Master of Science (MS-plan B)

<u>Fall 1</u>		<u>Spring 1</u>		<u>Summer 1</u>		<u>Fall 2</u>	
ECE 6810	0.5	ECE 6810	0.5	ECE 6950	3	Elective 3	
CE core 1	3	CE core 1	3	ECE 6970	<u>3</u>	Elective <u>3</u>	6
CE core 2	3	CE core 2	3		6		
Tech Elect 1	<u>3</u>	Tech Elect 1	<u>3</u>				
	9.5		9.5				

Appendix C

Faculty

Existing Faculty

- 1) Alan W. Shaw, Professor Emeritus, PhD, Stanford University, 1960 (VLSI design): 0.5 FTE
- 2) Paul A. Wheeler, Associate Professor, PhD, BYU, 1978 (Microprocessor Systems): 1.0 FTE
- 3) Paul Israelson, Research Associate Professor, MS, 1988, Utah State University (Digital Systems Design): 0.66 FTE teaching.
- 4) Scott Budge, Associate Professor, PhD, BYU, 1990 (Digital Signal Processors): 1.0 FTE
- 5) Aravind Dasu, Assistant Professor, PhD, Arizona State, 2004 (computer architecture): 1.0 FTE
- 6) Chris Winstead, Assistant Professor, PhD, University of Alberta, 2004 (analog VLSI): 1.0 FTE

Recent Hires

- 7) Brandon Eames, Assistant Professor, PhD, Vanderbilt, 2005 (embedded systems): 1.0 FTE (Hired 8/05).
- 8) Krishna Shenai, Professor, PhD, Stanford, 1986 (mixed signal circuit design): 1.0 FTE (Hired 5/06).
- 9) Don Cripps, Principal Lecturer, PhD, Utah State University], 2004 (Microprocessor based controls, digital design): 1.0 FTE (Hired effective 1/07).

October 10, 2006

MEMORANDUM

TO: State Board of Regents

FROM: Richard E. Kendell

SUBJECT: Information Calendar: Academic, Career and Technical Education, and Student Success (Programs) Committee

The following requests have been submitted for consideration by the Regents on the Information Calendar of the Programs Committee.

A. University of Utah

i. New Track for Jazz Studies in the Master of Music Degree

The Request: With existing specialized tracks in composition, conducting, music education, music history, performance, and music theory the Master of Music degree has the largest enrollment of any graduate degree offered in the School of Music. The requested new track in jazz studies is most appropriate for students desiring specialized study at the graduate level in jazz performance and composition. The new track will diversify the overall Master of Music degree program and allow the School of Music to better serve the broader musical community of Utah and the Inter-Mountain West.

Need: Every year, the School of Music receives many inquiries from students wishing to pursue graduate work in jazz studies. These requests come from individuals currently enrolled in our undergraduate program as well as others attracted to the University of Utah because of the excellent reputation enjoyed by our undergraduate jazz studies degree programs in performance and composition. Implementation of a master degree in jazz studies is a very important priority for the School of Music as we strive to remain a leader, both among music units in other institutions in Utah as well as other music units at state flagship universities in other states in the region and nation. Despite a number of universities and conservatories implementing master degrees in jazz studies in recent years, no other such programs have been established in the Inter-Mountain West. The nearest existing program is at the University of Oregon, well out of our geographic sphere of influence. Salt Lake City (with a high degree of interest in and support for jazz music) and the University of Utah (with an excellent jazz faculty and an established quality undergraduate jazz studies program) is an ideal match for offering a graduate degree in jazz studies.

Institutional Impact: We anticipate minimal impact on departmental resources with the approval of this proposal. Currently, the Jazz Studies Area of the School of Music is supported by 2 full-time faculty, 2 half-time faculty, and 7 other adjunct faculty. All courses in the proposed track are currently being offered except for MUSC 6390, MUSC 6391, and MUSC 6392. These 3 courses will be rotated over a 2-year (4 semester) period. The existing faculty can effectively cover these additional courses with minimal increases for private lessons.

All faculty, staff, and library resources are currently in place to support the jazz studies track. We anticipate that there will be 2-5 students enrolling as graduate jazz studies majors when the program is initially implemented. Our expectation is that total enrollments would likely grow to 6-9 students after the program has been in existence for 5 years.

Finances: The jazz studies track will become financially self-sufficient and will draw its instructors, coursework (except as noted above), and facilities from existing resources. There will be a slight increase in expenditures resulting from the addition of the new courses and additional private lessons and totaling about \$8,000 annually. Although this amount can be easily absorbed by existing discretionary revenues in the overall departmental budget, we anticipate that all of this increase will be offset over time by an increase in University Productivity Funding resulting from the boost in SCH generation precipitated by enhanced enrollments. The projected increase in Productivity Funding over the next 5 years is listed below in Table 2.

ii. Interdisciplinary Graduate Certificate in Historic Preservation

The Request: The University of Utah College of Architecture + Planning requests approval to offer an interdisciplinary graduate Certificate in Historic Preservation effective Fall 2006.

Need: In the past several years, historic preservation oriented projects have accounted for construction activity in the range of hundreds of millions of dollars in the intermountain west (including the \$229M rehabilitation of the Utah State Capitol and \$240M in historic preservation tax credit projects) and multiple billions of dollars nationwide. With the expected continuation of the federal tax systems that currently provide significant preservation tax credit incentives, these figures have been forecasted to grow or hold steady in both the near and the long terms. In the FY2004-5, Utah ranked 15th in the nation in historic preservation tax credit activity and was second only to Texas in western United States in this market segment.

Through the Governor's Office of Economic Development, the state of Utah currently has an active Main Street program that works to revitalize the commercial districts of numerous small cities and towns (such as Mt. Pleasant, Panguitch, Payson, Richfield, Price, Tooele, Provo, and Roosevelt) statewide. According to the Utah State Historic Preservation Office, the State of Utah has more than 62,000 designated historic buildings and an untold additional number become eligible each year. Community leaders and private homeowners are seeking ways to preserve, rehabilitate and/or revitalize these buildings.

In addition, the current Bush administration has supported the Saving America's Treasures program and implemented the Preserve America initiative. Both provide additional incentives to agencies and communities to restore historic buildings and encourage heritage tourism.

Each of these project types draws upon the skills of architects, planners, historians, and public administrators (as well as such other disciplines as engineering, law, and real estate development). The proposed certificate program is needed to assist in providing a new generation of practitioners with skills to advance the interdisciplinary efforts of historic preservation within the state of Utah, throughout the west, and nationwide.

Institutional Impact: While no other institute in the Utah System of Higher Education offers a Certificate in Historic Preservation, its existence could promote collaboration with related programs beyond the original four hosting programs noted herein.

The very nature of historic preservation is that it can command a significant commitment to community involvement. Many local preservation activities can be undertaken as a community-based, service-learning oriented process in completing projects as part of each course. While each course instructor will choose the extent of direct community involvement, the opportunity remains for the Certificate in Historic Preservation to become a highly visible university partner within the local and statewide community, particularly with the capstone experience course. Since community involvement is one of the important missions of the University, this program will enhance the University efforts in this goal.

Finances: Since the coursework used in the formation of this Certificate Program is already in place or has been approved for development within the respective departments for programs in place, there should not be any significant costs associated with implementing the Certificate Program. Similarly, there should not be any additional resources required for the Marriott Library beyond what is normally acquired through faculty requests from these existing courses.

The Certificate in Historic Preservation Program will not maintain a separate budget from the specific budgets in place for the departments hosting the Certificate Program. Any cost of advertising and recruiting efforts initiated by a hosting department shall be borne by that department.

B. Southern Utah University

Change of Program Name of Composite Major from Electronics Engineering Technology to Electronics and Computer Engineering Technology

The Request: The Integrated Engineering and Technology (IET) Department at Southern Utah University proposes to change the name of its composite major in Electronic Engineering Technology (EET) to Electronics and Computer Engineering Technology (ECET) to better reflect curricular changes that have occurred over the past several years. These changes reflect an attempt on the part of the IET Department to meet the growing needs of the students and the local and regional business and industry, to minimize course and resource duplications, to increase

enrollment in ECET and Computer Science and Information Systems (CSIS) courses, and to enhance cross-utilization at SUU.

Need: By revising and modifying the EET composite to ECET, the program will have a stronger emphasis on computer hardware and software which is highly desired by industry, potential ECET students, and other constituencies due to the growing need for graduates capable of functioning at the multitask level. Furthermore, by including CSIS courses into the ECET curriculum and introducing ECET courses into the CSIS curriculum, enrollment in such courses will increase and institutional operating efficiency will be enhanced due to cross-utilization and duplication minimization.

Institutional Impact: SUU's revised program matrix includes this revised program, therefore there is no impact on the institution.

Finances: This program does not require any additional resources or funding; it actually, reduces resource duplication and enhances cross-utilization.

C. Salt Lake Community College

Changes in the School of Business

The Request: The School of Business now consists of two Divisions: The Division of Business Administration and the Division of Computer Information Systems, Marketing, and Paralegal; the former Business Communication, Marketing, Paralegal department has been divided. The Business Communications course and faculty member now reside in the Business Management department in the Business Administration Division. Marketing Management and Paralegal Studies are each independent departments and still reside in the Computer Information Systems, Marketing, and Paralegal Division.

Need: Business Communications more appropriately aligns with the Business Management department. The Marketing Management and Paralegal Studies programs function as separate departments in every way. Their budgets are separate, their FTEs are counted separately, their curriculum and course offerings are completely different, they use different classrooms and other facilities, and they are accredited by different accrediting agencies. This request will allow the organizational chart to reflect current practice.

Institutional Impact: This organizational change will be reflected in the organizational chart and in the course hierarchy in the Banner database. No other impact will occur.

Finances: All budgets are already in place and will be administered in the respective departments as named above.

Commissioner's Recommendation

The Commissioner recommends that the Regents approve the institutional requests on the Information Calendar of the Programs Committee as described above.

REK/LS/JMC

Richard E. Kendell, Commissioner

October 16, 2006

MEMORANDUM

TO: State Board of Regents

FROM: Richard E. Kendell

SUBJECT: Information Calendar: Academic, Career and Technical Education, and Student Success (Programs) Committee: Graduate Council Reviews

The Graduate School, University of Utah conducted program reviews as specified in Regents Policy R411, Review of Existing programs. The policy requires the institution to conduct periodic program reviews (universities are on a seven-year cycle and community and state colleges are on a five year cycle) and provide a summary of the findings to the Commissioner's Office. All reviews are conducted by institutional personnel and external evaluators.

The University of Utah provided the Commissioner's Office with the following graduate council reviews: School of Accounting and Information Systems; Department of Finance; Department of Marketing; Department of Medicinal Chemistry; Department of Pharmacology and Toxicology; College of Nursing; and Department of Management.

Each review gave the requisite information including student credit hours, FTE, degrees obtained, demographic profile, faculty status, and student/faculty ratios. Program strengths, challenges, and recommendations were included together with an institutional response to the program review teams. The program reviews are on file in the Commissioner's Office.

Graduate Council Review Summaries

1. School of Accounting and Information Systems: The School of AIS is a unit within the David Eccles School of Business (DESB) that operates financially and academically as a department. At the undergraduate level, the joint name of Accounting and Information Systems reflects the two separate programs and undergraduate degrees offered within the unit. At the graduate level, the DESB centrally administers master's and Ph.D. programs for AIS and other units within DESB. This central administration includes three MBA degrees with three areas of specialization: Financial Accounting, Auditing and Accounting Information Systems, and Information Systems. In addition to these centrally administered graduate degrees, AIS offers the Master of Accounting (MAcc) program, which is the only program managed by AIS independent of the DESB program offices and committees. The faculty in AIS participate in DESB committees.

Commendations included DESB support of undergraduate and graduate programs in AIS, the competence of AIS faculty and director, and the progress since the last review with respect to increasing faculty gender diversity, computer facilities and support staff. The recommendations included more core faculty input in undergraduate education, especially with regard to student interactions and career advising, more tenure-track faculty should adopt the teaching load of the auxiliary faculty, and peer review process for teaching quality of the auxiliary faculty should be implemented. Actions are underway to address these recommendations.

2. Department of Finance: The Finance Department in the University of Utah's David Eccles School of Business is a program that is distinguished by a research faculty with a strong record of publication in national journals and a strong record of teaching, as well as innovative and creative programs for the top tier of business students in the school. The faculty are known for work in the finance subfield of financial markets and market microstructure and in the subfield of corporate finance. The Finance Department includes 11 full-time, and two half-time tenured/tenure track professors. In addition, there are 4 full-time lecturers (two of whom are shared with other departments) and 22 auxiliary faculty. The department includes two women faculty; one is a recent hire. Teaching load is split among these three groups, with "research active" faculty teaching three courses per year, primarily at the graduate level and full-time lecturers teaching ten courses per year. The Finance Department offers undergraduate business degrees, an MS in Finance, MBA degrees, and a Ph.D. Students on every level value greatly the quality of research scholarship and teaching produced by the regular full-time faculty. The Finance department offers both an MS in Finance and the MBA degrees. The MS in Finance has been redesigned to replace the thesis or master's project requirement with a comprehensive examination. All of the MBA programs are supported in part through differential tuition. The Ph.D. program in finance is strong, with broad participation of the finance faculty and several Ph.D. courses. The students in the program are required to participate in the University's TA training program and are provided with additional training to improve teaching skills. In return for stipends, Ph.D. students are obligated to serve as research and/or teaching assistants and assume full responsibility for teaching an undergraduate course in their fourth year. Students are required to establish a field of interest early on, and are encouraged to interact with faculty from the first year, in addition to formal advising. Students are encouraged to write sole-authored papers and learn job interview skills while in the program, which has led to improved placements of recent Ph.D. students.

Commendations include clearly articulated values which are reflected in priorities that determine the allocation of resources; support of research; scholarship and graduate teaching; strong leadership from the department chair and dean; and a variety of innovative programs to support the best and brightest students at the undergraduate level, the Ph.D. program, and the Utah Winter Finance Conference. Recommendations include increasing diversity among faculty, increasing program flexibility to allow for earlier finance electives. Also advising of undergraduate students should be improved by creating a specialist in the central School of Business advising office or offering advising in-house. The MBA program should increase flexibility of the MBA curriculum to allow for earlier specialization in finance topics. Also recommended is additional administrative support to the department. Actions are underway to address these issues.

3. Department of Marketing: The Marketing Department resides in the David Eccles School of Business (DESB), which offers important school-wide resources, a clear commitment to research, and strong regionally competitive strength. The DESB offers a variety of school-wide programs:

undergraduate business degrees, MBA degrees, and Ph.D. degrees. Recruitment, advising, and placement for these programs are managed primarily at the school level. Each of the academic departments contributes courses to these programs.

The primary recruitment for undergraduate majors occurs on campus, as students are not admitted until their junior year. The DESB has begun more outreach recruiting to add diversity to the programs and to attract students from underrepresented neighborhoods in Salt Lake and rural communities around the state. Master's student recruitment is handled centrally in the office of a new director who oversees recruitment, program advising, career services, and student placement. The DESB offers three MBA programs: a traditional two-year, full-time day MBA; the Professional MBA (PMBA, offered during evening hours); and the Executive MBA (EMBA, offered on weekends). Admission standards for the day MBA and PMBA are similar (although work experience is weighted more heavily for the PMBA program); the EMBA requires at least 6 years of full-time significant work experience. A previous accelerated MBA program was consolidated with the day MBA in 2004. The DESB offers a Ph.D. in Business Administration with a specialization in each of the academic departments.

Commendations include a productive faculty comprised of mature scholars who have made significant research contributions to various marketing subfields, and strong library and computing support. Additionally, campus business institutions provide excellent learning experiences for students. Recommendations include: (1) hiring new faculty in the context of the new strategic plan that establishes a clear direction for the department future; (2) increasing reliance on regular faculty for course teaching; (3) hiring at least one new faculty with quantitative/managerial expertise; (4) structuring the timing of the core PMBA marketing curriculum to allow earlier specialization in marketing topics; (5) developing a clear and cohesive vision and strategic plan; and (6) exploring strategies to consolidate its MBA programs so that core course offerings can be fewer and larger. Actions are underway to address these issues.

4. Department of Medicinal Chemistry: The Department of Medicinal Chemistry is one of the four units within the College of Pharmacy which enjoys the distinction of being the second highest ranked School of Pharmacy in NIH funding in the US. The department performs important functions within the College of Pharmacy and also within the interdepartmental graduate programs in Biological Chemistry and Molecular Biology. The department participates in a college-wide professional doctorate degree-granting program. This is a four-year professional program leading to a Doctor of Pharmacy, (Pharm.D) degree. Students who earn this degree are eligible to be licensed pharmacists. All tenure-track faculty are involved in the subject of medicinal and physiological chemistry, with emphasis on the chemical, physical and biological properties of medicinal agents. The Department also offers M.S and Ph.D degrees. The graduate program is largely dependent upon the interdepartmental Biological Chemistry and Molecular Biology graduate programs for recruitment and orientation.

The Department has provided leadership in Utah Centers of Excellence and the formation of new commercial ventures through the discovery and development of new chemical agents of pharmaceutical importance. The department also has played a service role to the university community and private sector in providing access and knowledge in the use of expensive enabling technologies for chemical/biochemical analysis, especially nuclear magnetic resonance spectroscopy (NMR) and mass spectrometry (MS).

Commendations include the strength of the faculty, the strong service record of the department in the various programs of the College of Pharmacy and Graduate Programs in Biological Chemistry and Molecular Biology, graduate student quality and accomplishments; strong strategic alignments with the Huntsman Cancer Institute and the new Brain Institute, and state-of-the-art instrumentation in mass spectroscopy and NMR spectroscopy. Recommendations include: (1) hiring new faculty at the Associate Professor level in order to address the challenges it will confront as a result of the retirement of senior faculty; (2) diversifying the faculty; (3) providing interim funding to support faculty research in between grants; (4) establishing a departmental endowment via fundraising from private sources; and (5) promoting a sense of community and identity among faculty and graduate students. Actions are underway to address these issues

5. Department of Pharmacology and Toxicology: Pharmacology deals with the properties and effects of drugs and how they interact with living systems. Toxicology is concerned with toxicities of drugs and other chemicals and the demonstration of the safety and hazards of such substances.

The Department offers instruction in pharmacology and toxicology. Its teaching and research activities range from understanding molecular mechanisms of drug action and/or chemical toxicity to assessment of human exposures to environmental pollutants. The faculty teach pharmacy, medical, and graduate students; offer M.S., Ph.D., M.D./Ph.D. and Pharm.D./Ph.D. degrees; conduct innovative research programs that are well-funded; and provide service to the university, the nation, and the discipline. In addition to the departmental-based graduate program, faculty participate in the interdisciplinary graduate programs in Neuroscience, Molecular Biology, and Biological Chemistry, and the M.D./Ph.D. program. No undergraduate degree is offered by the Department.

Teaching and research capabilities of the department are enhanced by the facilities of the Center for Human Toxicology, and the Anticonvulsant Drug Development Program.

Commendations include the leadership of DPT's new chair, the DPT's faculty, the external support for research, the Center for Human Toxicology, the affiliated Sports Medicine Research and Testing Laboratory, the Anticonvulsant Drug Development Program, the Preclinical Drug Development Program, and student mentoring. Recommendations include: (1) increasing contiguous space enabling the DPT to be able to increase their research productivity and their training program; (2) obtaining university funds to help support first-year graduate students; (3) submitting applications for one or more training grants to support graduate students and postdocs; (4) making more choices available for the required coursework in biochemistry, molecular biology, and cell biology; and (5) recruiting new faculty at the assistant professor level, particularly in the areas of pharmacogenomics and toxicogenomics. Actions are underway to address these issues.

6. College of Nursing: The College of Nursing (CON) at the University of Utah has held college status since 1948 after it had operated as a Department of Nursing Education in the School of Education beginning in 1941. It is supported by the University of Utah's central administration and the Health Sciences Center and promotes the three-fold mission of teaching, research, and practice of the Health Sciences. Through its "two informal divisions" (self-study, page 11), Acute and Chronic Care, and Health Systems and Community-Based Care, it offers two upper division (traditional and accelerated) bachelor degrees and an RN-to-BS degree; two M.S. degrees,

Nursing and Gerontology; and a Ph.D. on campus as well as a distance Ph.D. Extramural, intramural and private foundation funding support the College's research mission which is also promoted through the Emma Eccles Jones Nursing Research Center located in CON. Research funding has increased from \$80,000 to more than \$9,930,000 over the past ten years; and senior scientists, who hold five endowed chairs, direct research interest groups and mentor junior faculty. The College follows a faculty practice plan that supports six faculty practice and student placement sites such as the Stansbury Community Center and University of Utah Health Services.

The College administration includes the dean, three associate deans (Research, Academic Programs, Information and Technology), two assistant deans (Finance and Administration, Clinical Affairs), and two division chairs. While the division chairs oversee performance reviews and faculty assignments, they do not control their own budgets, thus making CON in essence a one-department college. However, the College and its faculty are currently reviewing a proposal for reorganization of the two divisions (CON response, page 2). Similarly, the College is evaluating the role of its Gerontology program, which the reviews describe as disconnected from the CON organizational structure and curriculum. Faculty and students in the program consider gerontology an ill fit for the College of Nursing, as the majority of students are associated with Health or Social and Behavioral Science. However, neither is currently interested in relocating Gerontology nor does the program generate sufficient resources to stand on its own.

Commendations include: (1) strong leadership; (2) a thoughtful and well-articulated mission; (3) a strategic plan that responds well to changes in nursing education, practice, and research; (4) increased extramural funding; (5) the position as a leader in nursing education in the state of Utah; (6) high-quality programs across all levels with successful use of instructional technology; (7) innovative teaching ideas; (8) the distance Ph.D. program in oncology; and (9) and the Clinical Faculty Associate program. Recommendations include supporting the College in its given authority and responsibility to provide direction and oversight of the Gerontology Program. Also, the Gerontology Program needs to be clearly articulated and integrated within the College of Nursing; the College should make diversity of faculty and students a top priority by seeking grants that specifically target the recruitment and retention of minority faculty; and the College must find ways to increase its salaries, secure external funding, and pursue internal strategies that will provide support incentives such as pilot and bridge grants. Actions are underway to address these issues.

7. Department of Management: The Department of Management is one of four departments in the David Eccles School of Business (DESB) at the University of Utah. The Department is comprised of three subject-based groups: Strategic Management (Strategy), Organizational Behavior (OB), and Production and Operations Management and Decision Sciences (POM/DS). The Department is also the home for teaching Business Communications, Business Law, and Statistics. Additionally, the Department provides courses for the undergraduate and master-level programs of the DESB. These courses account for approximately 30% of the School's undergraduate student credit hours (SCH) and approximately 46% of its graduate SCH. The Department participates and supports all School-wide degree programs and also offers an undergraduate Management major and a new major in Entrepreneurship.

Each of the three subject-based groups within the Management Department is a focus for faculty activity and planning, and has an informal, appointed coordinator who provides leadership and represents the group in the larger department. The internal and external review teams both

commented on the lack of senior faculty within the Department. According to the outgoing Chair's response, this is a significant and complex concern. This school year there are now three full professors (two in the Strategy sub-group and one in POM/DS) and one associate professor is currently being considered for full professor. The Department is searching for a senior person in the Organizational Behavior sub-group. While the significant number of research-oriented assistant and associate professors is an excellent positive step, recruiting a senior faculty member may require an endowed chair position.

Commendations include the success in recruiting of younger, more research-oriented faculty from top universities, and the replacement of the two-track tenure system with a single-track tenure system that emphasizes the importance of research. Also commended were the diversity of the faculty and high faculty morale, the Winter Conference, and the two-course sequence in statistics. Recommendations include stabilization of employment and retention of faculty, particularly at the senior level; development of a long-term plan; development of mentoring and support for the faculty at the assistant professor level to assist them in gaining promotion and/or tenure; and the development of a plan to provide consistently high-quality teaching. Actions are underway to address these issues.

Commissioner's Recommendation

The Commissioner recommends that the Regents review the Program reviews submitted by the University of Utah as part of their regular institutional program cycle. Questions and concerns may be raised. No action is required.

Richard E. Kendell, Commissioner

REK/LS/JMC

October 16, 2006

MEMORANDUM

TO: State Board of Regents

FROM: Richard E. Kendell

SUBJECT: Proposed Revisions to Policies R926, Use of Office-Owned IT Resources, and R927, Use and Security of Property

Issue

The Office of the Commissioner (OCHE) proposes to revise its policies in order to meet increasing legal and good practices requirements for greater care and security in the use of its IT Resources and other property by OCHE employees. (Policies in the R900 series apply only to the Commissioner's staff.)

Background

OCHE employees use the internet, e-mail, and mobile telephone and data devices and other OCHE IT Resources as tools to accomplish the work of the office. By policy they are allowed some incidental personal use of office equipment. The terms and procedures for such use are provided in these policies. As the capabilities of these IT Resources change and the external regulatory environment adjusts accordingly, it is necessary to revise the policies to provide clear guidance to employees and managers as to appropriate use.

Policy Issues

1. OCHE employee participation in blogs, chat rooms or bulletin boards. Personal blogs may not be hosted on OCHE IT Resources. As with all communications, OCHE employees must use care not to allow personal views expressed in blogs, chat rooms or bulletin boards to be interpreted by others to represent the views of OCHE. Such activities may not interfere with work commitments.
2. Use of OCHE messaging systems. OCHE employees must be careful in their use of the office e-mail system. Use of the system is a privilege that can be revoked at any time.
3. Use of the telephone system. The systems are provided for official business use. Personal business use should be kept to a minimum and all long distance and toll calls charged to the individual's own accounts or reimbursed to the office. IRS requirements circumscribe the use of OCHE-owned cellular telephones. R926 provides for additional compensation to employees for approved business use of personal cellular devices.

4. Privacy, security and monitoring of OCHE IT Resources. OCHE does not monitor IT Resources as a routine matter, but it will do so, to the extent permitted by law, when OCHE deems it necessary for purposes of maintaining the integrity and effective operation of the IT Resources systems, or to evaluate job performance quality. Use of IT Resources for prohibited purposes may subject an OCHE staff member to disciplinary action up to and including termination of employment.

Commissioner's Recommendation

The Commissioner recommends that the Regents approve the proposed revisions to Policies R926, Use of Office-Owned IT Resources, and R927, Use and Security of Property.

Richard E. Kendell, Commissioner

REK/HRE
Attachments

R926, Use of Office-owned [~~Computers and Software~~] IT Resources

R926-1. Purpose

To require appropriate use of office-owned [~~computer hardware and software~~] IT resources for official work of the office and to maintain appropriate separation between such office use and personal or entertainment use of [~~personally owned computer hardware and software~~] such resources. This policy applies to both internal and external access, and encompasses, but is not limited to OCHE resources such as computers, laptops, servers, workstations, networks, computer programs, databases, storage devices, media, printers, photocopiers, facsimile machines, peripheral equipment, gateways, intranets, internet access, web sites, e-mail, telephones, personal digital assistants, wireless devices, voice-mail, other communication devices, and digital and electronic information and data.

R926-2. References

2.1. Policy and Procedures [R927](#), Use and Security of Property

2.2 Policy and Procedures R952, Discrimination and Sexual Harassment Complaints

2.3. Policy and Procedures R992, Information and Technology Resource Security

2.4. Policy and Procedures R993, Records Access and Management

R926-3. Office-owned IT Equipment and Software Policy

3.1. Use of Office-Owned [~~Computer Equipment~~] IT Resources - Office-owned [~~computer equipment~~] IT Resources, including desktop and portable PCs, is subject to the general Office of the Commissioner of Higher Education (OCHE) policy [R927](#) regarding personal use of office facilities and equipment [~~, [R927](#), Use and Security of Property~~]. The equipment, installed software on the equipment, and any access to the Internet [~~and World Wide Web~~], are provided for purposes of the official work of the office, not for personal use or entertainment. Staff members are expected and required to use office-owned equipment primarily for official business in connection with their jobs. Staff members are expected and required to spend on duty time (which does not include break time and lunch time) on official business in connection with their jobs and not on personal affairs or entertainment. This expectation is of course qualified by normal allowance for emergencies that might arise and for reasonable and incidental socializing that facilitates effective working relationships. The same expectation and requirement applies to use of office-owned [~~computer equipment~~] IT Resources -- that is, the [~~equipment is~~] IT Resources are to be used principally for official business purposes related to the staff member's specific job.

3.2. Use During Break Time, During Travel, or at Home - During break time or in the case of portable equipment used at home or in travel status, the office

policy does not prohibit incidental personal use of the equipment, subject to the provisions set forth below. However, incidental is to be interpreted literally, meaning in this case a very small portion of the total use of the equipment. As a singular exception to this provision, job-related training or other approved course enrollments are considered to be job-related activity. Staff members are required to exercise reasonable precautions in caring for any equipment authorized for use off-premises, and are personally responsible for any damage resulting from use by family members or unauthorized persons. Incidental personal use might include such activities as:

3.2.1. Using the office phone on occasion to make necessary calls (see R926-5 below for details).

3.2.2. Faxing an important document if necessary (e.g., faxing information to a mortgage company during the home purchase process).

3.2.3. Accessing the Internet for reasonable and appropriate personal use, for educational or research projects, to retrieve news stories or other information of general interest, to participate in professional or civic organizations, or to perform nonprofit or community service.

3.2.4. Using e-mail to send occasional brief messages to recipients outside OCHE or to receive such messages.

3.2.5. Storing a limited amount of appropriate types of personal non-executable files on one's local computer hard drive (C:). (Local drives may be changed or re-imaged at any time, thus making files inaccessible.)

3.3. Authorization and Installation of Software - Without exception, software installed on office-owned ~~computer~~ IT Resources equipment is required to be owned by the office and installed by Computer Services (CS) staff members. Installation of personal copies of software or installation of software (including but not limited to computer games) by other staff members is prohibited. This policy is intended to ensure compliance with software licensing obligations and also to safeguard against avoidable introduction of computer viruses, as well as avoiding unnecessary potential overloading of memory and hard disc storage capacity of office-owned equipment. Need for specific specialized software packages (apart from the office-wide standard software modules installed as authorized by cognizant Associate Commissioners or UHEAA Associate Executive Directors) may be verified in writing by the cognizant Associate Commissioner or Associate Executive Director and will then be purchased and charged to the applicable cost center budget in OCHE or UHEAA, and installed by ~~[Computer Services]~~ CS. ~~[Computer Services]~~ CS staff are instructed to remove games from any currently-installed software and from new software as installed. If unauthorized software is found on office-owned equipment, ~~[Computer Services]~~ CS staff are under a standing instruction to delete it.

[Computer Services] CS has available a variety of options for PC wallpaper and screen saver applications, and individual staff members may contact [Computer Services] CS at their option to select personal choices from the available options. Persons with Internet access on office-owned [computers] IT Resources may download documents related to their official duties, but are prohibited from downloading any software without first checking with [Computer Services] CS to ensure both compliance with licensing requirements and protection against interference with other installed software. Persons downloading job-related documents are required to pay close attention to any warnings from [Computer Services] CS regarding potentially harmful documents.

3.4. [Use of GroupWise E-Mail Facilities] ~~The address groups and other facilities available in GroupWise, for all persons connected to the general office local area network, are, as all other aspects of the computer systems provided, intended for official use and not for recreational or other personal uses. Staff members are prohibited from using these facilities for the establishment or operation of joke or quotation exchanges, or other similar recreational uses, whether addressed to internal or external persons.~~

3.5.] Prohibition on Copying Office-installed Software - Under no circumstances may individual staff members copy office-owned software for installation on personal or any other computer equipment. In some cases, staff members wishing to work at home on office business, either on their own time or on an approved telecommuting basis, may wish to utilize personally-owned computer equipment. With specific approval by the cognizant Associate Commissioner or Associate Executive Director, related office-owned software may be installed on the staff member's personal computer equipment, but only by [Computer Services] CS staff members. An inventory of office-owned software installed on staff members' personal PCs will be maintained, and the software will be required to be deleted and the deletion verified when a staff member leaves employment with the organization.

3.6. Internet Access and Use - Staff members are expected to exercise sound judgment in limiting their use of internet access to official business-related purposes during normal business hours. Any personal uses of office-provided Internet capacity must be strictly incidental (as defined in 3.1), limited to breaks, lunch hour, or other off-duty time, and in keeping with standards of ethical behavior. Staff members with off-premises access to the Internet through the office dial-up network are required to safeguard against its use by unauthorized persons. [Computer Services] CS staff are instructed to monitor and periodically check the sites addressed using office Internet access.

3.7. Web logs (Blogs), Chat Rooms, Bulletin Boards - Personal blogs, chat rooms or bulletin boards may not be hosted on the OCHE network. A blog is a journal (or newsletter) that is frequently updated and intended for general public consumption. Blogs generally represent the personality of the author or the Web

site. OCHE employees are discouraged from publicly discussing work-related matters, whether constituting confidential information or not, outside of appropriate work channels, including online in chat rooms, on bulletin boards, or in their personal blogs. An employee with a blog or who participates in a chat room or a bulletin board must:

3.7.1. Make it clear that the views expressed are the employee's alone and do not necessarily represent the views of OCHE.

3.7.2. Respect OCHE's confidentiality and proprietary information.

3.7.3. Ask his/her manager if there are any questions about what is appropriate to include in a blog, bulletin board or chat room.

3.7.4. Be respectful to OCHE, OCHE employees, customers, partners, and competitors.

3.7.5. Understand and comply when OCHE asks that topics not be discussed for confidentiality or legal compliance reasons.

3.7.6. Ensure that blogging, chatting, or bulletin board activities do not interfere with OCHE work commitments.

R926-4 Electronic Messaging Policy

4.1. Use of the Messaging System - The OCHE Messaging System consisting of e-mail/calendaring client software, e-mail/calendaring servers, and supporting infrastructure is the property of OCHE and should be used for legitimate administrative purposes. Users are permitted access to the Messaging System to assist them in performing their role within OCHE. Use of the Messaging System is a privilege that can be revoked at any time.

4.2. Passwords - Users are responsible for safeguarding their passwords. Individual passwords should not be printed, stored online, or given to others (including family members). (See R992.4.5 User Authentication.)

4.3. Separation from OCHE - Supervisors may request CS to retrieve personal e-mails and other personal electronic data from an employee's e-mail account prior to the employee's separation from OCHE.

4.4. Delegated (Proxy) Access - A User may grant delegated (proxy) access to another user in the e-mail system. Requests for delegated (proxy) access must be approved by the User whose account will be accessed. (See R992.4.6 for provisions to arrange such access.)

4.4.1. Individuals who request access to another person's e-mail, and receive approval to do so, will not receive permission to directly access the e-mail account, but will be

allowed to choose e-mail messages they would like printed or forwarded to them that directly relate to the issue described in their request for access.

4.5. Users Responsible for Messages - Users are responsible for any messages sent or forwarded from their e-mail account.

4.6. Distribution or Storage of Prohibited Materials - Without prior written permission from the cognizant Associate Commissioner, e-mail may not be used for dissemination or storage of commercial or personal advertisements, solicitations, promotions, destructive programs (i.e., viruses), or any other unauthorized use.

4.7. Waste of Messaging System Resources - Users may not deliberately perform acts that waste Messaging System resources or unfairly monopolize resources to the exclusion of others. These acts include, but are not limited to, mass mailings, chain letters, multiple copies of documents, or otherwise creating unnecessary network traffic. The administrators of the OCHE Messaging System reserve the right to disable mailboxes that are creating system-wide problems.

4.7.1. Users may not initiate or forward chain messages. Chain messages are defined as messages sent to a number of people asking each recipient to send copies of the same request to a number of other recipients.

4.7.2. Mass e-mail is a message that is sent to a large number of recipients. All mass e-mail must be approved before dissemination. Approval must be granted by the cognizant Associate Commissioner or his/her designee.

4.8. Personal Use - Incidental personal use is allowed as long as it does not interfere with the operation of the e-mail system and does not provide an added burden for OCHE Messaging System administration.

4.9. Account Management - CS has primary responsibility for the OCHE Messaging System. Accounts are available only to current staff of OCHE. Special consideration may be made for outside affiliates and consultants.

4.9.1. All Messaging System Users must have signed the Security and Confidentiality agreements and must have reviewed this e-mail policy.

4.9.2. The Messaging System User ID must be unique and in the form of an OCHE ID as issued by OCHE. The canonical e-mail address for a User will be based on the Messaging System User ID. Exceptions will be allowed for work group resources (conference rooms, equipment, and generic work group e-mail address).

4.9.3. An e-mail account will be limited to a quota of 250 MB, however exemptions are possible with demonstrated need and approval by the cognizant Associate Commissioner. Users will be responsible to manage their personal storage space to keep it below the quotas. Users will be provided with mechanisms to archive e-mail. The

archiving method used will be determined by work unit security and retention requirements. If an employee's mailbox size exceeds the storage limitation and remains above the specified limitation, users will be unable to create new messages. However, user s ability to receive new messages will NOT be affected.

4.9.4. No User will be allowed more than one Mailbox in the messaging system.

4.10. Mail Retention and Backup - E-mail messages and appointments can be kept for as long as the User deems it necessary as long as the space limit set in 4.9.3 is not exceeded. E-mail backup and retention of tapes will be based on a documented risk assessment, as set by the Information Technology Council established by R992.

4.11. Internet Mail - Internet addresses will be in the form determined by the Information Technology Council. The security of messages sent outside the e-mail system (via the Internet or otherwise) cannot be guaranteed. Users shall not send e-mail containing information considered to be sensitive or confidential.

4.11.1. Delivery of e-mail messages (including delivery in a timely fashion) to recipients outside of the e-mail system cannot be guaranteed. Internet mail messages have up to 24 hours to reach their destination. Users should receive a notification of any bounced messages.

4.11.2. E-mail messages are limited to a maximum size of 25 MB including attachments.

4.11.3. Due to spam and virus propagation, certain attachments are quarantined or blocked. The following types of files that are examples of blocked or quarantined attached messages when sent as an attachment: .exe, .scr, .pif, .cmd, .cpl, and .hta. CS can provide a list of blocked or quarantined attachments.

4.12. Blocking - CS uses blocking products containing lists of IP addresses of known sources of unsolicited commercial and bulk e-mail (a.k.a. spam) in the attempt to minimize and manage the impact of spam on the OCHE Messaging System.

4.13. E-Mail Access and PDA Software Support - Users are provided a variety of supported ways to access their e-mail. PDA's (Personal Digital Assistant/Handheld computer), in addition to a variety of other features, let users synchronize with the OCHE e-mail system. Standard server facilities will be provided for PDA integration.

4.14. E-Mail Discontinuance - E-mail accounts will be removed from the system when CS receives termination notification from Human Resources.

4.15. Disclaimer - E-mail users and those in possession of OCHE records in the form of electronic mail are cautioned to be prudent in their reliance on electronic mail for purposes of maintaining a lasting record. Sound business practice suggests that consideration be given to transferring (if possible) electronic mail to a more lasting

medium/format, such as acid free paper or microfilm, where long term accessibility is an issue.

4.15.1. Due to the nature of e-mail, the storage and delivery of e-mail cannot be guaranteed.

R926-5 Telephone Policy

5.1. Use of Telephone Systems - The OCHE telephone systems and equipment are provided for the conduct of official business. Use of these facilities for personal business should be kept to a minimum.

5.1.1. Call center phones are subject to monitoring and recording. Usage reports can be generated for all OCHE phones and may be monitored for abnormally high usage volumes.

5.1.1. Office telephone numbers should never be formally published in connection with personal business. OCHE's 1-800 numbers should not be given out for incoming personal calls. These phone numbers are strictly for the use of OCHE's clients, or prospective clients, to be used when contacting OCHE about official business.

5.2. Long Distance and Toll Calls - Long distance and other toll calls for private business made through the OCHE telephone system should be charged to the individual's home telephone or personal calling card. If this is not possible, a record of private calls made at OCHE expense must be kept and repayment must be made upon receipt of the telephone bill. Supervisors are responsible to prevent abuse and ensure that repayment is made. Personal collect calls should not be accepted.

5.3. Allowance for Personal Cellular Telephones - If an employee requires a cellular phone in order to perform his/her duties, the employee, with approval of the cognizant Associate Commissioner or designee, will obtain a personal cellular access plan and cellular phone and will receive an allowance from OCHE via additional compensation, within approved limits. The additional compensation must be justified by business requirements which necessitate the use of a cellular telephone to perform official OCHE business where such business cannot be accommodated by the use of a land line phone, pager, or other less expensive communication device. The cellular telephone is owned by the employee and may be used for personal business. The approved allowance amount must be based on business requirements. The employee may, at his/her own expense, elect to purchase additional service(s). Approved procedures must be followed when providing additional compensation for this purpose.

5.4. OCHE-Owned Cellular Telephones- OCHE shall not purchase or own cellular telephones except in those circumstances where employee ownership of the cellular plan and telephone is not practicable as determined by the cognizant Associate Commissioner. OCHE-owned cellular telephones provided for the conduct of official business shall not be used for personal business.

5.4.1. IRS published authority defines requirements for adequate substantiation of the business use of OCHE owned cellular telephones. Unsubstantiated cellular use may be deemed personal use and therefore considered wages subject to employment taxes.

5.4.2. Adequate substantiation of business use includes the time, date, place, business purpose, and amount of the expense. Substantiation of business use should be in the format of a record or log made at or near the time the telephone call was placed.

5.4.3. An employee shall repay OCHE for incoming and outgoing personal use of an OCHE owned cellular phone. The reimbursement amount shall include direct charges for personal use and a pro rata share of monthly fees and services. Supervisors are responsible to prevent abuse and ensure that repayment is made.

5.4.4. If a user is not able or willing to comply with IRS substantiation requirements for OCHE owned cellular services and devices, the department or individual must use the individual ownership option described in paragraph 5.3.

5.5. No Cellular Use while Operating a Motor Vehicle - Employees shall not use cellular telephones to conduct the business of OCHE while operating a motor vehicle.

R926-6 Privacy, Security and Monitoring Policy

6.1. Privacy and Security - Users shall respect the legitimate expectations of privacy of others. However, appropriate administrators and network managers may require access to users' e-mail and other electronic records typically taken to be private. In particular, individuals having electronic communication system administration responsibilities, who cannot perform their work without access to e-mail and other records in the possession of others, may access such information as needed for their job responsibilities.

6.2. No Guarantee of Security or Privacy - The security and privacy of electronic records cannot be guaranteed. During the course of system maintenance, IT Resources staff may view the contents of records as they are processed through the electronic communications system. However, these staff members are expected to maintain the confidentiality of any data they encounter in accordance with R992. Not doing so may subject IT Resources administrators to disciplinary action up to and including termination.

6.3. Security Limitations - Users should not consider e-mail to be private or secure. Messages addressed to nonexistent or incorrect user names may be delivered to unintended recipients.

6.4. Prohibited Activities - Any activity that violates OCHE's Information Resources Policy (R992) or generally accepted standards of computer ethics and etiquette is prohibited. Services associated with the computers, software, and electronic communication systems will not be used for illegal or improper purposes. This includes, but is not limited to, the generation of threatening, harassing, abusive, obscene or fraudulent messages. The use of the OCHE Systems must comply with this policy and

applicable Federal and State Law. IT Resources may not be used in a manner that involves or facilitates any of the following prohibited uses:

6.4.1. Any infringement or misappropriation of copyrighted material or software, trade secrets or other intellectual property;

6.4.2. Anything that jeopardizes the security of IT Resources, data, or confidential information, or the privacy rights of others;

6.4.3. Engaging in or facilitating any crime, fraud, or illegal act, including gambling and sports pools;

6.4.4. Racist, sexist, stalking, harassing, or threatening communications (See R954, Sexual Harassment and Consensual Relationships.);

6.4.5. Any use that is for personal gain of the employee or another person, including a political activity, personal business, or commercial enterprise or to solicit for charitable organizations not approved and sponsored by OCHE;

6.4.6. Any misrepresentation of the identity of the sender, including sending a message as an official OCHE communication without appropriate permission;

6.4.7. Distribution, communication, access, download or display of pornography or material that is sexually explicit, excessively violent, harassing or otherwise offensive;

6.4.8. Any unauthorized change to the design or configuration of IT Resources, including the installation of non-OCHE approved screen savers or downloading executable software that is not approved by CS;

6.4.9. Any unauthorized activity that interferes with or adversely affects the performance of the employee's work or the work or responsibilities of others using OCHE's networks and systems;

6.4.10. Sending or forwarding unsolicited bulk e-mail, chain letters, or "spam";

6.4.11. Any attempt to circumvent or disable security, monitoring, filtering, or auditing software or systems of OCHE.

6.5. Monitoring - OCHE reserves the right but does not have the duty, to monitor any and all aspects of its IT Resources system. OCHE does not monitor IT Resources as a routine matter, but it will do so, to the extent permitted by law, when OCHE deems it necessary for purposes of maintaining the integrity and effective operation of the IT Resources systems or to evaluate job performance quality (See R992-5.1.4 and 5.1.8 for information security monitoring). Also, there are cases where responsive monitoring is performed whereby OCHE monitors in response to a particular problem, complaint, investigation to a claim or lawsuit. Such responsive monitoring will be approved by

Human Resources and the cognizant Associate Commissioner. Monitoring will comply with the following restrictions:

6.5.1. All monitoring will be relevant to a particular OCHE purpose, problem, complaint, investigation of a claim, or lawsuit;

6.5.2. Disclosure and use of resulting data will be restricted to OCHE related purposes;

6.5.3. Monitoring a person's e-mail must be approved by Human Resources and the cognizant Associate Commissioner; and

6.5.4. Advice from legal counsel may be sought before permission to monitor is granted.

6.6. Monitoring Activities - In order to conduct its monitoring activities OCHE may:

6.6.1. Record Call Center phones used by telephone associates;

6.6.2. Generate telephone usage reports;

6.6.3. Review computer and network usage;

6.6.4. Scan, review, and record incoming/outgoing e-mail and instant message activity;

6.6.5. Track every instance of Internet connection;

6.6.6. Review system resource usage logs including disk space, remote access, log-in and other system logs.

R926-7 Disciplinary Action Policy

7.1. Disciplinary Action - Personal use of OCHE's It Resources is a privilege rather than a right. Staff members using the systems in an appropriate manner and on an occasional personal basis need not be concerned about monitoring activities or possible disciplinary actions. However, misuse of any of these systems or other violation of this policy may subject a staff member to disciplinary action up to and including termination of employment.

(Approved August 3, 2000; amended October 31, 2003. Proposed amendments October 16, 2006.)

R927, Use and Security of Property

R927-1. Purpose

To ~~[outline the Commissioner's Office]~~ describe the Office of the Commissioner of Higher Education (OCHE) policy toward the use of ~~[Commissioner's Office]~~ OCHE property and the manner in which it should be safeguarded against possible loss or misuse.

R927-2. References

2.1. Utah Code [§53B-1-106](#) (Appointment of Commissioner's Staff)

2.2. Policy and Procedures [R141](#), Duties of the Commissioner of Higher Education

2.3. Policy and Procedures R926, Use of Office-owned IT Resources

R927-3. Policy

3.1. Office Hours - ~~[Administrative offices of the Commissioner's Office are]~~ OCHE is open to the public from 8:00 a.m. to 5:00 p.m., Monday through Friday. Certain areas of the office are open ~~[as current schedule requirements indicate]~~ at other times to meet particular needs.

3.2. Responsibility to Lock Offices - It is the responsibility of all personnel using the offices after regular hours to see that lights are turned off in the rooms they are vacating and that office doors ~~[are locked]~~ and outside doors are secured. ~~[If the individual does not have access to keys, it is the responsibility of that individual to make arrangements for doors to be locked].~~

3.3. Investigations of Unauthorized Use - Employees and building security personnel will investigate ~~[unauthorized]~~ night use of the offices [as necessary] to ascertain whether persons in the office are authorized.

3.4. Security Maintenance - Personnel should use all precautions in maintaining the highest level of security in order to protect OCHE property. ~~[Remember keys are used to lock as well as open doors].~~

3.5. Keys and Security Cards - To facilitate the security of the Commissioner's Offices and property, keys and security cards to the offices and building may be obtained from ~~[the Personnel Officer]~~ Human Resources. ~~[The Personnel Officer]~~ Human Resources should assure that keys, security cards, U of U identification cards, telephone calling cards, and office credit cards are returned before personnel leave OCHE employment.

3.6. Occasional Conduct of Personal Matters - It is expected that every employee in OCHE will give full measure in fulfilling his or her assignments and responsibilities. During the course of the normal working day only incidental conduct of personal matters is permitted. More extensive conduct of personal matters during normal working hours must be approved by the individual's supervisor. Extensive conduct of personal matters at the office outside of normal working hours must also be approved by the individual's supervisor.

3.7. Personal Use - All property, supplies, and services purchased with Commissioner's Office funds should be used [~~primarily~~] only in the operation of OCHE [~~and only incidentally should they be used for personal business. Personal use will be allowed only if it does not conflict with business use of property, supplies and services.~~] They may not be used for personal business, except in circumstances explicitly allowed by OCHE policy.

3.7.1. Personal use of the computer equipment is authorized only [~~at times other than normal working hours. Incidental use should not include use of main frame memory storage~~] as provided in R926.

3.7.2. Personal copies and printing made on office machines should be reimbursed to the Accounting Office at published rates.

3.8. [~~Use of Telephone System~~ - ~~The Commissioner's Office telephone system is provided for the conduct of official business. Use of these facilities for personal business should be kept to a minimum. Under no circumstances shall toll calls for private business matters be charged through the Commissioner's Office. Toll calls for private business made through the Commissioner's Office telephone exchange should be charged to the individual's home telephone or to a personal telephone calling card. Personal collect calls should not be accepted.~~

3.8.1. ~~Office telephone numbers should never be formally published in connection with personal business, and other personal use of the office telephone number should be kept to a minimum.~~

3.8.2. ~~Employees needing to place long distance business calls to the office will be issued an office calling card. These cards will be issued and monitored by the Accounting Office and must be returned upon termination of the employee.~~

3.9.] Parking Validations - Parking validations are available from the Receptionists for visitors to OCHE on official business only. The Receptionist is not authorized to issue parking validations to office personnel or to personal guests of office personnel. Validations for personal use may be purchased from the Accounting Office.

3.9. Postage Meter - The office postage meter is not available for personal use.

3.10. Office Credit Cards - Employees needing to use a credit card for conducting official office business may choose to sign up for an office sponsored credit card. These cards will be issued by the University of Utah and must be returned upon termination of the employee. Cardholders must follow both University of Utah and card guidelines. The employee will be billed directly by the credit card issuer and is responsible for all amounts charged to the card.

[R927-4. Office Computer Equipment

~~**4.1. Use of Office-Owned Computer Equipment**—Office owned computer equipment, including desktop and portable PCs, is subject to the general Office of the Commissioner of Higher Education (OCHE) policy regarding personal use of office facilities and equipment. The equipment, and installed software on the equipment, is provided for purposes of the official work of the office, not for personal use or entertainment. Staff members are expected and required to use office owned equipment primarily for official business in connection with their jobs. Staff members are expected and required to spend on duty time (which does not include break time and lunch time) on official business in connection with their jobs and not on personal affairs or entertainment. This expectation is of course qualified by normal allowance for emergencies that might arise and for reasonable and incidental socializing that facilitates effective working relationships. The same expectation and requirement applies to use of office-owned computer equipment—that is, the equipment is to be used principally for official business purposes related to the staff member's specific job. During break time or in the case of portable equipment used at home or in travel status, the office policy does not prohibit incidental personal use of the equipment, subject to the provisions set forth below. However, staff members are required to exercise reasonable precautions in caring for any equipment authorized for use off-premises, and are personally responsible for any damage resulting from use by family members or unauthorized persons.~~

~~**4.2. Authorization and Installation of Software**—Without exception, software installed on office owned computer equipment is required to be owned by the office and installed by Computer Services staff members or (in limited instances) by USLP Computer Operations staff members. Installation of personal copies of software or installation of software (including but not limited to computer games) by other staff members is prohibited. This policy is intended to ensure compliance with software licensing obligations and also to safeguard against avoidable introduction of computer viruses, as well as avoiding unnecessary potential overloading of memory and hard disc storage capacity of office owned equipment. Need for specific specialized software packages (apart from the office wide standard software modules installed as authorized by cognizant Associate Commissioners or USLP Assistant Commissioners) may be verified in writing by the cognizant Associate or Assistant Commissioners and will then be purchased and charged to the applicable cost center budget in OCHE, USLP, or UESP, and installed by Computer Services or USLP Computer Operations. If unauthorized software is found on office owned equipment, Computer Services~~

staff are under a standing instruction to delete it. Computer Services is acquiring a variety of options for PC wallpaper and screen saver applications, and individual staff members may contact Computer Services at their option to select personal choices from the available options.

4.3. Prohibition on Copying Office-installed Software— Under no circumstances may individual staff members copy office-owned software for installation on personal or any other computer equipment. In some cases, staff members wishing to work at home on office business, either on their own time or on an approved telecommuting basis, may wish to utilize personally owned computer equipment. With specific approval by the cognizant Associate Commissioner, related office-owned software may be installed on the staff member's personal computer equipment, but only by Computer Services staff members. An inventory of office-owned software installed on staff members' personal PCs will be maintained, and the software will be required to be deleted and the deletions verified when a staff member leaves employment with the organization.

4.4. InterNet Access and Use— On a need to have basis, with approval by the cognizant Associate Commissioner or USLP Assistant Commissioner, access to the InterNet and the Worldwide Web may be activated by Computer Services on computers used by specific staff members. Staff members are expected to exercise sound judgment in limiting their use of this feature primarily to official business-related purposes, and to incidental and off-duty personal uses appropriate to standards of ethical behavior. Staff members with off-premises access to the InterNet are required to safeguard against its use by unauthorized persons. Computer Services staff monitor and periodically check the sites addressed using office InterNet access.]

(Adopted July 19, 1983, amended April 16, 1993 and June 4, 1999. Proposed amendments October 16, 2006)

October 18, 2006

MEMORANDUM

TO: State Board of Regents
FROM: Richard E. Kendell
SUBJECT: Approval of First-Tier Tuition Range for 2007-2008

In 2005 Legislative Counsel advised the Board of Regents that first-tier tuition recommendations should be made prior to the General Session. To comply Regents are asked to approve a tuition range to cover the required institutional share of the compensation package that will be funded by the Legislature during the 2007 General Session.

Each year the Board of Regents approves two tuition rates. First-tier tuition is set to fund the institutional share of the legislatively approved compensation package. The rate is set equal to the highest institutional rate necessary to fund compensation increases.

Table 1 represents the potential first tier tuition increases needed based on a percentages of salary increases along with a 9.5% increase in health insurance rates and a 4% increase in dental insurance rates.

	<i>Estimated First Tier Tuition Increase Recommendations (Assumes the Current Tax Funds vs. Tuition Percentages)</i>							
	1% Package	<i>Tuition Increase Needed</i>	2% Package	<i>Tuition Increase Needed</i>	3% Package	<i>Tuition Increase Needed</i>	4% Package	<i>Tuition Increase Needed</i>
UU	1,756,500	1.42	2,750,600	2.22	3,744,700	3.02	4,738,800	3.82
USU	1,072,400	1.73	1,541,700	2.49	2,011,000	3.24	2,480,300	4.00
WSU	742,600	1.80	1,051,500	2.55	1,360,400	3.30	1,669,300	4.05
SUU	276,000	1.64	393,800	2.33	511,600	3.03	629,400	3.73
SNOW	93,900	1.86	130,300	2.58	166,700	3.30	203,100	4.02
DSC	155,400	1.70	218,300	2.39	281,200	3.08	344,100	3.77
CEU	43,800	1.34	60,600	1.86	77,400	2.37	94,200	2.89
UVSC	918,000	1.84	1,281,700	2.56	1,645,400	3.29	2,009,100	4.02
SLCC	621,200	1.76	878,900	2.49	1,136,600	3.22	1,394,300	3.95
System Total	5,679,800	1.86	8,307,400	2.58	10,935,000	3.30	13,562,600	4.05

Table 1

Second tier tuition is established based on institutional need and varies from campus to campus. Statute (UCA 53B-7-101.5) requires each institution to conduct a "truth in tuition" hearing with students prior to Regent approval of second tier tuition. Institutions will hold the "truth in tuition" hearings during December, January, and February, and then bring recommendations to the Regents after the Legislative session.

Recommendation

The Commissioner recommends that the Board formalize first-tier tuition as the amount required to fund the FY 2008 compensation package.

This action will allow staff to comply with the request from Legislative Counsel that the Regents inform the Legislative Fiscal Analyst of proposed tuition rates. A final decision on first-tier tuition will require additional action by the Board of Regents once the compensation package is determined.

Richard E. Kendell
Commissioner of Higher Education

REK/MHS/KLH

October 18, 2006

MEMORANDUM

TO: State Board of Regents
FROM: Richard E. Kendell
SUBJECT: Utah State University Endowment Investment Policy

Issue

Regent Policy R541 authorizes system institutions to develop individual endowment investment policies (in place of the Board of Regents baseline policy). In order to take effect, such policies must be adopted by institutional boards of trustees and approved by the Board of Regents. Utah State University is the second system institution to come forward with its own endowment investment policy. The USU Board of Trustees will take action on this policy on October 20. It is, therefore, submitted for consideration by the Board of Regents.

Background

During the 2005 general legislative session, Representative David Clark introduced a bill (HB255) designed to remove higher education endowment funds from the investment restrictions contained in the State Money Management Act. In so doing, it designated the Uniform Management of Institutional Funds Act (UMIFA) as the controlling legislation for endowment funds. HB255 also amended UMIFA to provide that:

1. The Board of Regents must establish default guideline and asset allocation requirements for investment of endowment funds;
2. The board of trustees of a higher education institution may adopt policies governing investment of its endowment funds, and provides the minimum requirements for those policies;
3. The Board of Regents must approve a higher education institution's endowment fund investment policy;

In accordance with UMIFA and Regent Policy R541 (Management and Reporting of Institutional Investments), Utah State University has developed a policy and detailed guidelines (which are incorporated into the policy by reference) to govern investment of its endowment funds. The policy and guidelines address the following:

1. Responsibilities are outlined for the Board of Trustees, the President, the Public Treasurer, and the Investment Advisory Committee;
2. Conflicts of interest are explained and prohibited, and risk/return objectives are established;
3. Asset allocation guidelines are established (50% in equities, 25% in fixed income, and 25% in alternatives);
4. Eligible investments are identified, including readily marketable and diversified equity holdings, readily marketable and diversified fixed income holdings, and alternative investments (funds that derive returns primarily from high yield and distressed debt, private capital, natural resources, private real estate, and hedge funds).

The endowment investment guidelines also provide for internal controls, annual audits, regular reports to the Trustees and Regents, and participation in the money management reporting process.

Recommendation

The Commissioner recommends that the Board approve the Utah State University endowment investment policy (subject to approval by the USU Board of Trustees).

Richard E. Kendell, Commissioner

Utah State University Investment Policies

I. PURPOSE

To establish University policies and procedures related to the investment of public funds and gifts and the reporting of such investments in accordance with applicable statutes or rules.

II. REFERENCES

- A. Utah State Board of Regents Investment Policy R-541.
- B. State Money Management Act, Section 51, Chapter 7, Utah Code Annotated, 1953.
- C. Rules of the State Money Management Council.
- D. Uniform Management of Institutional Funds Act (UMIFA), Section 13, Chapter 29, Utah Code Annotated 2005.
- E. Utah State University Conflicts of Interest Policy (Policy 307).
- F. Utah State University Investment Guidelines and Investment Groupings

III. DEFINITIONS

- A. State Money – Monies from legislative appropriations for the support and operation of the University.
- B. Public Funds – State money and all other funds, regardless of source, which are owned, held, or administered by the University.
- C. Donated Funds – Funds acquired by the University by gift, devise or bequest.
- D. Public Treasurer – A Utah State University employee who has been designated by the Board of Trustees as the University’s Public Treasurer as defined in the State Money Management Act and who has the responsibility for the safekeeping and investment of public funds.
- E. Investments – As used in this policy, “investments” refers to all funds held by the University under provisions of the State Money Management Act or UMIFA.

IV. GENERAL PROVISIONS

- A. The investment of public funds by the University shall comply with applicable statutory provisions, including the State Money Management Act, the rules of the State Money Management Council, the Uniform Management of Institutional Funds Act, and with policies of the State Board of Regents and the Board of Trustees.
- B. The President of the University shall recommend for appointment by the Board of Trustees, an employee of the University to serve as the University's Public Treasurer and employees to serve as the Treasurer's designees. These nominees shall possess demonstrated skills and capabilities in the management of institutional cash and investments.
- C. All gifts of securities shall be sold as soon as is prudent and proceeds of the sale shall be deposited into the University account for which the gift is intended unless otherwise directed by donors.
- D. Investment Objectives

The University shall manage its cash flow in a manner that will maximize cash available for investment. Available funds shall be invested in accordance with the following objectives.

- 1. Protection and safety of the principal.
- 2. Liquidity and term of investment which will provide funds for anticipated expenditures in a timely manner.
- 3. Investment of funds recognizing the needs of both operating accounts and endowed funds.
- 4. Conform to state law, pertinent bond resolutions or indentures, or other pertinent legal restrictions.
- 5. Maximize the rate of return consistent with the foregoing objectives.

E. Investments Administered on an Individual Basis

- 1. The following types of funds and investments shall be administered on an individual basis in accordance with their terms, restrictions, and/or governing policies.
 - a. Funds held in trust by others, the income of which alone accrues to the University.

- b. Investments of the State Land Board and any other state agencies administered on behalf of the University.
- c. Investments of funds restricted by donor agreements.
- d. Bond reserve investments in compliance with bond agreements.
- e. Funds approved for individual investment by the Investment Advisory Committee.

F. Delegation of Responsibility

1. Board of Trustees

- a. The State Board of Regents has delegated to each institutional Board of Trustees, full responsibility to manage and report institutional investments in compliance with Regents Policy R-541.
- b. The Board of Trustees shall adopt institutional policy and procedure regarding investments, designate a Public Treasurer, and approve the format of reports submitted for its review.
- c. The Board of Trustees shall review and approve monthly reports of portfolio activity and quarterly performance reports of the institution's portfolio.
- d. The Board of Trustees shall require institutional compliance with the State Money Management Act, Rules of the Money Management Council, and UMIFA.
- e. The Board of Trustees shall approve external professional investment advisor(s) and or manager(s) for the University.

2. President of the University

- a. Recommend University investment policies, including changes or modifications, to the Board of Trustees for approval.
- b. Review and evaluate the University's investment performance.

- c. Make recommendations to the Board of Trustees regarding external professional investment advisor(s) and or manager(s) for the University.
- d. Recommend to the Board of Trustees an employee to serve as Public Treasurer and other employees to serve as his designees.
- e. Appoint three individuals to serve on the Investment Advisory Committee.

3. Public Treasurer (Vice President for Business and Finance)

- a. The Public Treasurer shall be bonded in accordance with Rule Four of the Utah State Money Management Council and shall perform the following supervisory responsibilities:
 - 1. Chair the Investment Advisory Committee.
 - 2. Develop and submit investment policies, operating procedures, and asset allocation changes to the Investment Advisory Committee for review and recommend investment policies, including changes or modifications, to the President for approval.
 - 3. Review and evaluate the University's investment performance.
 - 4. Approve the distribution of investment earnings.
 - 5. Make recommendations to the President regarding external professional investment advisor(s) and or manager(s) for the University.
 - 6. Approve and/or ratify University investment actions.
 - 7. Sign Public Treasurer assertion on reports.

4. Associate Vice President for Financial Services

- a. The Associate Vice President for Financial Services shall be bonded in an amount determined in accordance with Rule Four of the Utah State Money Management Council and shall perform the following responsibilities:
 - 1. Vice Chair the Investment Advisory Committee.
 - 2. Develop and submit investment policies and guidelines to the Public Treasurer.
 - 3. Supervise the daily investment program operation.

4. Approve University investments except as delegated to external investment managers.
5. Prepare an annual presentation of Investment Performance for the Board of Trustees.
6. Meet quarterly with the President's VP Council to review investment performance.
7. Prepare transmittal letter for the President's signature transmitting applicable reports to the State Board of Regents.
8. Recommend for approval quasi-endowment account requests to the Public Treasurer.

5. Investment Advisory Committee

- a. The Public Treasurer shall be assisted by an Investment Advisory Committee which shall include:

1. Vice President for University Advancement.
2. Associate Vice President for Financial Services.
3. Two Board of Trustees member appointees.
4. Three Presidential Appointees, at least two of whom must be independent investment management professionals.

- b. The Investment Advisory Committee shall:

1. Monitor performance of internal and external investment managers.
2. Review the University's current investment portfolio and investment results.
3. Review the University's current investment strategy and recommend investment strategy to be employed for the future.
4. Recommend appropriate revisions to investment policies and guidelines.
5. Recommend to the Public Treasurer the engagement, termination or continuation of external managers and investment advisors.
6. Forward committee recommendations for investment actions to the Public Treasurer for approval or disapproval.
7. Consider all other items referred to the committee by the Public Treasurer.
8. Meet at least quarterly or as often as may be necessary to fulfill its function.

V. POLICY

A. Authority to Manage Public Funds

The authority to manage the University's public funds, subject to investment transaction approvals required by paragraph V.B., is delegated to the University's Public Treasurer. If specifically approved by the Board of Trustees, the authority to invest public funds may also be delegated to independent investment manager(s).

B. Approval of Investment Decisions

1. Entering into repurchase agreements, the purchase of money market funds, redemption of securities, and the sale of securities donated to the university, in accordance with paragraph IV.C, must be approved by one of the following University officials:

President

Public Treasurer

Associate Vice President for Financial Services

All other investment purchases must be approved by two of the above listed University officials.

2. No person may engage in an investment transaction on behalf of Utah State University except as provided under the terms of this policy.

C. Investment Pools

1. Ordinarily, funds will be pooled for investment purposes.
2. Specific investment pools or portfolios may be established to:
 - a. Ensure compliance with specific provisions of the State Money Management Act and rules of the State Money Management Council or UMIFA.
 - b. Ensure compliance with any legal restrictions, such as bond covenants or trust agreements.
 - c. Ensure compliance with donor instruments relating to gifts or bequests.

- d. Meet investment objectives of groups of similar accounts.
 - e. Provide liquidity to meet operating needs of the University.
3. Investment pools may be established only upon approval of the President or the Public Treasurer after consultation with the Investment Advisory Committee and the Chair of the Board of Trustees.
 4. Guidelines for the operation and management of each investment pool will be periodically reviewed by the Investment Advisory Committee see Paragraph IV.F.5.

D. Distribution of Pooled Investment Income

Investment income will be distributed to all eligible accounts that provide funds for investment. Income distribution rates will be recommended by the Investment Advisory Committee and approved by the Public Treasurer. Eligible accounts include endowment, quasi-endowment, or reserve accounts as approved by the President or Public Treasurer. Investment income attributable to other types of accounts shall be credited to the President's discretionary earnings account.

E. Reporting Requirements

1. The Public Treasurer shall submit investments reports of the Cash Management Investment Pool, funds managed by external managers, funds separately invested, endowment trusts, and bond reserve funds monthly to the Board of Trustees.
2. All reports shall include the Public Treasurer's assertion that, to the best of the Treasurer's knowledge, the institution is in compliance with the Utah State Money Management Act and the rules of the Money Management Council and UMIFA.
3. The Public Treasurer shall submit monthly reports to the Secretary of the Board of Trustees within 45 days of the end of the month for inclusion in the agenda of the next Board of Trustees' meeting.
4. The Public Treasurer shall submit quarterly reports of investment portfolios to the Secretary of the Board of Trustees within 60 days of the end of the quarter for inclusion in the agenda of the next Board of Trustees meeting.

5. The Secretary will place the reports on the agenda of the next regular Board of Trustees meeting.
6. The University shall submit to the Board of Regents a copy of the reports submitted to its Board of Trustees within 60 days of submission to the Board of Trustees. Reports submitted to the Board of Regents shall be accompanied by a transmittal letter to the Commissioner of the Utah System of Higher Education indicating that the President has reviewed the reports.
7. Annually, the University shall submit, in the format determined by the Office of the Commissioner of Higher Education, a summary report of its money management activities for the prior fiscal year. The report shall include the University internal auditor's opinion regarding: (1) the fairness of the report in accordance with generally accepted accounting principles; and (2) compliance with applicable state statutes, in particular; the State Money Management Act, rules of the Money Management Council, the Uniform Management of Institutional Funds Act, or policies of the Board of Trustees and the State Board of Regents.

F. Internal Controls

The University shall establish a system of internal controls which shall be evaluated by University internal auditors and independent external auditors annually. The controls shall be designed to prevent losses of public funds arising from fraud, employee error, misrepresentation by third parties, or imprudent actions by University employees and officers.

VI. INDEPENDENT INVESTMENT ADVISORS

The University shall use the services of a qualified investment advisor for investment consultation and performance review. The qualified advisor will be required to submit quarterly performance review reports to the Public Treasurer and Investment Advisory Committee. The qualified advisor must possess knowledge of the Utah State Money Management Act, the Rules of the Money Management Council, and the Uniform Management of Institutional Funds Act.

VII. INDEPENDENT INVESTMENT MANAGERS

External qualified investment managers may be retained by the University to manage one or more investment pools. Investment managers will be chosen on the basis of investment performance and investment reputation in the

financial community as well as cost of services. Such appointments shall be subject to annual review.

VIII. RELATIONSHIPS WITH FINANCIAL INSTITUTIONS

Qualified depositories as defined by the State Money Management Act shall be selected and retained in accordance with Regents Policy R-543.

IX. ETHICS AND CONFLICTS OF INTEREST

The Public Treasurer, University officials, and Investment Advisory Committee members involved in the investment process shall refrain from personal business activity that could conflict with proper execution of the investment program, or which might impair their ability to make impartial investment decisions. Investment officials shall disclose confidentially to the University President and to the University Counsel, any material financial interests in financial institutions that conduct business with the University, and any large personal financial/investment positions that may affect performance of investment duties or the performance of the University's portfolio.

DRAFT

Utah State University

Investment Guidelines and Investment Groupings

I. PURPOSE

To establish University guidelines and groupings related to the investment of all funds within the control of the University.

II. REFERENCES

- A. Utah State Board of Regents Investment Policy R-541.
- B. State Money Management Act, Section 51, Chapter 7, Utah Code Annotated, 1953.
- C. Rules of the State Money Management Council.
- D. Uniform Management of Institutional Funds Act (UMIFA), Section 13, Chapter 29, Utah Code Annotated 2005.

III. DEFINITIONS

- A. Cash funds – All available cash from all University and agency funds.
- B. Reserve funds – Cash in excess of funds needed for operations and in excess of \$5,000 that is not needed for at least one year and that the Public Treasurer has authorized to be invested and earn a return on investment.
- C. Endowment funds – As used in these guidelines, “endowment funds” include true endowment funds, term endowment funds, and quasi-endowment funds.
- D. True endowment funds – As used in these guidelines, “true endowment funds” are institutional funds with respect to which a donor has stipulated, as a condition of the gift, that the gift is to be maintained inviolate and in perpetuity. True endowment funds are to be invested for the purpose of producing present or future income that may, also by donor stipulation, be expended or reinvested with the original gift. The principal, or corpus of the true endowment, must be maintained intact. Income that may be expended according to the donor’s stipulation may be restricted or unrestricted as to the purpose for which it is expended, the time it may be expended, or both. Income that may not be expended, but rather added to the principal or corpus in accordance with the donor’s stipulation, assumes or takes on the same restrictions as the original gift.

- E. Term endowment funds – Term endowment funds are similar to true endowments, except that, upon passage of a stated period (or time) or the occurrence of a particular event, all or part of the donation may be expended. True and term endowments are commonly referred to as donor restricted endowments.
- F. Quasi-endowment funds – Quasi-endowment funds are gifts or bequests that are retained and managed like an endowment. Principal and interest of these funds may be utilized in accordance with the terms of the quasi-endowment agreement.

IV. INVESTMENT GROUPINGS AND INVESTMENT POOL PROCEDURES

A. Cash Management Investment Pool

- 1. Consists of available cash in excess of estimated daily operating requirements from all University and agency funds.
- 2. Funds in this pool may only be invested in investments that meet the criteria of Section 51-7-11 and 51-7-17 of the Utah State Money Management Act.
- 3. This pool will not be managed on a unit (market value) method.
- 4. Net earnings (realized gains/losses, dividends, and interest [net of expenses]) will be distributed to the fund groups, sub-fund groups, and to specific restricted fund accounts (when required by contractual agreement) that participate in the pool. The method of allocation will be based on the average daily cash balance. Net earnings distributed to the Endowment and Loan groups will be distributed annually to the individual funds participating in the pool.
- 5. A management fee may be assessed up to 2% using the average daily cash balance method of allocation on all quasi-endowment and reserve funds invested in the pool.
- 6. This pool will be managed by University personnel.

B. Endowment Pool

- 1. The Endowment Pool consists of endowment funds that are not restricted by donors as to the type of investment.
- 2. Investments of these funds are invested under the total return concept of the Uniform Management of Institutional Funds Act, whereby “net appreciation, realized and unrealized, in the fair value of the assets of an endowment fund” may be appropriated for expenditure. UMIFA was adopted into state law under Utah Code 13-29 and is governing regulation for the University’s endowment funds.

3. This pool will be operated on a unit (market value) method.
4. The investment return objective of this pool will be to achieve a total rate of return, over a ten-year period, which exceeds the spending allocation rate plus the advancement/management fee by 2% per year on average.
5. The risk objective of this pool will be to construct an investment program that offers a high probability of achieving the stated investment return objective while keeping the frequency and magnitude of temporary declines at acceptable levels. A strategic asset allocation program will facilitate controlling downside volatility within acceptable ranges over a period of time.
6. The following asset allocation targets will guide the long-term investment activities for this pool:

<u>Asset Class</u>	<u>Strategic Allocation</u>	<u>Allocation Range</u>
Equities	50%	25% - 70%
Fixed Income	25%	20% - 45%
Alternatives	25%	0% - 30%

The Public Treasurer and the Associate Vice President for Financial Services, with the advice of the Investment Advisory Committee, will manage the asset allocation mix within the above Strategic Allocation targets and Allocation Ranges. It is expected that the asset allocation mix will be diversified among asset classes and designed to meet the rate return and risk objectives.

7. Rebalancing:
 - a. Asset allocation ranges will be reviewed on a semi-annual basis.
 - b. The actual percentage allocations may vary as much as +/- 5% before rebalancing to the Allocation Ranges is required.
 - c. The Public Treasurer and the Associate Vice President for Financial Services, with the advice of the Investment Advisory Committee, shall determine initial weighting and rebalancing parameters for allocation to the asset classes and within the asset class. The Public Treasurer may also accept advice from the University's investment advisor regarding asset allocation strategies.

8. The funds in this pool will be managed and invested by:
 - a. Qualified external managers.
 - b. Professional managers of commingled investment funds or mutual funds.
 - c. University personnel managing the Cash Management Investment Pool.
9. In order to ensure a stable and predictable level of spending from year to year, fluctuations in annual investments will be “smoothed” by using a 12-quarter moving average of an endowment’s market unit value for the three preceding fiscal years. More specifically, each endowment will be allocated an amount of spending up to 5 percent of the average of endowment account balances over the most recent three year period. In the case of new endowments, the most recent one, two, or three year periods will be used. It is possible, particularly in the case of new endowment accounts, for the annual return to be less than the spending allocation in the short-term. Should any endowment account market value fall below its corpus value, spending on said endowment may be suspended and/or reduced to the amount of actual earnings.

Taking actual investment returns, inflation, and the advancement/management fee into consideration, the actual spending rate will be determined one year prior to the start of the fiscal year in which funds are to be expended. Portfolio returns in excess of the annual spending allocation (including realized/unrealized gains or losses, interest and dividends) shall be retained by the endowment in order to protect its value in real terms vs. inflation, and to grow the endowment’s historical value over time.

The spending allocation amount will be distributed to the individual accounts using the unit method.

10. The University may withdraw an advancement/management fee from the endowment pool. This fee will be determined based upon a budget approved by the President and will not exceed 2 percent of the 12-quarter moving average of the portfolio fair market unit value for the three preceding fiscal years, with a budget lead time of one year.
11. Cash inflows and outflows will be allocated in accordance with the Asset Allocation Guidelines.

12. Special investment opportunities may necessitate an amendment to the Investment Guidelines and Investment Groupings.

C. Separately Invested Funds

1. These are separate investments (non-pooled) generally consisting of donor restricted investments, investments under annuity agreements with donors, investments of agency funds, endowment and other trusts, or other separate investments recommended by the Investment Advisory Committee and approved by the Public Treasurer. Dividends, interest, gains or losses, and any associated expenses are recorded directly upon receipt or payment to the individual fund.

D. Bond Trust Funds

1. These funds are separate investments consisting of monies managed by an external trustee as part of a bond funding agreement. Investments are made pursuant to the bond funding agreement.
2. Investment of Bond Trust Funds are reviewed and discussed by the external trustee, the Public Treasurer, and the Associate Vice President for Financial Services to assure that the maximum possible earnings are attained.

V. ELIGIBLE ENDOWMENT POOL INVESTMENTS

The following guidelines shall define eligible Endowment Pool investments and their parameters. These guidelines shall be subject to review on an ongoing basis.

A. Equities

1. The equity segment may be diversified across a spectrum of market capitalizations by allowing investments in small, medium, and large-capitalization stocks.
2. The equity segment may be diversified across multiple regions, including the United States, developed foreign markets, and emerging markets.
3. Equity holdings should be readily marketable and diversified by issue, industry, and sector.
4. Equity managers may invest in short-term commercial paper, money-market mutual funds, other money market investments, and short-term bond investments as a surrogate for cash reserves on occasion. The intent is to have the investment manager remain fully invested.

B. Fixed Income

1. Bond Holdings should be diversified by country, issue, sector, coupon and quality and should be readily marketable.
2. Bond portfolios must have a minimum quality of A or better.
3. Non-investment grade securities shall be limited to 15% of a manager's portfolio unless otherwise stated in the Investment Manager's guidelines.
4. Foreign securities shall be limited to 15% of a manager's portfolio, unless otherwise stated in the Investment Manager's guidelines
5. Average portfolio duration should not exceed +/- 35% of the stated benchmark index, unless otherwise stated in the Investment Manager's guidelines.

C. Alternative Investments

1. In addition to the aforementioned investments, the University may invest in alternative investment funds that derive returns primarily from high yield and distressed debt (hedged or non-hedged), private capital (including venture capital, private equity, both domestic and international), natural resources, commodities, private real estate assets or absolute return and long/short hedge funds (each an "Alternative Investment Fund").
2. The University may invest up to 30% of available Endowment Pool funds in Alternative Investments.
3. The alternative investment segment of the portfolio should be diversified among types of investments. The following shall govern the investment of Alternative Investment Funds:

<u>Investment</u>	<u>Range</u>
High Yield and Distressed Debt	0% - 10%
Private Capital, Natural Resources, Commodities and Private Real Estate	0% - 10%
Absolute Return and Long/Short Hedge Funds	0% - 20%

The above percentages are subject to prudent rebalancing practices.

D. Unique Situations

1. The Public Treasurer, Associate Vice President for Financial Services, and the Investment Advisory Committee may execute alternative investment strategies to take advantage of one-time or unique situations.

VI. RISK TOLERANCE

The following guiding principles and measures shall be followed to control undue portfolio volatility in any Investment Grouping:

1. The University recognizes that the primary fiduciary obligation regarding the Investment Groupings is to prudently invest the portfolio to meet the investment objectives that will fulfill the purpose of the Investment Grouping.
2. The University fully recognizes the likelihood of periodic market declines and is willing to accept the possibility of some short-term declines in market value in order to achieve potentially higher long-term investment returns.
3. Assets of each Investment Grouping are to be diversified to protect against large investment losses and to reduce the probability of excessive performance volatility.
4. Diversification of assets is to be achieved by:
 - a. Allocating monies to various asset classes and investment styles within asset classes, and
 - b. Retaining investment management firm(s) with complementary investment philosophies, styles, and approaches.
5. Efforts should be made to preserve the principal value of Investment Groupings, but preservation shall not be imposed as a condition on each investment transaction.

VII. PERFORMANCE EVALUATION AND REVIEW PROCESS

- A. The Public Treasurer, Associate Vice President for Financial Services, and the Investment Advisory Committee will evaluate the investment performance on a periodic basis, including but not limited to the following:
1. The overall performance of each Investment Grouping.
 2. The overall performance of each investment manager's performance to the objectives of the Investment Grouping.
 3. The Investment Groupings asset allocation mix to its Investment Guidelines and capital markets outlook.
 4. The extent to how each investment manager has managed his or her portfolio consistent within that manager's stated investment philosophy and style.
 5. The extent to how the investment manager adhered to these guidelines.
 6. The risk and return profiles of each investment grouping and each investment manager to determine whether the Investment Grouping's goals and objectives are being met.
 7. A reasonable time horizon for evaluating the Investment Grouping's investment performance relative to the selected benchmark on a long-term basis (five to ten years).

VIII. REVIEW OF INVESTMENT GUIDELINES AND INVESTMENT GROUPINGS

The Public Treasurer, Associate Vice President for Financial Services, and the Investment Advisory Committee will review the Investment Guidelines and Investment Groupings periodically to determine that it continues to serve the investment needs of the University and is appropriate in view of changes with State and Federal regulations, the University, the Investment Groupings, and the capital markets.

October 18, 2006

MEMORANDUM

TO: State Board of Regents
FROM: Richard E. Kendell
SUBJECT: Weber State University – Approving Resolution, Refunding Bonds

Weber State University seeks to refund its Student Facilities System Revenue Bonds, Series 2001A, issued to finance University Village, a 476-bed, apartment-style, on-campus student housing complex. Weber State University seeks approval to refund up to \$10,300,000 of the remaining balance.

PRINCIPAL AMOUNT: Not to exceed \$10,300,000.
TERM: Not to exceed 25 years from their date or dates.
INTEREST RATE: Fixed rates such that no coupon rate exceeds 5.50% per annum.
REDEMPTION FEATURES: Ten year optional call at not greater than 100%.
SALE PRICE: Not less than 98% of the principal amount of the Bonds.

The University expects the refunding to earn a net present value savings of \$440,000 and save approximately \$28,000 per year in debt service payments. The source of payment will remain Weber State's Student System Facilities Revenue.

Attached to this memo is the parameters resolution and a transaction summary. College officials, Zion's Bank representatives and bond counsel will deliver official documents at the October 26 meeting and will be prepared to answer Regent questions.

Recommendation

The Commissioner recommends approval of the proposed refunding.

REK//MHS/KGW

Richard E. Kendell
Commissioner of Higher Education

Weber State University
Student Facilities System Revenue Refunding Bonds, Series 2006
Preliminary Summary Sheet

Proposed Issue: Student Facilities System Revenue Refunding Bonds, Series 2006

Total Approximate Issue Size: \$10,300,000

Use of Funds: To provide funds for the purpose of refunding in advance of their maturity certain Student Facility System Revenue Bonds sold by the State Board of Regents for and on behalf of the University other amounts necessary to pay costs of issuance, pay capitalized interest, and fund any debt service reserve requirements.

Detail of Proposed Series 2006 Bonds:

Principal Amount: Not to exceed \$10,300,000

Interest Rates: Not to exceed 5.50%

Maturity Date: Not to exceed 25 years

Aggregate Discount: Not to exceed 2.0%, of which 1.0% is the maximum original issue discount

Redemption Features: Callable after 10 years at par

Bond Ratings: Insured Anticipated AAA/Aaa

Underlying Rating: Anticipated AA from Standard & Poor's utilizing the State of Utah Moral Obligation

Source of Repayment: Student System Facilities Revenues.

Timetable Considerations: The University plans to move forward with the transaction once approval is granted by the Board of Regents with a negotiated bond sale tentatively scheduled on or before November 14, 2006 (dependant on market conditions).

Salt Lake City, Utah

October 26, 2006

The State Board of Regents of the State of Utah (the “*Board*”) met in regular session at the Board’s offices, 60 South 400 West in Salt Lake City, Utah on October 26, 2006, commencing at 11:00 a.m. The following members of the Board were present:

Jed H. Pitcher	Chair
Bonnie Jean Beesley	Vice Chair
Jerry C. Atkin	Member
Daryl C. Barrett	Member
Janet A. Cannon*	Member
Rosanita Cespedes	Member
Katharine B. Garff	Member
David J. Grant	Member
Ali Hasnain	Member
Greg W. Haws*	Member
Meghan Holbrook	Member
James S. Jardine	Member
Michael R. Jensen	Member
David J. Jordan	Member
Nolan E. Karras	Member
Josh M. Reid	Member
Sara V. Sinclair	Member
Marlon O. Snow	Member.

ABSENT: None.

ALSO PRESENT:	Richard E. Kendell	Commissioner of Higher Education
	Joyce Cottrell	Secretary.

* Non-voting members of the Board of Regents.

As required by Section 52-4-203, Utah Code Annotated 1953, as amended, written minutes and a recording of this meeting are being kept. After the meeting had been duly convened and called to order by the Chair and the roll had been called with the above result, the Chair announced that one of the purposes of the meeting was the consideration of various matters with respect to the issuance and sale of the State Board of Regents of the State of Utah, Weber State University Student Facilities System Revenue Refunding Bonds, Series 2006.

The following resolution was introduced in written form by Regent _____, and after full discussion, pursuant to motion made by Regent _____ and seconded by Regent _____, was adopted by the following vote:

YEA:

NAY:

The resolution is as follows:

RESOLUTION

A RESOLUTION OF THE STATE BOARD OF REGENTS OF THE STATE OF UTAH AUTHORIZING THE ISSUANCE AND SALE OF ITS WEBER STATE UNIVERSITY STUDENT FACILITIES SYSTEM REVENUE REFUNDING BONDS, SERIES 2006 IN THE AGGREGATE PRINCIPAL AMOUNT OF NOT TO EXCEED \$10,300,000; AUTHORIZING THE EXECUTION OF A FIFTH SUPPLEMENTAL INDENTURE OF TRUST, A BOND PURCHASE CONTRACT, AN ESCROW AGREEMENT, AN OFFICIAL STATEMENT AND OTHER DOCUMENTS REQUIRED IN CONNECTION THEREWITH; AUTHORIZING THE TAKING OF ALL OTHER ACTIONS NECESSARY TO THE CONSUMMATION OF THE TRANSACTIONS CONTEMPLATED BY THIS RESOLUTION; AND RELATED MATTERS.

WHEREAS, the State Board of Regents of the State of Utah (the “*Board*”) is established and exists under and pursuant to Section 53B-1-103, Utah Code Annotated 1953, as amended;

WHEREAS, pursuant to the provisions of Title 53B Chapter 1, Utah Code Annotated 1953, as amended, the Board is authorized to act as the governing authority of Weber State University (the “*University*”) for the purpose of exercising the powers contained in Title 53B, Chapter 21, Utah Code Annotated 1953, as amended (the “*Act*”);

WHEREAS, pursuant to the provisions of the Act and Section 63B-7-501(7), Utah Code Annotated 1953, as amended, the Board previously issued its Weber State University Student Facilities System Revenue Bonds, Series 2001A (the “*Refunded Bonds*”);

WHEREAS, pursuant to the Act and the Utah Refunding Bond Act, Title 11, Chapter 27, Utah Code Annotated 1953, as amended, the Board is, for and on behalf of the University, authorized to issue revenue refunding bonds payable from a special fund into which the revenues of the University may be deposited;

WHEREAS, the Board considers it desirable and necessary for the benefit of the residents of the State of Utah to issue a series of revenue refunding bonds to be designated as the “State Board of Regents of the State of Utah, Weber State University, Student Facilities System Revenue Refunding Bonds, Series 2006” (the “*Bonds*”), for the purpose of refunding a portion of the Refunded Bonds, paying costs of issuance of the Bonds, and satisfying a debt service reserve requirement;

WHEREAS, the Bonds will be issued in an aggregate principle amount of not to exceed \$10,300,000 and will be issued pursuant to the General Indenture of Trust dated as of July 1, 1997, as heretofore amended and supplemented (the “*General Indenture*”), and as further amended and supplemented by a Fifth Supplemental Indenture of Trust dated as of November 1, 2006 (the “*Fifth Supplemental Indenture*” and together with the General Indenture, the “*Indenture*”), each by and between the Board, acting for and on behalf of the University, and Wells Fargo Bank, N.A., as trustee (the “*Trustee*”);

WHEREAS, the Bonds shall be payable solely from the revenues and other moneys pledged therefor under the Indenture and shall not constitute nor give rise to a general obligation or liability of the State of Utah, the Board or the University or constitute a charge against the general credit of the State of Utah, the Board or the University;

WHEREAS, there has been presented to the Board at this meeting a form of a Bond Purchase Contract (the “*Bond Purchase Contract*”) among the Board, the University and Wells Fargo Brokerage Services, LLC, as underwriter for the Bonds (the “*Underwriter*”), a form of Escrow Agreement among the Board, the University and Wells Fargo Bank, N.A. (the “*Escrow Agreement*”), a form of a Preliminary Official Statement relating to the Bonds (the “*Preliminary Official Statement*”), and a form of the Fifth Supplemental Indenture; and

WHEREAS, pursuant to Section 53B-21-102(3)(m) of the Act, the Board desires to grant to the Chair and/or Vice Chair of the Board and/or the Chair of the Finance and Facilities Committee of the Board the authority to approve the final principal amounts, terms, maturities, interest rates and purchase prices at which the Bonds shall be sold and any changes with respect thereto from those terms which were before the Board at the time of adoption of this Resolution, provided such terms do not exceed the parameters set forth in this Resolution.

NOW, THEREFORE, BE IT RESOLVED BY THE STATE BOARD OF REGENTS OF THE STATE OF UTAH, AS FOLLOWS:

Section 1. All terms defined in the foregoing recitals hereto shall have the same meanings when used herein.

Section 2. All action heretofore taken (not inconsistent with the provisions of this Resolution) by the Board and the officers of the Board or the University directed toward the issuance of the Bonds are hereby ratified, approved and confirmed.

Section 3. The Board hereby authorizes, approves and directs the use and distribution of the Preliminary Official Statement substantially in the form of the Preliminary Official Statement presented to the Board at this meeting in connection with the offering and sale of the Bonds. The Chair or Vice Chair of the Board or the President or the Vice President for Administrative Services of the University are authorized to execute such certificates as shall be necessary to “deem final” the Preliminary Official Statement for purposes of Rule 15c2-12 of the Securities and Exchange Commission. The Chair or Vice Chair of the Board and the President or Vice President for Administrative Services of the University are hereby authorized to execute and deliver on behalf of the Board and the University a final Official Statement in substantially the form and with substantially the same content as the Preliminary Official Statement, with such alterations, changes or additions as may be necessary to finalize the Official Statement. The use and distribution of the Official Statement are hereby authorized.

Section 4. The Fifth Supplemental Indenture, the Bond Purchase Contract, and the Escrow Agreement, in substantially the forms presented to the Board at this meeting, are in all respects authorized, approved and confirmed. The Chair or Vice Chair and Secretary of the Board and the President or the Vice President for Administrative Services of the University are

hereby authorized to execute and deliver the Fifth Supplemental Indenture, the Bond Purchase Contract, and the Escrow Agreement, in the forms and with substantially the same content as presented to the Board at this meeting, for and on behalf of the Board and the University, with such alterations, changes or additions as may be authorized pursuant to the terms of this Resolution.

Section 5. For the purpose of providing funds to be used for the purpose of (a) refunding a portion of the Refunded Bonds, (b) funding a deposit to a debt service reserve fund or paying the premium on any surety bond utilized in lieu of such deposit, and (c) paying costs of issuance of the Bonds, the Board hereby authorizes the issuance of the Bonds in the aggregate principal amount of not to exceed \$10,300,000. The Bonds shall bear interest at the rates and shall mature in the principal amounts and on the dates as shall be approved by the Chair or Vice Chair of the Board or the Chair of the Finance and Facilities Committee as provided below, all within the parameters set forth in *Schedule A* attached hereto and incorporated herein by reference.

Section 6. The form, terms and provisions of the Bonds and the provisions for the signatures, authentication, payment, registration, transfer, exchange, redemption and number shall be as set forth in the Indenture. The Chair or Vice Chair and the Secretary of the Board and the President or Vice President for Administrative Services of the University are hereby authorized to execute by manual or facsimile signature and seal by facsimile the Bonds and to deliver the Bonds to the Trustee for authentication. All terms and provisions of the Indenture and the Bonds are hereby incorporated in this resolution. The appropriate officials of the Board and the University are hereby authorized to execute and deliver to the Trustee the written order of the Board for authentication and delivery of the Bonds in accordance with the provisions of the Indenture.

Section 7. The Bonds shall be sold to the Underwriter at a discount not to exceed 2% of the face amount of the Bonds. Pursuant to Section 53B-21-102(3)(m) of the Act, the Chair or Vice-Chair of the Board or the Chair of the Finance and Facilities Committee (with concurrence of the President or the Vice President for Administrative Services of the University) is hereby authorized to specify and agree as to the final principal amounts, interest rates, maturities and purchase price with respect to the Bonds for and on behalf of the Board and the University by the execution of the Bond Purchase Contract and any changes thereto from those terms which were before the Board at the time of adoption of this Resolution, provided such terms are within the parameters set by this Resolution.

Section 8. The appropriate officers of the Board and the University, including without limitation the Chair, Vice Chair, the Chair of the Finance and Facilities Committee, Commissioner of Higher Education and Secretary of the Board and the President and Vice President for Administrative Services of the University are hereby authorized to take all action necessary or reasonably required by the Indenture, the Bond Purchase Contract and the Escrow Agreement to carry out, give effect to and consummate the transactions as contemplated thereby, and are authorized to take all action necessary in conformity with the Act.

Section 9. The appropriate officials of the Board and the University, including without limitation the Chair or Vice Chair of the Board and/or the Chair of the Finance and Facilities Committee and the President or the Vice President for Administrative Services of the University are authorized to make any alterations, changes or additions to the Fifth Supplemental Indenture, the Bonds, the Bond Purchase Contract, the Escrow Agreement, the Preliminary Official Statement, or any other document herein authorized and approved which may be necessary to correct errors or omissions therein; to remove ambiguities therefrom; or to conform the same to other provisions of said instruments, the provisions of this Resolution, any resolution adopted by the Board, or the provisions of laws of the State of Utah or the United States.

Section 10. The appropriate officials of the Board and the University, including without limitation the Chair, Vice Chair, the Chair of the Finance and Facilities Committee, Commissioner of Higher Education and Secretary of the Board and the President and Vice president for Administrative Services of the University, are hereby authorized and directed to accept a commitment for, and agree to the terms of, a bond insurance policy or other credit enhancement that such officer or officers determine to be in the best interests of the Board and the University, execute and deliver for and on behalf of the Board and the University any or all additional certificates, documents and other papers and to perform all other acts they may deem necessary or appropriate in order to implement and carry out the matters authorized in this Resolution and the documents authorized and approved herein, including (without limitation) such (i) continuing disclosure undertakings or agreements as shall be necessary under Rule 15c2-12 of the Securities and Exchange Commission and (ii) such certificates and agreements as shall be necessary to establish and maintain the tax exempt status of interest on the Bonds under the provisions of the Internal Revenue Code of 1986, as amended.

Section 11. Upon their issuance, the Bonds will constitute special limited obligations of the Board payable solely from and to the extent of the sources set forth in the Indenture. No provision of this Resolution, the Bonds, the Bond Purchase Contract, the Indenture, the Escrow Agreement, or any other instrument, shall be construed as creating a general obligation of the Board or the University, or of creating a general obligation of the State of Utah or any political subdivision thereof, nor as incurring or creating a charge upon the general credit of the Board, the University, the State of Utah or any political subdivision thereof.

Section 12. After any of the Bonds are delivered by the Trustee to the Underwriter and upon receipt of payment therefor, this Resolution shall be and remain irrevocable until the principal of, premium, if any, and interest on the Bonds are deemed to have been fully discharged in accordance with the terms and provisions of the Indenture.

Section 13. If any provisions of this Resolution should be held invalid, the invalidity of such provisions shall not affect the validity of any of the other provisions of this Resolution.

Section 14. All resolutions of the Board or parts thereof inconsistent herewith, are hereby repealed to the extent only of such inconsistency. This repealer shall not be construed as reviving any bylaw, order or resolution or part thereof.

Section 15. This Resolution shall become effective immediately upon its adoption.

PASSED AND APPROVED by the State Board of Regents of the State of Utah this 26th day of October 2006.

STATE BOARD OF REGENTS OF
THE STATE OF UTAH

Chair

[SEAL]

ATTEST:

Secretary

After the conduct of other business not pertinent to the above, the meeting was, on motion duly made and seconded, adjourned.

Chair

[SEAL]

ATTEST:

Secretary

STATE OF UTAH)
 : ss.
COUNTY OF SALT LAKE)

I, Joyce Cottrell, do hereby certify that I am the duly qualified and acting Secretary of the State Board of Regents of the State of Utah.

I further certify that the above and foregoing constitutes a true and correct copy of an excerpt of the minutes of a meeting of said Board held on October 26, 2006 and of a resolution adopted at said meeting, as said minutes and resolution are officially of record in my possession.

IN WITNESS WHEREOF, I have hereunto subscribed my official signature and impressed hereon the official seal of said Board this 26th day of October, 2006.

Secretary

[SEAL]

STATE OF UTAH)
 : ss.
COUNTY OF SALT LAKE)

I, Joyce Cottrell, the undersigned, the duly qualified and acting Secretary of the State Board of Regents of the State of Utah, do hereby certify, according to the records of said State Board of Regents in my official possession, and upon my own knowledge and belief, that:

(a) in accordance with the requirements of Section 52-4-202, Utah Code Annotated 1953, as amended, I gave public notice of the agenda, date, time and place of the October 26, 2006 public meeting held by the members of the State Board of Regents by causing a Notice of Public Meeting to be posted at the principal office of the State Board of Regents at 60 South 400 West in Salt Lake City, Utah, on October 18, 2006, at least 24 hours prior to the convening of such meeting, in the form attached hereto as *Exhibit A*; said Notice of Public Meeting having continuously remained so posted and available for public inspection during the regular office hours of the State Board of Regents until the convening of the meeting; and causing a copy of said Notice of Public Meeting in the form attached hereto as *Exhibit A* to be provided on October 18, 2006 at least 24 hours prior to the convening of such meeting, to the *Deseret News* and *The Salt Lake Tribune*, newspapers of general circulation within the geographic jurisdiction of the State Board of Regents, and to each local media correspondent, newspaper, radio station or television station which has requested notification of meetings of the State Board of Regents; and

(b) in accordance with the requirements of Section 52-4-202, Utah Code Annotated 1953, as amended, public notice of the 2006 Annual Meeting Schedule of the State Board of Regents was given specifying the date, time and place of the regular meetings of the State Board of Regents scheduled to be held during the year, by causing a Notice of Annual Meeting Schedule for the State Board of Regents in the form attached as *Exhibit B* to be posted on or before December 31, 2005, at the principal office of the State Board of Regents in Salt Lake City, Utah; such Notice of Annual Meeting Schedule having continuously remained so posted and available for public inspection during the regular office hours of the undersigned until the date hereof; and causing a copy of such Notice of Annual Meeting Schedule to be provided on or before December 31, 2005, to a newspaper of general circulation within the geographic jurisdiction of Salt Lake City, Utah.

IN WITNESS WHEREOF, I have hereunto subscribed my official signature and impressed hereon the official seal of the State Board of Regents of the State of Utah, this 26th day of October, 2006.

Secretary

[SEAL]

SCHEDULE A

PARAMETERS

PRINCIPAL AMOUNT:	Not to exceed \$10,300,000.
TERM:	Not to exceed 25 years from their date or dates.
INTEREST RATE:	Fixed rates such that no coupon rate exceeds 5.50% per annum.
REDEMPTION FEATURES:	Ten year optional call at not greater than 100%.
SALE PRICE:	Not less than 98% of the principal amount of the Bonds.

EXHIBIT A

[ATTACH NOTICE OF PUBLIC MEETING]

EXHIBIT B

[ATTACH NOTICE OF ANNUAL MEETING SCHEDULE]

October 18, 2006

MEMORANDUM

TO: State Board of Regents
FROM: Richard E. Kendell
SUBJECT: Utah Valley State College – Purchase of Property Contiguous to Campus

Utah Valley State College seeks approval to purchase a .221-acre piece of property located between the College's Wee Care Center (early childhood educational lab and day care facility) and the Foundation Building on the eastern boundary of the Orem campus. The purchase price is \$125,000, pending an appraisal and Trustee approval. Funds for the purchases will come from the college's interest income account.

Purchase of this property will preserve a corridor between institutional facilities, and will prevent private development in this corridor. The property will be used to expand the services of the Wee Care Center. Vice President Val Peterson will be available at the Board meeting to respond to questions regarding this purchase.

Recommendation

It is recommended that the Regents authorize UVSC to proceed with the proposed purchase subject to a final purchase price not to exceed \$125,000, a formal appraisal, and the approval by the UVSC Board of Trustees.

REK/MHS
Attachment

Richard E. Kendell
Commissioner of Higher Education

October 18, 2006

MEMORANDUM

TO: State Board of Regents

FROM: Richard E. Kendell

SUBJECT: Utah Valley State College – Lease-Purchase Agreement for Purchase of Building in Canyon Park Technology Center

Utah Valley State College seeks approval to purchase a building in a north Orem business park to be used primarily for the Culinary Arts Program. The source of funding for the purchase will be investment funds under control of the UVSC Foundation (a component unit of the College). The Foundation board has agreed to a 20-year capital lease at 7 percent interest with a 90-day termination clause.

The 38,000 square feet building has been appraised at \$4.6 million but the seller has agreed to a sale price of \$2 million. The building will be remodeled to house Culinary Arts, Small Business Development Center, small business incubators, and possibly the USTAR outreach center. Culinary Arts will have three teaching kitchens and a production kitchen for a commercial food service operation for the business park.

Vice President Val Peterson will bring to the Board meeting a business plan demonstrating that tuition and food sales revenues will provide sufficient income.

Attachments for this agenda item include:

Dr. Val Peterson Letter
Bill of sale
Plot map (Exhibit A)
Rental payment schedule (Exhibit B)
Purchase price schedule (Exhibit C)
Lease agreement with option to purchase
Commercial Real Estate Purchase Contract
Appraisal (first six pages of a 123-page document, complete document available on request)
Building "L" Business Plan

Recommendation

It is the recommendation of the Commissioner that the Regents approve the proposed purchase by UVSC of Building L in Canyon Park Technology Center for a purchase price of \$2 million.

REK/MHS
Attachments

Richard E. Kendell
Commissioner of Higher Education

October 18, 2006

MEMORANDUM

TO: State Board of Regents

FROM: Richard E. Kendell

SUBJECT: Salt Lake Community College - Lease of Space in downtown Salt Lake City

Salt Lake Community College has finalized the sale of its property at 115 S. Main Street. The College wishes to continue to offer some courses downtown and has found a suitable location at 241 East 400 South. The College requests approval to lease approximately 21,000 square feet of space on two floors at this new location.

The College believes this new space has the appropriate size and location to meet the anticipated instructional needs of the College. The first and fourth floors of the building known as the Library Square Center represent approximately one-fourth the size of the Main Street building. Library Square has the additional benefit of free parking. This location is directly north of the new Salt Lake City library and is adjacent to a Trax stop.

Attached is an email message from Vice President Dennis Klaus and a Business Case Analysis. The combination of tuition and commensurate state FTE funding is sufficient to meet the anticipated operating costs except for a small loss in year one. The initial term of the lease is 5.5 years.

Assistant Attorney General Constance Hughes is currently working on the wording of the lease agreement. Ms. Hughes and Vice President Klaus will provide copies of the lease agreement by October 20th for final review and will be prepared to answer questions from Board members. The lease agreement and Commissioner's recommendation will be sent to Regents no later than October 23rd

Commissioner's Recommendation

The Commissioner will make a recommendation regarding the proposed lease of space at Library Square by Salt Lake Community College after review of the lease agreement.

REK/MHS
Attachments

Richard E. Kendell, Commissioner
Commissioner of Higher Education

Salt Lake Community College Library Square Analysis

Year	2007	2008	2009	2010	2011
Lease Rate	\$12.50	\$13.00	\$13.50	\$14.00	\$14.50
Annual Lease Cost for 21,194 Sq Ft	\$264,925	\$275,522	\$286,119	\$296,716	\$307,313
Lease discounts	(\$22,077)				(\$51,219)
Net Annual Lease Costs	\$242,848	\$275,522	\$286,119	\$296,716	\$256,094
O & M Costs	\$75,000	\$78,750	\$82,688	\$86,822	\$91,163
Staffing Costs	\$60,000	\$63,000	\$66,150	\$69,458	\$72,930
Total Estimated Net Cost of Operation	\$377,848	\$417,272	\$434,957	\$452,995	\$420,188
Instructional Costs (Cost per FTE \$1,919 With 6% Annual Increase)	\$537,432	\$575,052	\$609,555	\$646,128	\$684,896
Total Building and Program Costs	\$915,280	\$992,324	\$1,044,512	\$1,099,123	\$1,105,084
Projected FTE	280	300	310	320	330
2005-06 Annualized FTE - 297.5					
(Mainstreet 210 + Fashion Design 31.1 + Interior Design 56.4)					
Tuition @ \$2,046 per FTE With 4% Projected Annual Increase	\$572,880	\$638,352	\$686,016	\$736,471	\$789,865
Cost Over Tuition	(\$342,400)	(\$353,972)	(\$358,496)	(\$362,652)	(\$315,219)
Budget Related State Funding 20% CTE / 80% Lower Division (CTE \$3,300 / Lower Division \$1,300)	\$336,056	\$360,060	\$372,062	\$384,064	\$396,066
Net Gain (Loss) *	(\$6,344)	\$6,088	\$13,567	\$21,412	\$80,847

October 18, 2006

MEMORANDUM

TO: State Board of Regents
FROM: Richard E. Kendell
SUBJECT: Action: Consent Calendar, Finance, Facilities, and Accountability Committee

It is the recommendation of the Commissioner that the Regents approve the following items on the Finance, Facilities, and Accountability Committee Consent Calendar:

- 1) **USHE – UofU and USU – Capital Facilities Delegation Reports (Attachment 1).** In accordance with the capital facilities delegation policy adopted by the Regents and by the State Building Board, the attached reports are submitted to the Board for review. Officials from the institutions will be available to answer any questions that the Regents may have.

- 2) **USHE - Proposed Revisions to Policy R506, *Inventory of Budget-Related and Self-Supporting Courses* (Attachment 2).** Minor revisions to Policy R506 are needed to remove duplicate enrollment reporting parameters. Current enrollment growth funding mechanisms incorporate an offset for nonresident tuition, making questions 6 and 11 of the enrollment category decision tree redundant controls.

REK/MHS/MV
Attachments

Richard E. Kendell, Commissioner

R506, Inventory of Budget Related and Self Supporting Courses

R506-1. Purpose

To provide guidance to the categorization of courses as budget-related or self-supporting for state funding purposes.

R506-2. References

2.1. Utah Code [§53B-7-101](#) (Combined Requests for Appropriations - Appropriation Formulas)

2.2. Policy and Procedure [R501](#), Budgeting Definitions and Guidelines

2.3. [Enrollment Category Decision Tree](#) for Acrobat Reader

R506-3. Utah System of Higher Education Course Inventory

3.1. Supervised Instruction - For courses to be included in the USHE Course Inventory, instruction must occur and the institution must supervise the instruction.

3.2. Separate Designation for Credit and Not for Credit Courses - Whenever a specific course offering can be taken either for credit or not for credit, the different registration categories are to be provided by separate section numbers scheduled at the same time and location.

R506-4. Budget-Related Courses for State Funding Purposes

4.1. Budget-Related Regular (BA) - (course must meet all of the following criteria)

Course is for credit.

Course is not offered at a high school site, or is offered at a high school site but is not a concurrent enrollment course.

Board approved tuition is assessed.

All instructor costs of the course are paid for by institutional funds (e.g. external funds have not been received or ear-marked to pay instructor costs).

Course is taught in Utah ~~and instruction is received in Utah~~ or through study abroad.

Course section is part of regular curriculum and is taught on a full-term basis or equivalent to a full-term basis or until a defined competency is

achieved.

Course level is 100 or above (non-remedial)

4.1.1. #AND# (course must also meet all points of one of the following two sets of criteria)

Course section is offered to the general public not primarily intended for members of particular groups (i.e. companies, school district courses for teachers, in-service training).

Course is not a correspondence course.

Course is not for concurrent enrollment students (i.e. for secondary students concurrently receiving college credit and high school credit).

4.1.2. #OR#

Course section is not offered to the general public and is primarily intended for members of particular groups (i.e. companies, school district courses for teachers, in-service training).

Course was not developed specifically for a particular business or organization.

Course enrollees are not predominantly non-matriculated employees of the institution.

4.2. Budget-Related Concurrent Enrollment (BC) - (course must meet one of the following sets of criteria)

4.2.1. Offered at high school site via technology

Course is for credit.

Course is offered at a high school site.

Course is a concurrent enrollment course (i.e. for secondary students concurrently receiving college credit and high school credit).

Course is delivered via technology.

4.2.2. #OR# - Not offered at high school site

Course is for credit.

Course is not offered at a high school site.

Board approved tuition is assessed.

All instructor costs of the course are paid for by institutional funds (e.g. external funds have not been received or ear-marked to pay instructor costs).

Course is taught in Utah ~~and instruction received in Utah~~ or through study abroad.

Course section is part of regular curriculum and is taught on a full-term basis or equivalent to a full-term basis or until a defined competency is

achieved.

Course level is 100 or above (non-remedial).

Course is not a correspondence course.

Course is for concurrent students.

4.3. Budget-Related Remedial (BU) - (course must meet all of the following criteria)

Course is for credit.

Course is not offered at a high school site, or is offered at a high school site but is not a concurrent enrollment course.

Board approved tuition is assessed.

All instructor costs of the course are paid for by institutional funds (e.g. external funds have not been received or ear-marked to pay instructor costs).

Course is taught in Utah ~~and instruction received in Utah~~ or through study abroad.

Course section is part of regular curriculum and is taught on a full-term basis or equivalent to a full-term basis or until a defined competency is achieved.

Course level is below 100.

Course is taught by WSU, Snow, Dixie, CEU, UVSC, or SLCC or by USU at its branch campuses or continuing education centers after a community college chooses not to exercise its right of first refusal to offer a remedial class.

4.4. Budget-Related STIT (BV) - (course must meet all of the following criteria)

Course is not for credit.

Course is vocational or pre-requisite to a vocational program (i.e. remedial).

Course is a short-term intensive training course funded with state STIT appropriations.

4.5. Budget-Related Non Credit ATE (BY) - (course must meet all of the following criteria)

Course is not for credit.

Course is vocational or pre-requisite to a vocational program (i.e. remedial).

Course is not a short-term intensive training course funded with state STIT appropriations.

Course is not funded by ATCSR funding (i.e. appropriation made to either public education or higher education funneled to the institution to support ATC-type training programs in areas of the state without freestanding ATC's).

Course is not funded by Custom Fit funding (i.e. appropriation made to public education funneled to the institution to support company-specific

vocational training programs).

Course is creditable towards a Board approved degree/award program or is a pre-requisite to such program.

R506-5. Self-Supporting Courses for State Funding Purposes

5.1. Self-Supporting Regular (SD) - (course must meet all points of any one of the following sets of criteria)

5.1.1. Not for credit - Not vocational or vocational pre-requisite

Course is not for credit.

Course is not vocational or pre-requisite to a vocational program (i.e. remedial).

5.1.2. #OR# - Not creditable towards a Board approved degree/award program

Course is not for credit.

Course is vocational or pre-requisite to a vocational program (i.e. remedial).

Course is not a short-term intensive training course funded with state STIT appropriations.

Course is not funded by ATCSR funding.

Course is not funded by Custom Fit funding.

Course is not creditable towards a Board approved degree/award program or is a pre-requisite to such program.

5.1.3. #OR# - For credit - Board approved tuition not assessed

Course is for credit.

Board approved tuition is not assessed.

5.1.4. #OR# - Instructor costs not paid by institutional funds

Course is for credit.

Board approved tuition is assessed.

All instructor costs of the course are not paid for by institutional funds (e.g. external funds have been received or ear-marked to pay instructor costs).

5.1.5. #OR# - Not taught in Utah ~~–not received in Utah~~ or through study abroad

Course is for credit.

Board approved tuition is assessed.

All instructor costs of the course are paid for by institutional funds (e.g. external funds have not been received or ear-marked to pay instructor costs).

Course is not taught in Utah ~~or instruction is not received in Utah~~ or through study abroad.

5.1.6. #OR# - Not part of regular curriculum - not taught on a full-term basis

Course is for credit.

Board approved tuition is assessed.

All instructor costs of the course are paid for by institutional funds (e.g. external funds have not been received or ear-marked to pay instructor costs).

Course is taught in Utah ~~and instruction is received in Utah~~ or through study abroad.

Course section is not part of regular curriculum or is not taught on a full-term basis or equivalent to a full-term basis or until a defined competency is achieved.

5.1.7. #OR# - Not offered to general public

Course is for credit.

Board approved tuition is assessed.

All instructor costs of the course are paid for by institutional funds (e.g. external funds have not been received or ear-marked to pay instructor costs).

Course is taught in Utah ~~and instruction is received in Utah~~ or through study abroad.

Course section is part of regular curriculum and is taught on a full-term basis or equivalent to a full-term basis or until a defined competency is achieved.

Course level is 100 or above (non-remedial)

Course section is not offered to the general public and is primarily intended for members of particular groups (i.e. companies, school district courses for teachers, in-service training).

Course was developed specifically for a particular business or organization.

5.1.8. #OR# - In-service training for institutional employees

Course is for credit.

Board approved tuition is assessed.

All instructor costs of the course are paid for by institutional funds (e.g. external funds have not been received or ear-marked to pay instructor costs).

Course is taught in Utah ~~and instruction is received in Utah~~ or through study abroad.

Course section is part of regular curriculum and is taught on a full-term basis or equivalent to a full-term basis or until a defined competency is achieved.

Course level is 100 or above (non-remedial)

Course section is not offered to the general public and is primarily intended for members of particular groups (i.e. companies, school district

courses for teachers, in-service training).

Course was not developed specifically for a particular business or organization.

Course enrollees are predominantly non-matriculated employees of the institution.

5.1.9. #OR# - Correspondance study

Course is for credit.

Board approved tuition is assessed.

All instructor costs of the course are paid for by institutional funds (e.g. external funds have not been received or ear-marked to pay instructor costs).

Course is taught in Utah ~~and instruction is received in Utah~~ or through study abroad.

Course section is part of regular curriculum and is taught on a full-term basis or equivalent to a full-term basis or until a defined competency is achieved.

Course level is 100 or above (non-remedial)

Course section is offered to the general public not primarily intended for members of particular groups (i.e. companies, school district courses for teachers, in-service training).

Course is a correspondence course.

5.1.10. #OR# - ~~Technology based for non resident students living outside of Utah~~

~~Course is delivered to the student through technology.~~

~~Student is a non resident of Utah under provisions of R512, Determination of Resident Status.~~

~~Student is living outside of Utah while enrolled in the course.~~

5.2. Self-Supporting Concurrent Enrollment (SF) - (course must meet all of the following criteria)

Course is for credit.

Course offered at a high school site.

Course is a concurrent enrollment course (i.e. for secondary students concurrently receiving college credit and high school credit).

Course is not delivered via technology.

5.3. Self-Supporting Remedial (SM) - (course must meet all of the following criteria)

Course is for credit.

Course is not offered at a high school site, or is offered at a high school site but is not a concurrent enrollment course.

Board approved tuition is assessed.

All instructor costs of the course are paid for by institutional funds (e.g.

external funds have not been received or ear-marked to pay instructor costs).

Course is taught in Utah ~~and instruction received in Utah~~ or through study abroad.

Course section is part of regular curriculum and is taught on a full-term basis or equivalent to a full-term basis or until a defined competency is achieved.

Course level is below 100.

Course is taught by one of the following institutions: UU, USU (unless it is considered budget related under 4.3), or SUU.

5.4. Self-Supporting ATCSR (SP) - (course must meet all of the following criteria)

Course is non-credit.

Course is vocational or pre-requisite to a vocational program (i.e. remedial).

Course is funded by ATCSR funding (i.e. appropriation made to either public education or higher education funneled to the institution to support ATC-type training programs in areas of the state without freestanding ATC's).

5.5. Self-Supporting Custom Fit (SQ) - (course must meet all the following criteria)

Course is non credit.

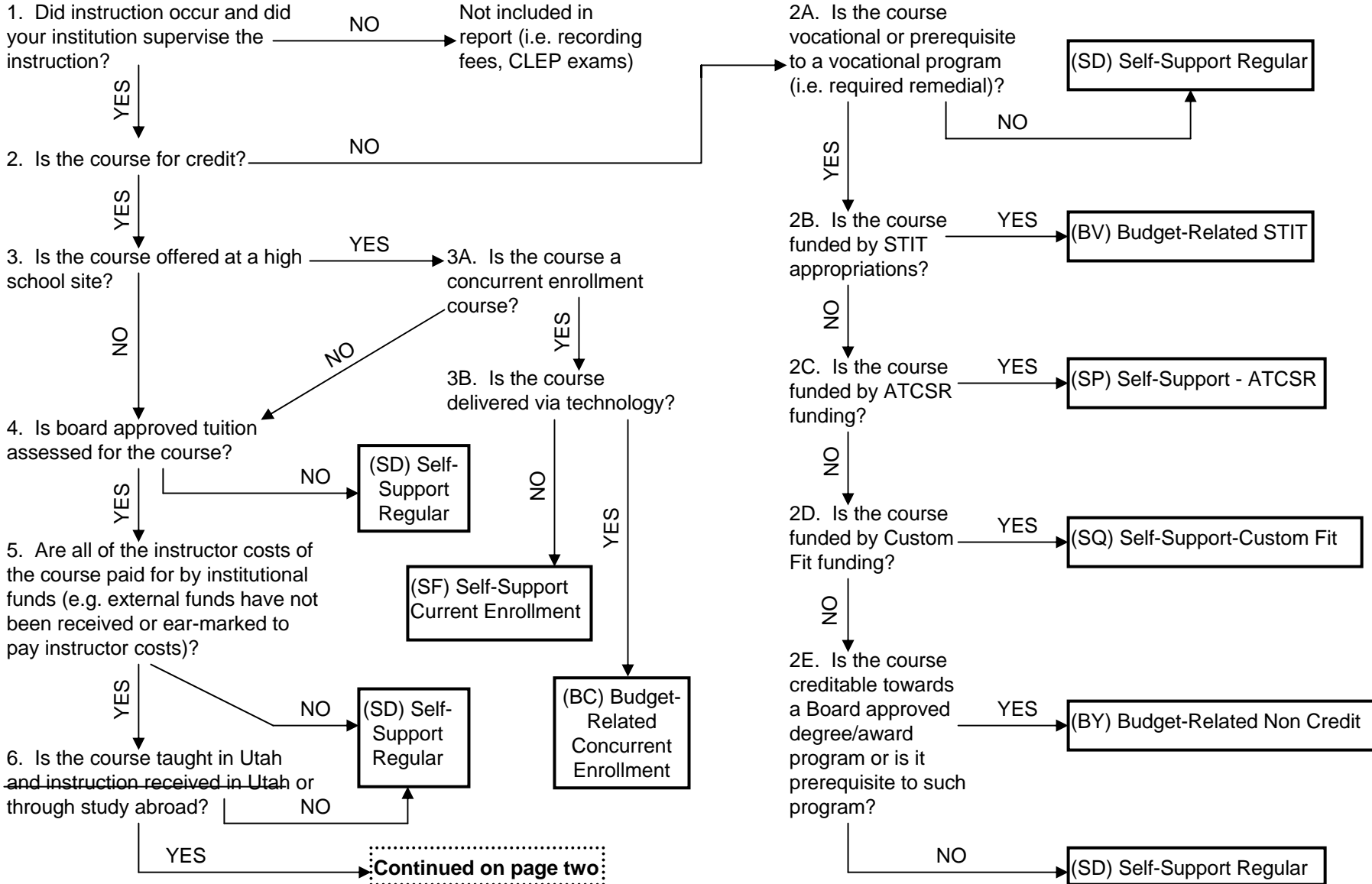
Course is vocational or pre-requisite to a vocational program (i.e. remedial).

Course funded by Custom Fit funding (i.e. appropriation made to public education funneled to the institution to support company-specific vocational training programs).

(Approved September 12, 1997, revised August 7, 1998, amended April 20, 2001 and March 14, 2002.)

Utah System of Higher Education

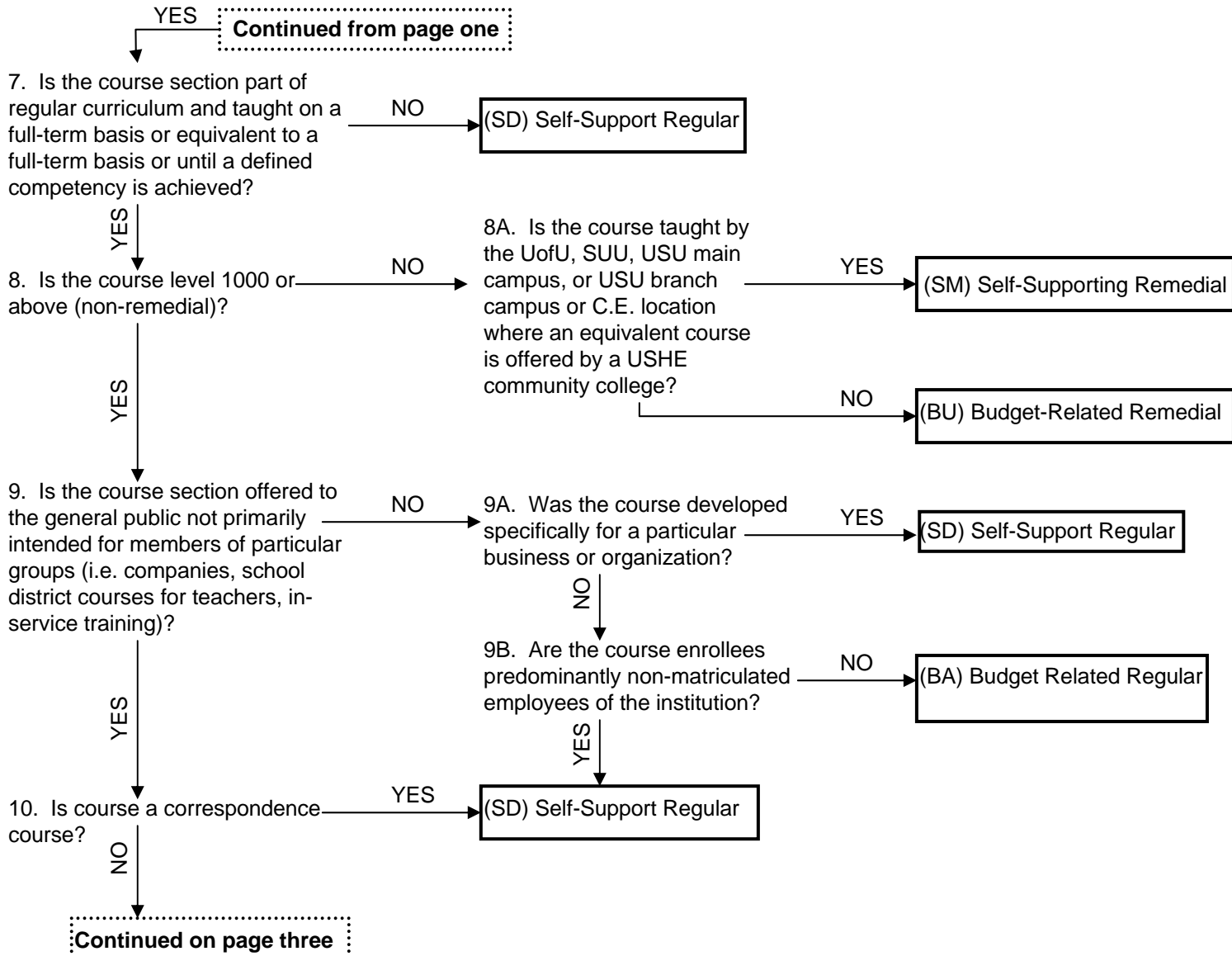
Enrollment Category Decision Tree



Utah System of Higher Education

Enrollment Category Decision Tree

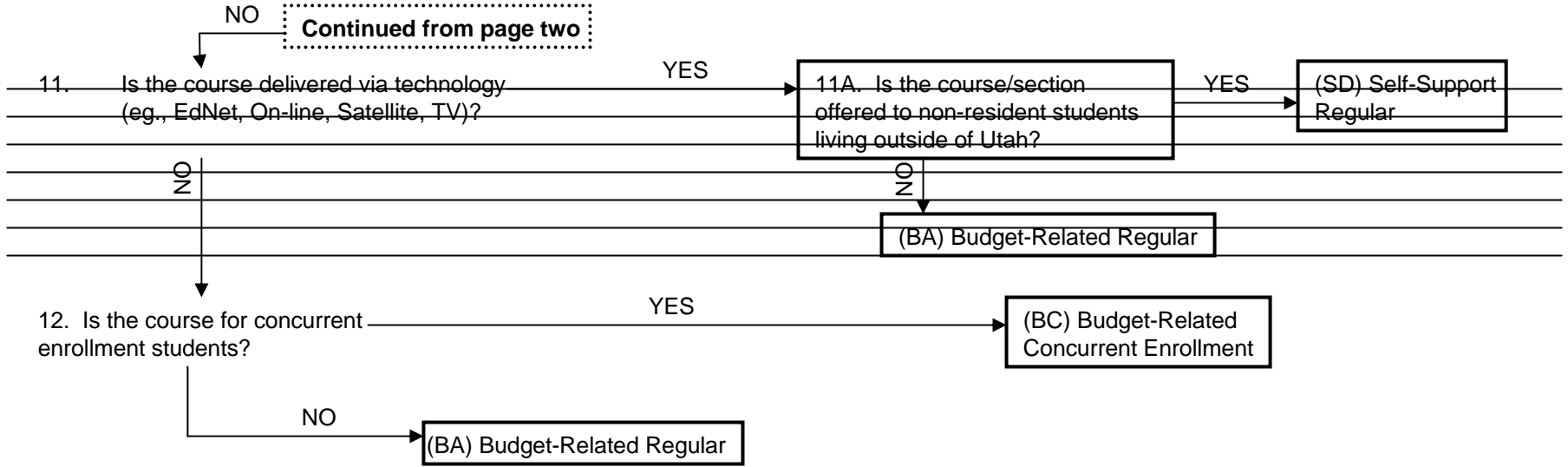
Page 2



Utah System of Higher Education

Enrollment Category Decision Tree

Page 3



October 18, 2006

MEMORANDUM

TO: State Board of Regents
FROM: Richard E. Kendell
SUBJECT: USHE – Fall 2006 Enrollment Report

The attached report summarizes the 2006-07 Fall 3rd week enrollment figures for the traditional nine institutions. The report provides information regarding student headcount and FTE counts for both budget-related and self-support students.

As reported earlier this month, the total budget-related student headcount was 127,753 for Fall 2006 compared to 129,175 Fall 2005. This represents a loss of 1,422 students or 1.1% decrease in budget-related headcount enrollment. The FTE count for Fall 2006 at 3rd week was 91,701 compared to 92,664 budget-related FTE students in Fall 2005. This represents a decrease of approximately 963 FTE students or an overall percentage decrease of 1.04%.

Utah System of Higher Education Fall 2006 3rd Week Budget Related Enrollment Report

	Headcount	Change over 2005	FTE	Change over 2005
University of Utah	28,293	(460)	23,555	(386)
Utah State University	21,222	(122)	15,539	(84)
Weber State University	17,290	333	11,739	(126)
Southern Utah University	6,108	202	5,351	277
Snow College	3,544	136	2,676	17
Dixie State College	5,339	(1,020)	3,879	(340)
College of Eastern Utah	1,873	(172)	1,391	(217)
Utah Valley State College	20,262	426	13,877	146
Salt Lake Community College	23,822	(745)	13,694	(249)
Utah College of Applied Technology	<i>See Note 1</i>	<i>See Note 1</i>	<i>See Note 1</i>	<i>See Note 1</i>
USHE Total	127,753	(1,422)	91,701	(963) Note 2

Notes:

(1) UCAT reports enrollment information on an annual basis due to the open entry open exit enrollment method

(2) FTE's are based on a formula calculation and are rounded to the nearest one.

Budget-related and self-support enrollment figures are included in the attachment.

Commissioner's Recommendation

This item is for information only.

REK/MHS/KLH
Attachments

Richard E. Kendell, Commissioner

Utah System of Higher Education

Fall 2006 3rd Week Headcount Enrollment Report

BR HEADCOUNT	PRIOR	CURRENT	CHANGE	CHANGE
UU	28,753	28,293	(460)	-1.60%
USU	21,344	21,222	(122)	-0.57%
WSU	16,957	17,290	333	1.96%
SUU	5,906	6,108	202	3.42%
SNOW	3,408	3,544	136	3.99%
DSC	6,359	5,339	(1,020)	-16.04%
CEU	2,045	1,873	(172)	-8.41%
UVSC	19,836	20,262	426	2.15%
SLCC	24,567	23,822	(745)	-3.03%
USHE	129,175	127,753	(1,422)	-1.10%

BR & SS HEADCOUNT	PRIOR	CURRENT	CHANGE	CHANGE
UU	30,558	30,447	(111)	-0.36%
USU	23,107	23,623	516	2.23%
WSU	18,334	18,642	308	1.68%
SUU	6,859	7,029	170	2.48%
SNOW	4,113	4,179	66	1.60%
DSC	9,114	5,967	(3,147)	-34.53%
CEU	2,179	2,220	41	1.88%
UVSC	24,487	23,305	(1,182)	-4.83%
SLCC	25,551	25,123	(428)	-1.68%
USHE	144,302	140,535	(3,767)	-2.61%

Notes:

USHE Data Book Tab C Tables 2-6 report Budget Related and Self Supporting student headcount information

Source for "Prior" year headcount information 2006-07 USHE Data Book Tab C Table 7

Utah System of Higher Education

Fall 2006 3rd Week FTE Student Enrollment Report

BR FTE	PRIOR	CURRENT	CHANGE	CHANGE
UU	23,941	23,555	(386)	-1.61%
USU	15,623	15,539	(84)	-0.54%
WSU	11,865	11,739	(126)	-1.06%
SUU	5,074	5,351	277	5.46%
SNOW	2,659	2,676	17	0.64%
DSC	4,219	3,879	(340)	-8.06%
CEU	1,608	1,391	(217)	-13.50%
UVSC	13,731	13,877	146	1.06%
SLCC	13,943	13,694	(249)	-1.79%
USHE	92,664	91,701	(963)	-1.04%

BR & SS FTE	PRIOR	CURRENT	CHANGE	CHANGE
UU	24,089	23,766	(323)	-1.34%
USU	16,584	16,634	50	0.30%
WSU	12,907	12,692	(215)	-1.67%
SUU	5,370	5,580	210	3.91%
SNOW	2,956	2,945	(11)	-0.37%
DSC	4,495	3,983	(512)	-11.39%
CEU	1,662	1,467	(195)	-11.73%
UVSC	16,081	15,663	(418)	-2.60%
SLCC	14,200	14,021	(179)	-1.26%
USHE	98,345	96,751	(1,594)	-1.62%

Notes:

Rounding Error - FTEs are calculated then rounded to the nearest one

Source for "Prior" year FTE information 2006-07 USHE Data Book Tab C Table 8

October 18, 2006

MEMORANDUM

TO: State Board of Regents
FROM: Richard E. Kendell
SUBJECT: USHE – Annual Report on Leased Space

Regent policy R710 requires an “annual report of all space leased by USHE institutions, including space leased for off-campus continuing education programs and leased in research parks.” Board policy requires institutions to obtain prior Board approval of leases funded from State appropriations that exceed \$50,000 annually or that commit institutions to leases for a 5-year duration or beyond.

System-wide leases increased by a net of eight new leases and lease expenditures increased by approximately \$1 million (4.5%). This is the result of a 1 percent increase (\$216,874) among all institutions except for the Utah College of Applied Technology (UCAT). Lease costs at UCAT increased primarily due to five new leases that total \$911,868:

- | | |
|---|-----------|
| • Mountainland ATC - 693 W. 1210 South Spanish Fork | \$355,868 |
| • Ogden Weber ATC – Roy Campus | \$124,800 |
| • Ogden Weber ATC – BDO 550 | \$230,000 |
| • Southwest ATC – Kane County Facility | \$144,000 |
| • UCAT Central Administration – Board of Regents Building | \$77,200 |

The new Utah College of Applied Technology leases did not require Regent approval since UCAT is not obligated to follow Regent capital facility procedures. Capital facility projects and requests are sent directly to the Legislature for approval.

Institutional Lease Summary									
	2005			2006			Changes Summary		
Institution	Leases	Square Feet	Rent	Leases	Square Feet	Rent	% Change Leases	% Change Sq. Feet	% Change Rent
UU	101	1,355,690	\$19,058,385	105	1,344,433	19,295,484	4.0%	-0.8%	1.2%
USU	16	111,190	\$795,004	16	146,432	869,717	0.0%	31.7%	9.4%
WSU	3	25,375	\$121,781	3	25,375	121,781	0.0%	0.0%	0.0%
SUU	22	39,320	\$288,053	28	41,741	314,881	27.3%	6.2%	9.3%
Snow	0	0	\$0	0	0	0	n/a	n/a	n/a
DSC	1	5,840	\$143	1	5,840	143	0.0%	0.0%	0.0%
CEU	9	40,800	\$32,959	8	37,828	9,589	-11.1%	-7.3%	-70.9%
UVSC	12	189,536	\$423,112	8	186,442	364,303	-33.3%	-1.6%	-13.9%
SLCC	11	71,741	\$657,818	10	71,512	618,231	-9.1%	-0.3%	-6.0%
UCAT	15	248,082	\$1,225,077	19	372,155	2,018,889	26.7%	50.0%	64.8%
Totals	190	2,087,574	\$22,602,333	198	2,231,758	\$23,613,018	4.2%	6.9%	4.5%

Attachment 1 provides a three year comparison of number of leases, total square footage and annual rent paid by each institution. Attachment 2 details changes in leases since the last report. Attachment 3 lists summary information for each lease, including location, gross square feet, cost per square foot, source of revenue for lease payments, expiration data, escalations, and type of space.

Commissioner's Recommendation

This is an information item only. No action is required.

Richard E. Kendell
Commissioner of Higher Education

REK/MHS/KLH
Attachments

Utah System of Higher Education

Annual Lease Space Report FY 2004 thru FY 2006

	<u>2004 Leases</u>	<u>2004 Sq. Ft</u>	<u>2004 Rent</u>	<u>2005 Leases</u>	<u>2005 Sq. Ft</u>	<u>2005 Rent</u>	<u>2006 Leases</u>	<u>2006 Sq. Ft</u>	<u>2006 Rent</u>
University of Utah	90	1,061,400	\$14,691,984	101	1,355,690	\$19,058,385	105	1,344,433	\$19,295,484
Utah State University	16	118,273	781,349	16	111,190	795,004	16	146,432	869,717
Weber State University	4	23,105	69,670	3	25,375	121,781	3	25,375	121,781
Southern Utah University	24	42,342	305,598	22	39,320	288,053	28	41,741	314,881
Snow College	0	0	0	0	0	0	0	0	0
Dixie State College of Utah	1	5,840	134	1	5,840	143	1	5,840	143
College of Eastern Utah	9	37,448	14,231	9	40,800	32,959	8	37,828	9,589
Utah Valley State College	14	189,536	521,836	12	189,536	423,112	8	186,442	364,303
Salt Lake Community College	9	76,975	649,790	11	71,741	657,818	10	71,512	618,231
Utah College of Applied Technology	19	332,052	1,106,061	15	248,082	1,225,077	19	372,155	2,018,889
<i>Central Administration</i>	<i>n/a</i>	<i>n/a</i>	<i>n/a</i>	<i>n/a</i>	<i>n/a</i>	<i>n/a</i>	<i>1</i>	<i>4,475</i>	<i>77,200</i>
<i>Bridgerland ATC</i>	<i>1</i>	<i>87,731</i>	<i>0</i>	<i>0</i>	<i>0</i>	<i>0</i>	<i>2</i>	<i>20,473</i>	<i>0</i>
<i>Davis ATC</i>	<i>1</i>	<i>10,000</i>	<i>37,200</i>	<i>1</i>	<i>9,447</i>	<i>56,657</i>	<i>1</i>	<i>9,447</i>	<i>58,262</i>
<i>Dixie ATC</i>	<i>2</i>	<i>22,480</i>	<i>114,360</i>	<i>2</i>	<i>22,480</i>	<i>115,250</i>	<i>2</i>	<i>22,480</i>	<i>120,831</i>
<i>Mountainland ATC</i>	<i>5</i>	<i>107,324</i>	<i>300,501</i>	<i>5</i>	<i>113,733</i>	<i>318,522</i>	<i>4</i>	<i>136,476</i>	<i>600,866</i>
<i>Ogden-Weber ATC</i>	<i>0</i>	<i>0</i>	<i>0</i>	<i>0</i>	<i>0</i>	<i>0</i>	<i>2</i>	<i>68,000</i>	<i>354,800</i>
<i>Salt Lake/Tooele ATC</i>	<i>3</i>	<i>56,922</i>	<i>460,108</i>	<i>3</i>	<i>56,922</i>	<i>460,108</i>	<i>3</i>	<i>56,804</i>	<i>388,390</i>
<i>Southeast ATC</i>	<i>5</i>	<i>11,595</i>	<i>39,892</i>	<i>2</i>	<i>9,500</i>	<i>50,540</i>	<i>1</i>	<i>9,500</i>	<i>50,540</i>
<i>Southwest ATC</i>	<i>1</i>	<i>36,000</i>	<i>130,000</i>	<i>1</i>	<i>36,000</i>	<i>200,000</i>	<i>2</i>	<i>44,500</i>	<i>344,000</i>
<i>Uintah Basin ATC</i>	<i>1</i>		<i>24,000</i>	<i>1</i>		<i>24,000</i>	<i>1</i>		<i>24,000</i>
USHE TOTAL	186	1,886,971	\$18,140,653	190	2,087,574	\$22,602,333	198	2,231,758	\$23,613,018
<i>Total Leases Added:</i>	<i>19</i>	<i>323,414</i>	<i>\$4,473,672</i>	<i>23</i>	<i>366,459</i>	<i>\$4,861,500</i>	<i>33</i>	<i>222,664</i>	<i>\$2,104,644</i>
<i>Total Leases Ended:</i>	<i>17</i>	<i>(121,768)</i>	<i>(\$1,314,414)</i>	<i>19</i>	<i>(171,446)</i>	<i>(\$973,465)</i>	<i>25</i>	<i>(148,123)</i>	<i>(\$1,741,106)</i>
<i>Total Leases Changed:</i>	<i>98</i>	<i>(46,620)</i>	<i>\$94,522</i>	<i>101</i>	<i>5,590</i>	<i>\$560,038</i>	<i>104</i>	<i>69,643</i>	<i>\$647,148</i>
<i>Total Increase:</i>	<i>2</i>	<i>155,026</i>	<i>\$3,253,780</i>	<i>4</i>	<i>200,603</i>	<i>\$4,461,680</i>	<i>8</i>	<i>144,184</i>	<i>\$1,010,686</i>

Source: USHE, UCAT and OLFA

<i>School Action</i>	<i>Leased Property</i>	<i>Total Leases</i>	<i>Sq. Ft</i>	<i>Annual Expenditures</i>
University of Utah				
2005 Total - UofU		101	1,355,690	\$19,058,385
Change	Bountiful - 75 W. 2nd S., Bountiful (Stoker School)			\$2,136
Change	Murray - Cedar Park, 5282 S. 320 W., #186			\$5,964
Change	Park City - 1255 Park Avenue (Carl Winters Ed Fac.)			\$3,216
Change	530 South 500 West, Bountiful			\$3,324
Change	1281 North North Field Road, Cedar City			\$2,724
Change	Idaho Falls - 2225 Teton Plaza, #A		(3)	\$2,592
Add	Layton - 940 South Main, Layton, UT	1	6,480	\$90,108
Change	Ogden - 5575 South 500 East			\$6,156
Change	Provo - 1675 North Freedom Boulevard			\$3,468
Change	Sandy - 8750 South Sandy Parkway, Bldg. #3			\$984
Change	St. George - River Road and 700 South			\$3,744
Change	Development Office - 540 Arapeen Way		3,709	\$39,732
Change	Dept. of Anesthesiology - 615 Arapeen Drive, #200			\$3,696
Delete	Dept. of Pediatrics (IICRC) - 615 Arapeen Drive, #202	(1)	(6,490)	(\$160,692)
Change	Dept. of Technology Transfer - 615 Arapeen Drive, #110		2,309	\$60,828
Change	Utah Diabetes Center - 615 Arapeen Drive, #100		2,960	\$23,004
Change	The Utah Stem Cell Research - 675 Arapeen Drive, #101 & #302			\$6,780
Change	Utah Center for Reproductive Medicine - 675 Arapeen Drive, #205			\$8,256
Change	Central Stores - 729 Arapeen Drive			\$3,216
Change	Cold Storage Warehouse - 729 Arapeen Drive			\$264
Change	Department of Radiology - 729 Arapeen Drive		(496)	(\$4,356)
Change	Dept. of Radiology - Film File Storage - 729 Arapeen Drive			\$14,280
Change	Hospitals and Clinics - Neurology Center- 729 Arapeen Drive			\$5,208
Change	Hospitals and Clinics - Radiology Outpatient Imaging - 729 Arapeen Drive			(\$240)
Change	Surgical Specialty Center - 729 Arapeen Drive			\$3,696
Change	University of Utah - Office of the Sr. Vice President of Health Sciences - 729 Arapeen Drive			\$852
Change	Health Sciences Pediatrics - 295 Chipeta Way		1,866	\$33,588
Change	Family & Preventive Medicine's Health Research Ctr. - 375 Chipeta Way			\$57,408
Change	Sleep Disorder & Sinus Clinic - 375 Chipeta Way, #A			\$48,360
Change	Genetic Epidemiology - 391 Chipeta Way, #D1 & D-2			\$3,624
Change	V.P. for Health Sciences - 391 Chipeta Way, #E, F & G			\$1,743
Add	Department of Genetics & Epidemiology -410 Chipeta Way, #110 & #100 (freezer space)	1	6,673	\$73,404
Change	Expansion Space - UNI - 410 Chipeta Way, #222, 225			\$1,296
Change	Lung Health Study, #221 - 410 Chipeta Way, #221			\$1,224
Delete	Cardiovascular Genetics -Expansion Space, 410 Chipeta Way, #219	(1)	(2,046)	(\$32,736)
Delete	Cardiovascular Genetics Research & Rocky Mountain Data2 - 410 Chipeta Way, #211	(1)	(1,759)	(\$28,140)
Add	Rocky Mountain Cancer Data Systems -410 Chipeta Way, #230	1	1,759	\$28,980
Delete	SOM Depts-Physiology & Cardiology 1 & 2 -410 Chipeta Way, #156, 100 & 219 + storage	(1)	(45,684)	(\$520,824)
Add	SOM Depts-Physiology & Cardiology 1 & 2 -410 Chipeta Way, #222, 280	1	3,329	\$43,644
Change	Health Sciences - 420 Chipeta Way			\$12,996
Change	Pain Management Center - 546 Chipeta Way, #G200			\$6,060

School	Action	Leased Property	Total Leases	Sq. Ft	Annual Expenditures
<i>University of Utah (continued)</i>					
Delete		Pain Management Center - 546 Chipeta Way, #2000	(1)	(1,061)	(\$14,640)
Delete		Preventive Cardiology - 546 Chipeta Way, #G100	(1)	(10,408)	(\$155,376)
Delete		Sports Medicine Clinic - 546 Chipeta Way, #G300	(1)	(13,660)	(\$204,060)
Change		Telecommunications/ITS/NetCom/Poison Control -585 Komas Drive			\$6,960
Add		Department of Psychiatry -650 Komas, #206	1	6,601	\$135,648
Change		Information Technology Services -650 Komas, #101, 102, 104, 107, 107A, 108		1,678	\$31,884
Add		Information Technology Services -650 Komas Drive, #105	1	3,167	\$63,612
Add		Medical Billing -650 Komas Drive, #202, 203, 204	1	3,610	\$124,812
Add		Medical Billing - Office of Compliance- 650 Komas Drive, #205	1	1,578	\$30,768
Change		Neuropsychiatric Institute - Adult Behavioral Clinic -650 Komas Drive, #208			\$6,108
Change		Neuropsychiatric Institute - Home -650 Komas Drive, #200		184	\$3,780
Add		Utah Cancer Registry & Alzheimer's Resource Center -650 Komas Drive, #106 A & B	1	7,189	\$140,184
Change		University of Utah Lease - Tenants (See comments) -417 Wakara Way			\$10,692
Change		Child Development Center - 419 Wakara Way, #100			\$3,648
Change		College of Pharmacy/Medicinal Chemistry - 419 Wakara Way, #205			\$5,652
Change		Human Resources, Payroll - 420 Wakara Way			(\$10,668)
Change		College of Pharmacy - 421 Wakara Way, #318			\$8,460
Change		College of Pharmacy/Center for Cell Signaling - 421 Wakara Way, #360			\$7,620
Change		Drug Information Center & Pharmacotherapy Outcomes Research Center - 421 Wakara Way, #204			\$3,024
Delete		Medical Center (formerly Human Resources & Payroll) - 421 Wakara Way, #130, 140, 155 & 160	(1)	(8,833)	(\$144,612)
Change		Pharmacological Outcomes Research Center -421 Wakara Way, #208			\$1,284
Change		Energy & Geosciences Institute - 423 Wakara Way (1st/3rd floors)			\$19,476
Delete		Information Technology Services - 423 Wakara Way - #200, 216 & 203	(1)	(2,319)	(\$33,372)
Change		Beehive Square Storage - Beehive Square Units - Bldg. 23-D, Units 19,20 & 21A			\$2,208
Add		Beehive Square Storage (Physics Department) -Beehive Square Units - Portions of Bldg. 13-15	1	4,800	\$0
Add		Bureau of Economic and Business Research - 1060 N. Beck Street, 438	1	128	\$1,788
Change		College of Engineering - V.P. Pershing - Beehive Square Units - Bldg. 23C, 23B, 22A, 23E		5,820	\$8,424
Change		Dept. of Dermatology - Cottonwood Place Medical Center, #150, 160			\$2,256
Change		Dept. of Dermatology - Cottonwood Place Medical Center (6095 South 300 East, Murray), #250			\$1,464
Change		Dept. of Dermatology - Cottonwood Place Medical Center (6095 South 300 East, Murray), #270			\$1,032
Change		Dept. of Family & Preventive Medicine, Health Research Center - American Indian Health Project - Ayani' Neez Center @ Shiprock, New Mexico		295	\$6,564
Change		Dept. of Family & Preventive Medicine, Health Research Center - American Indian Health Project - Window Rock Shopping Center @ Window Rock, Navajo Nation (AZ)			\$1,404
Change		Dept. of Neurosurgery - 100 North Medical Drive			\$1,212
Add		Department of Ophthalmology - Additional Space -4400 South 700 East, #240	1	1,110	\$13,872
Change		Dept. of Orthopedics - Ambulatory Care Center (PCMC)			\$1,308
Change		Dept. of Pediatrics - Ambulatory Care Center (PCMC)			\$50,256
Add		Department of Physiology - 410 Chipeta Way, #150, 125	1	5,116	\$63,948
Change		Dept. of Psychiatry -515 South 700 East, #3Q		1,647	\$16,104
Add		Department of Psychology - Family Support Program - 3269 South Main Street	1	1,969	\$14,400
Add		Department of Special Education - Reading Clinic -Cedar Park, 5282 S. 320 W., #D-100, Murray, UT	1	3,331	\$45,972

<i>School</i>	<i>Action</i>	<i>Leased Property</i>	<i>Total Leases</i>	<i>Sq. Ft</i>	<i>Annual Expenditures</i>
<i>University of Utah (continued)</i>					
	Delete	Dept. of Surgery - 747-757 East South Temple-#100, 101 + 102	(1)	(5,466)	(\$76,632)
	Change	Energy & Geosciences Institute - 865 S. 600 W., Bldg. 22-C			\$2,784
	Delete	Energy & Geosciences Institute - 16000 Memorial Drive, Houston, TX	(1)	(973)	(\$15,084)
	Delete	Heartland Apartments #264 - 1617 W. Secret Garden, Salt Lake City, UT	(1)		(\$7,620)
	Change	HealthNetwork - Basement - 1492 West Antelope Drive, Layton			\$0
	Change	HealthNetwork - Main Floor - 1492 West Antelope Drive, Layton			\$0
	Change	HealthNetwork - Stansbury Park - 220 Millpond, #100			\$0
	Change	Health Sciences 3 - 127 South 500 East (Ambassador Bldg.)			(\$708)
	Change	Hospital - Records - 134 South 400 East			\$2,400
	Add	Hospitals and Clinics - Centerville Medical Building, 26 S. Main St., Centerville, UT	1	8,510	\$119,136
	Change	Hospitals and Clinics - Gondola Bldg., Park City Resort Center			(\$624)
	Change	Hospitals and Clinics - 1091 West Jordan Parkway, #350, 400, 450 & 500 South Jordan			\$3,036
	Change	Redstone Project -Bldg. B - Redstone Business & Retail Center, Park City, UT		3	\$9,924
	Change	Madsen Health Center (formerly Wasatch Clinics) - 555 Foothill Boulevard			\$0
	Change	Moran Eye Center - 4400 South 700 East, #240			\$0
	Change	Moran Eye Center - 6360 S. 3000 E. (Old Mill II Med. Ofc. Bldg.), #200			\$2,088
	Delete	Physics Department - Kia Martin 648 West Main Street, Delta, Utah	(1)	(4,480)	(\$14,400)
	Add	Radiation Oncology Program - 1250 East 3900 South, #10	1	6,600	\$72,600
	Change	Radiation Therapy (St. Marks Hospital) - 1250 East 3900 South (Ground Floor)			\$2,148
	Change	Spine Therapy Center - 1355 Foothill Boulevard, #200			\$984
	Change	Sugar House Family Practice Clinic - SE Corner of Wilmington and Highland Drive			\$2,988
	Change	Sugar House Rehabilitation Clinic-space F6 - SE Corner of Wilmington and Highland Drive			\$1,128
	Change	Westside Studio - 631 West North Temple, #50			\$288
		2006 Total - UU	105	1,344,433	19,295,484
<i>Utah State University</i>					
		2005 Total - USU	16	111,190	\$795,004
	Add	Apartments in Washington DC for USU Interns	1	4,326	\$82,008
	Add	Apartments in Washington DC for USU advisor	1	1,442	\$27,336
	Delete	Logan USU Innovation Campus - Admin Office, Bldg. 1770 - Suites 110 & 120 (Lease Purchase completed)	(1)	(4,416)	(\$33,120)
	Delete	Tooele, Com-Net Center, Cont. Educ (Building purchased)	(1)	(15,000)	(\$103,050)
	Change	Brigham City Life Span Learning Ctr. (Sq. ft. increased)		48,890	\$88,743
	Change	Jamestown Bldg. 1115 N 200 E, Logan UT (Rent increased)			\$270
	Change	Salt Lake City 5250 Commerce Drive, Atrium Bldg (Escal.)			\$11,581
	Change	Salt Lake City - Jan Mar Building 1574 W 1700 S (Escal.)			\$945
		2006 Total - USU	16	146,432	\$869,717
<i>Weber State University</i>					
		2005 Total - WSU	3	25,375	\$121,781
		No Changes			
		2006 Total - WSU	3	25,375	\$121,781

<i>School Action</i>	<i>Leased Property</i>	<i>Total Leases</i>	<i>Sq. Ft</i>	<i>Annual Expenditures</i>
<i>Southern Utah University</i>				
	2005 Total - SUU	22	39,320	\$288,053
Add	510 East 900 South Apt #1, St. George - Head Start - Office/Storage	1	1,100	\$12,792
Add	1100 West 800 North, Cedar City - SUUSA T-Bird Awards - Storage	1	312	\$720
Add	1100 West 800 North, Cedar City - CMSC - Storage	1	96	\$444
Add	111 South 1400 West Unit 1, Cedar City - UT CNTR for Rural Health - Residential	1	525	\$4,200
Add	465 N 800 West, Cedar City - UT CNTR for Rural Health - Storage	1	100	\$600
Add	650 N 800 West, Cedar City - Bookstore - Storage	1	600	\$1,800
Change	1100 West 800 North, Cedar City - Head Start - Storage		(288)	(\$612)
Change	1100 West 800 North, Cedar City - Shakespeare - Storage		(24)	\$840
Change	141 North Main, Kanab - Head Start			\$529
Change	705 North 195 West, LaVerkin - Head Start			\$1,123
Change	494 East 900 South, St. George - Head Start			\$1,184
Change	510 East 900 South Apt #1, St. George - Head Start			\$174
Change	217 East Telegraph, Washington - Head Start			\$794
Change	55 West Center, Beaver - Head Start			\$96
Change	2390 West Hwy 56, Cedar City - Head Start			\$2,144
	2006 Total - SUU	28	41,741	314,881
<i>Snow College</i>	No Leases	0	0	\$0
<i>Dixie State College</i>				
	2005 Total - DSC	1	5,840	\$143
	No Changes			
	2006 Total - DSC	1	5,840	\$143
<i>College of Eastern Utah</i>				
	2005 Total - CEU	9	40,800	\$32,959
Delete	Milky Way Shoppe. LLC	(1)	(3,172)	(\$24,000)
Change	Eastern Utah Self Storage - Recreation *		200	\$630
	2006 Total - CEU	8	37,828	\$9,589
<i>Utah Valley State College</i>				
	2005 Total - UVSC	12	189,536	\$423,112
Delete	Orem Recreation	(1)		
Delete	Student Center	(1)		
Delete	University Mall #159	(1)	(1,471)	(\$37,900)
Delete	University Mall #160	(1)	(1,623)	(\$24,200)
Change	Airport Hangar #2			\$1,146
Change	Airport (AvTech)			\$2,145
	2006 Total - UVSC	8	186,442	364,303

<i>School Action</i>	<i>Leased Property</i>	<i>Total Leases</i>	<i>Sq. Ft</i>	<i>Annual Expenditures</i>
<i>Salt Lake Community College</i>				
	2005 Total - SLCC	11	71,741	\$657,818
Add	12441 South 900 East, Draper	1	9,833	
Delete	852 East 9085 South, Sandy	(1)	(8,800)	(\$24,000)
Delete	511 West 200 South, Salt lake City	(1)	(1,262)	(\$15,480)
Change	830 East 9400 South, Sandy			\$5,110
Change	551 North 2200 West, Airport			\$1,107
Change	551 North 2200 West, Airport (2 Hangers)			(\$8,232)
Change	331 North 2370 West, Executive Terminal			\$1,668
Change	551 North 2200 West, Airport			\$240
	2006 Total - SLCC	10	71,512	\$618,231
<i>Utah College of Applied Technology</i>				
	2005 Total - UCAT	15	248,082	\$1,225,077
Add	Bridgerland ATC - Rich County Campus	1	13,473	
Add	Bridgerland ATC - Brigham City Campus Expansion	1	7,000	
Change	Davis ATC - Clearfield Freeport Facility			\$1,605
Change	Dixie ATC - East 1/2 of the DSC North Plaza Building - 55 South 900 East, St. George, Utah			\$4,500
Change	Dixie ATC - Diesel Mechanic Garage 825 No. Industrial Rd.			\$1,081
Delete	Mountainland ATC - So Main Springville	(1)	(1,800)	(\$30,000)
Delete	Mountainland ATC - 1680 W Orem	(1)	(6,000)	(\$33,720)
Add	Mountainland ATC - 693 W. 1210 South Spanish Fork	1	30,932	\$335,868
Change	Mountainland ATC -759 E. Pacific Drive American Fork		(1,885)	\$10,196
Change	Mountainland ATC - N Hwy 40 Heber		1,496	
Add	Ogden/Weber ATC - Roy Campus	1	15,000	\$124,800
Add	Ogden/Weber ATC - BDO 550	1	53,000	\$230,000
Change	Salt Lake/Tooele ATC - West Valley Freight Liner Training Center		(6,318)	(\$79,512)
Change	Salt Lake/Tooele ATC - West Valley Campus (colocated with DWS)			\$7,794
Change	Salt Lake/Tooele ATC - Salt Lake Campus		6,200	
Delete	Southeast ATC - San Juan Blanding Campus	(1)	(1,400)	(\$7,448)
Change	Southeast ATC - Price Campus		1,400	\$7,448
Add	Southwest ATC - Kane Campus	1	8,500	\$144,000
Add	UCAT Central Administration - 60 South 400 West, The Board of Regents Building, The Gateway	1	4,475	\$77,200
	2006 Total - UCAT	19	372,155	\$2,018,889
	2005 Total	190	2,087,574	22,602,332
	2006 Total	198	2,231,758	23,613,018
	Total Leases Added:	33	222,664	2,104,644
	Total Leases Ended:	25	(148,123)	(1,741,106)
	Total Leases Changed:	104	69,643	647,148
	Total Increase:	8	144,184	1,010,686

<i>Institution</i>	<i>Location</i>	<i>Gross Sq. Feet</i>	<i>Cost per Sq. Foot</i>	<i>Net or Full</i>	<i>State Approp. or Other</i>	<i>Annual Lease Payment</i>	<i>Terms in Months - Expiration Date</i>	<i>Escalations</i>	<i>Type of Space</i>
<i>University of Utah</i>									
(See pages 8 through 12 for details)									
<i>Utah State University</i>									
	Brigham City, Life Span Learning Center-Box Elder Co.	26,313	\$3.81	Net	State	\$100,474	12 months, 6/30/07	Annually	Classroom / Office
	Brigham City, Life Span Learning Center-Box Elder Co.	43,667	\$1.39	Net	State	\$60,601	12 months, 6/30/07	Annually	Classroom / Office
	Brigham City, Life Span Learning Center-Box Elder Co.	17,710	\$1.80	Net	State	\$31,878	12 months, 6/30/07	Annually	Classroom / Office
	Brigham City School District CPD Early Intervention Up-to-3, 851 S 200 W	990	\$3.64	Full	Other	\$3,600	12 months, 6/30/07	None	Classroom
	Cache County/Logan Airport Authority Hangar-ITEE	7,040	\$1.00	Net	Other	\$7,040	120 months, 6/30/2007	None	Hangar FL-10
	Jamestown Bldg., 1115 N. 200 E. Logan, UT	1,082	\$10.52	Full	Other	\$11,387	12 months, 6/30/07	None	Classroom
	Logan USU Res. Park - Dir. Office Bldg #1770 - Ste 180	2,759	\$8.28	Net	Other	\$22,845	144 months, 4/3/2009	None	Offices/other
	Logan USU Res. Park - Dir. Office Bldg #1770 - Ste 140 & 160	2,828	\$9.89	Net	Other	\$27,969	144 months, 9/25/2008	None	Offices/other
	Logan USU Res. Park - Mt. Plains Resource Ctr.-CPD/sub-tenants Bldg #1780	14,492	\$9.00	Net	Other	\$130,428	146 months 2/28/2011	None	Offices/Laboratory
	Logan USU Res. Park - SDL Science Group & Summit Research, Bldg #1750	6,120	\$13.80	Net	Other	\$84,456	144 months, 1/01/2013	None	Research office & labs
	Logan USU Innovation Campus - Tech. Transfer Office Bldg. #570	3,079	\$13.80	Full	Other	\$42,492	36 Months, 07/15/2007	None	Offices
	SLC-Dairy Commission-Nutrition & Food Sciences, 1213 E 2100 So, SLC	231	\$12.99	Full	State	\$3,000	12 months, 6/30/08	None	Office
	SLC-5259 Commerce Drive (Atrium Bldg), Graduate Center and Cont. Ed.	11,186	\$18.04	Net	State	\$201,743	84 months, 8/31/2008	Yes	Classroom / Office
	Salt Lake City, Jan-Mar Building CPD Earkly Intervention Up-to-3 1574 W 1700 S, SLC	1,566	\$10.51	Net	Other	\$16,464	60 months, 12/31/09	Yes	Classroom
	SLC - Wells Fargo Building - 299 South Main Street - Development Center	1,601	\$9.99	Full	Other	\$15,996	Month to Month	None	Office
	Washington DC Apartments (3) for USU interns, 211 Jeff Davis Hwy, Washington DC	4326	\$18.96	Net	Other	82008	12 months, 5/31/2007	None	Residential
	Washington DC Apartment for USU advisers, 211 Jeff Davis Hwy, Washington DC	1,442	\$18.96	Net	Other	\$27,336	12 months, 8/26/2007	None	Residential
	Subtotal - Utah State University	146,432				\$869,717			
<i>Weber State University</i>									
	Davis High School - 325 South Main Street, Kaysville	13,650	\$4.00		State	\$5,010	Semester rental, on-going	none	Classroom
	Roy High School - 2888 W 5600 S, Roy	4,200	\$4.00		State	\$3,896	Semester rental, on-going	none	Classroom
	WSU West - 5627 South 3500 West, Roy	7,525	\$15.00		State	\$112,875	8/31/2010	Yes	Class/Office/Storage
	Subtotal - Weber State University	25,375				\$121,781			
<i>Southern Utah University</i>									
	141 North Main - Kanab	1,000	\$8.95	Net	Other	\$8,947	12 Month - Mar 2011	Index or 3%	Classroom
	705 North 195 West - LaVerkin	5,008	\$9.21	Net	Other	\$46,143	12 Month - April 2018	2.0%	Classroom
	494 East 900 South - St. George	6,016	\$10.04	Net	Other	\$60,380	12 Month - Apr 2020	2.0%	Classroom
	510 East 900 South Apt #1, St. George - Head Start	1,100	\$11.63	Net	Other	\$12,792	12 Month - Nov 2009	Varies	Office/Storage
	166 North Main - Panguitch	1,200	\$5.94	Net	Other	\$7,132	12 Month - Dec 2012	2.5%	Classroom
	680 West 300 South - Milford	1,000	\$7.20	Full	Other	\$7,200	12 Month - July 2007	Fixed	Classroom
	555 West 400 South - Fillmore	900	\$8.00	Full	Other	\$7,200	12 Month - Aug 2006	Fixed	Classroom
	450 South Center - Delta	1,000	\$7.20	Full	Other	\$7,200	12 Month - Aug 2006	Fixed	Classroom
	217 East Telegraph - Washington	2,000	\$8.34	Net	Other	\$16,670	12 Month - Aug 2007	5.0%	Classroom
	55 West Center - Beaver	1,004	\$4.59	Full	Other	\$4,613	12 Month - Sep 2007	2.1%	Classroom
	2390 West Hwy 56 - Cedar City	11,560	\$9.46	Net	Other	\$109,352	12 Month - Sep 2015	2.0%	Classroom/Office
	1100 West 800 North, Cedar City - Head Start	408	\$2.85	N/A	Other	\$1,164	Month to Month	Varies	Storage

<i>Institution</i>	<i>Location</i>	<i>Gross Sq. Feet</i>	<i>Cost per Sq. Foot</i>	<i>Net or Full</i>	<i>State Approp. or Other</i>	<i>Annual Lease Payment</i>	<i>Terms in Months - Expiration Date</i>	<i>Escalations</i>	<i>Type of Space</i>
Southern Utah University Continued									
	1100 West 800 North, Cedar City - Shakespeare	3,736	\$2.50	N/A	Other	\$9,348	Month to Month	Varies	Storage
	1100 West 800 North, Cedar City - Bookstore	96	\$3.13	N/A	Other	\$300	Month to Month	Varies	Storage
	1100 West 800 North, Cedar City - Theatre Arts	2,256	\$1.71	N/A	Other	\$3,864	Month to Month	Varies	Storage
	1100 West 800 North, Cedar City - SUUSA T-Bird Awards	312	\$2.31	N/A	Other	\$720	Month to Month	Varies	Storage
	1100 West 800 North, Cedar City - SUU Student Association	96	\$3.75	N/A	Other	\$360	Month to Month	Varies	Storage
	1100 West 800 North, Cedar City - Continuing Ed	96	\$3.13	N/A	Other	\$300	Month to Month	Varies	Storage
	1100 West 800 North, Cedar City - SUU Pagent	96	\$4.63	N/A	Other	\$444	Month to Month	Varies	Storage
	1100 West 800 North, Cedar City - Student Activities / Ballroom	216	\$2.67	N/A	Other	\$576	Month to Month	Varies	Storage
	1100 West 800 North, Cedar City - Student Activities / Acclimation	216	\$2.22	N/A	Other	\$480	Month to Month	Varies	Storage
	1100 West 800 North, Cedar City - Machine Shop	216	\$2.67	N/A	Other	\$576	Month to Month	Varies	Storage
	1100 West 800 North, Cedar City - Archeology	216	\$2.67	N/A	Other	\$576	Month to Month	Varies	Storage
	1100 West 800 North, Cedar City - President's Office	672	\$2.23	N/A	Other	\$1,500	Month to Month	Varies	Storage
	1100 West 800 North, Cedar City - CMSC	96	\$4.63	N/A	Other	\$444	Month to Month	Varies	Storage
	111 South 1400 West Unit 1, Cedar City - UT CNTR for Rural Health	525	\$8.00	N/A	Other	\$4,200	Month to Month	Varies	Residential
	465 N 800 West, Cedar City - UT CNTR for Rural Health	100	\$6.00	N/A	Other	\$600	Month to Month	Varies	Storage
	650 N 800 West, Cedar City - Bookstore	600	\$3.00	N/A	Other	\$1,800	Month to Month	Varies	Storage
	Subtotal - Southern Utah University	41,741				\$314,881			
Snow College									
	None								
Dixie State College of Utah									
	Airport - ground lease for hanger	5,840	\$43.58		State	\$134	360 months, 1/1/2009	CPI	Hanger
	Subtotal - Dixie State College of Utah	5,840				\$134			
College of Eastern Utah									
	Blanding Armory	5,600		Full	State	\$10	On going	None	Classroom/Office
	Prehistoric Museum	22,500		Full	State	\$1	216 months, 6/30/2013	None	Museum/Office
	One-half mile northeast of Price	40 acres	\$3 per acre	N/A	State	\$120	588 months, 6/01/2018	None	Land-Baseball
	Monument Valley - Shared Lease w/USU & SEATC (O&M Only)	3,250		Net	Reimb. Overhead		64 Months, 6/30/08	None	Classroom/Office
	Montezuma Creek - Whitehorse Seminary	3,118		Full			Not Specified	None	Classroom
	Eastern Utah Self Storage - Recreation	500		Full	State	\$1,694	Annual	None	Storage
	Eastern Utah Self Storage - Theatre	2,500		Full	State	\$6,900	Annual	None	Storage
	Cedar Hills Storage - Food Service	360		Full	Auxiliaries	\$864	Annual	None	Storage
	Subtotal - College of Eastern Utah	37,828				9,589			
Utah Valley State College (see Note 1)									
	Foundation Building	35,564	\$2.81		State	\$100,021			
	Airport Land (Hangar #2)	88,496	\$0.20		State	\$17,736			
	Airport Hangar #1	14,800	\$5.68		Dept. Revenue	\$84,000			
	Airport Hangar #2	33,000	\$3.74		Dept. Revenue	\$123,576			
	Woodbury Art Gallery Commons Areas	13,732	\$0.99		Interest Income	\$13,593			
	Continuing Ed House	850	\$6.35		Continuing Ed	\$5,400			
	Airport Land (Hangar #1)	577 Acres			State	\$2,782			
	Airport (AvTech)	9.8 Acres			State	\$17,195			
	Subtotal - Utah Valley State College	186,442				\$364,303			

<i>Institution</i>	<i>Location</i>	<i>Gross Sq. Feet</i>	<i>Cost per Sq. Foot</i>	<i>Net or Full</i>	<i>State Approp. or Other</i>	<i>Annual Lease Payment</i>	<i>Terms in Months - Expiration Date</i>	<i>Escalations</i>	<i>Type of Space</i>
<i>Salt Lake Community College</i>									
	830 East 9400 South, Sandy	29,061	\$12.96		State - E&G	\$416,302	84 Mo. 6/30/07	Yes/Variable	Office/Lab/Classroom
	12441 South 900 East, Draper	9,833					Month to Month		
	1021 West Vine Street, Tooele	1,304	\$7.00	Full	State - Skills Center	\$9,128	240 Months	Fixed 10 Yr.	Classroom
	66 West Vine Street, Tooele	6,100	\$0.98	Net	Other	\$6,000	36 Months 9/07		Office/Classroom
	551 North 2200 West, Airport	12,939	\$5.94	Net	State - E&G	\$77,963	180 Mo. 5/31/03	Adjusted Yrly.	Office/Lab/Classroom
	551 North 2200 West, Airport (2 Hangers)	2,624	\$5.15		State - E&G	\$5,280	Month to Month		Hanger
	331 North 2370 West, Executive Terminal	4,506	\$11.75		State - E&G	\$54,613	Month to Month		Office/Classroom
	369 North 2370 West, Airport	3,600	\$7.33	Net	Other	\$26,400	Month to Month		Office/Hanger
	551 North 2200 West, Airport		\$72 per tie down		Other	\$8,640	Month to Month		Airplane Tie Downs
	210 East 400 South, Salt Lake City	1,545	\$9.00	Full	State - E&G	\$13,905	10/05 - 5 Year	Adjusted Yrly.	Office/Classroom
	Subtotal - Salt Lake Community College	71,512				\$618,231			
<i>Utah College of Applied Technology</i>									
<i>Bridgerland ATC</i>									
	Rich County Campus	13,473			N/A				Classroom / Other
	Brigham City Expansion	7,000			N/A				Classroom / Other
<i>Davis ATC</i>									
	Freeport Center, Bldg A-15	9,447	\$6.17		State	\$58,262	12 Months, 6/30/07	Adjusted Yrly.	Classroom / Office
<i>Dixie ATC</i>									
	East 1/2 of the DSC North Plaza Building - 55 South 900 East, St. George, Utah	18,000	\$4.25		State	\$76,500	60 Months/ 2011	Adjusted Yrly.	Classroom / Other
	Diesel Mechanic Garage 825 No. Industrial Rd.	4,480	\$9.90		State	\$44,331	36 Months / 2009	2.75%	Lab
<i>Mountainland ATC</i>									
	759 E. Pacific Drive American Fork	43,550	\$6.08		State	\$264,996	13 Years, 1/31/17	3%	Classroom / Other
	987 S. Geneva Rd. Orem	58,194			State	\$1		n/a	Classroom / Other
	N Hwy 40 Heber	3,800			State	\$1		n/a	Classroom / Other
	693 W. 1210 South Spanish Fork	30,932	\$10.86		State	\$335,868	20 Years, September 2026	Adjusted Yrly.	Classroom / Office
<i>Ogden Weber ATC</i>									
	Roy Campus	15,000	\$8.32	Full	State	\$124,800	42 Months	3%	Classroom / Other
	BDO 550	53,000	\$4.34	Full	State	\$230,000	60 Months	3%	Classroom / Other
<i>Salt Lake/Tooele ATC</i>									
	Salt Lake Campus	38,200	\$2.36		State	\$90,000	7/31/2009	n/a	Classroom / Office
	West Valley Campus (colocated with DWS)	6,810	\$22.01		State	\$149,902	11/30/2007	Adjusted Yrly.	Classroom / Office
	West Valley Freight Liner Training Center	11,794	\$12.59		State	\$148,488	5/31/2011	Adjusted Yrly.	Classroom / Office
<i>Southeast ATC</i>									
	Main Campus - Price	9,500	\$5.32		State	\$50,540	12 Months	n/a	Classroom / Other
<i>Southwest ATC</i>									
	Main campus - 510 W 800 S Cedar City	36,000	\$5.56	Full	State	\$200,000	156 Mo. 2016	n/a	Classroom / Office
	Kane campus - Kanab	8,500	\$16.94		State	\$144,000		n/a	Classroom / Office
<i>Uintah Basin ATC</i>									
	Vernal	n/a		n/a	State	\$24,000		n/a	Classroom / Office
<i>Central Administration</i>									
	60 South 400 West, The Board of Regents Building - Gateway	4,475	\$17.25	Full	State	\$77,200		Adjusted Yrly.	Office
	Subtotal - Utah College of Applied Technology	372,155				\$2,018,889			

Notes:

(1) Ground expressed in acres is not included in square footage

<i>Dpt</i>	<i>Location</i>	<i>Gross Sq. Feet</i>	<i>Cost per Sq. Foot</i>	<i>Net or Full</i>	<i>Monthly Payment</i>	<i>Yearly Payment</i>	<i>Start</i>	<i>Type of Space</i>
Academic Outreach & Continuing Education								
	Bountiful - 75 W. 2nd S., Bountiful (Stoker School)	24,851	2.94	N	\$6,097	\$73,164	7/1/92	Classroom
	Murray - Cedar Park, 5282 S. 320 W., #186	11,765	15.00	F	\$14,703	\$176,436	7/30/90	Classroom
	Park City - 1255 Park Avenue (Carl Winters Ed Fac.)	3,222	16.75	F	\$4,497	\$53,964	6/30/93	Education & related purposes.
	Sandy - 9875 South 240 West	20,000	13.57	N	\$22,621	\$271,452	9/1/94	Classroom
College of Fine Arts <i>College of Fine Arts rent is \$1.00 per year</i>								
	West Institute, 3rd South - L. D. S. Church	22,501	0	N			9/15/83	Classroom
Dialysis Centers:								
	Bountiful - 530 South 500 West	5,845	19.56	N	\$9,525	\$114,300	2/26/98	Medical office
	Cedar City - 1281 North North Field Road	4,850	19.31	N	\$7,806	\$93,672	5/1/02	Medical office
	Idaho Falls - 2225 Teton Plaza, #A	7,530	11.79	N	\$7,407	\$88,884	1/28/92	Outpatient hospital services
	Layton - 940 South Main, Layton, UT	6,480	13.91	N	\$7,509	\$90,108	7/15/05	Health care, medical office, administrative uses
	Ogden - 5575 South 500 East	12,583	33.84	N	\$17,605	\$211,260	1/1/93	Clinical, teaching & research
	Provo - 1675 North Freedom Boulevard	6,594	18.08	N	\$9,934	\$119,208	7/1/91	Dialysis center
	Sandy - 8750 South Sandy Parkway, Bldg. #3	6,000	5.64	N	\$2,818	\$33,816	12/15/96	Clinic
	St. George - River Road and 700 South	7,160	17.96	N	\$10,719	\$128,628	3/1/97	Dialysis center
	1180 Summers Drive, Rexburg, ID	6,410	11.50	N	\$6,141	\$73,692	9/1/05	Provide health care
540 Arapeen Drive								
	Development Office - 540 Arapeen Way	29,228	17.08	F	\$41,590	\$499,080	4/1/05	Offices
	Marriott Library - 540 Arapeen Drive, #200	3,877	16.00	F	\$5,170	\$62,040	8/1/2005	Office
615 Arapeen Drive								
	Dept. of Anesthesiology - 615 Arapeen Drive, #200	6,305	20.09	F	\$10,557	\$126,684	4/1/01	Research & clinical offices
	Dept. of Technology Transfer - 615 Arapeen Drive, #110	8,647	23.22	F	\$16,736	\$200,832	3/1/04	Office & laboratory
	Utah Diabetes Center - 615 Arapeen Drive, #100	19,771	23.17	F	\$38,182	\$458,184	11/1/00	Office & laboratory
675 Arapeen Drive								
	The Utah Stem Cell Research - 675 Arapeen Drive, #101 & #302	9,222	25.24	F	\$19,393	\$232,716	9/1/05	Office and medical clinic
	Utah Center for Reproductive Medicine - 675 Arapeen Drive, #205	10,798	26.32	F	\$23,681	\$284,172	10/28/02	Office and medical clinic
729 Arapeen Drive								
Hospital Activities:								
	Central Stores - 729 Arapeen Drive	9,172	5.58	N	\$4,268	\$51,216	3/1/98	Warehouse, distribution, storage
	Cold Storage Warehouse - 729 Arapeen Drive	2,700	4.73	N	\$1,927	\$12,756	4/1/99	Warehouse, distribution, storage
	Department of Radiology - 729 Arapeen Drive	1,644	14.07	N	\$2,083	\$23,124	1/1/01	Offices, reading room, computer room
	Dept. of Radiology - Film File Storage - 729 Arapeen Drive	1,843	13.57	N	\$1,063	\$24,996	3/1/98	Warehouse, distribution, storage
	Hospitals and Clinics - Neurology Center- 729 Arapeen Drive	9,162	6.75	N	\$5,155	\$61,860	8/1/04	General warehousing, distribution & storage purposes
	Hospitals and Clinics - Radiology Outpatient Imaging - 729 Arapeen Drive	6,107	12.00	N	\$6,209	\$74,508	8/1/04	General storage & warehousing
	Surgical Specialty Center - 729 Arapeen Drive	3,209	14.81	N	\$3,961	\$47,532	5/1/02	Clinical exam room & offices
	University of Utah - Office of the Sr. Vice President of Health Sciences - 729 Arapeen Drive	41,669	11.09	N	\$38,493	\$461,916	1/1/98	Laboratory & office
295 Chipeta Way								
	Health Sciences Pediatrics - 295 Chipeta Way	52,866	18.00	F	\$79,299	\$951,588	12/2/04	General medical office
375 Chipeta Way								
	Family & Preventive Medicine's Health Research Ctr. - 375 Chipeta Way	38,856	20.68	F	\$66,954	\$803,448	4/1/01	Office, research, development & laboratory
	Sleep Disorder & Sinus Clinic - 375 Chipeta Way, #A	6,062	28.24	F	\$14,264	\$171,168	1/1/01	Office, research, development & laboratory
391 Chipeta Way								
	Dept. of Family & Preventive Medicine, Rocky Mountain Center for Occupational & Environmental Health Program - 391 Chipeta Way, #C	6,440	17.25	F	\$9,257	\$111,084	10/1/03	Office and lab

<i>Dpt</i>	<i>Location</i>	<i>Gross Sq. Feet</i>	<i>Cost per Sq. Foot</i>	<i>Net or Full</i>	<i>Monthly Payment</i>	<i>Yearly Payment</i>	<i>Start</i>	<i>Type of Space</i>
	Genetic Epidemiology - 391 Chipeta Way, #D1 & D-2	7,248	18.25	F	\$11,023	\$132,276	11/8/94	Office & laboratory space
	Radiopharmacy (Subleased to PLCO Cancer) - 391 Chipeta Way, #A	5,047	18.00	F	\$7,571	\$90,852	12/1/96	Office & laboratory
	V.P. for Health Sciences - 391 Chipeta Way, #E, F & G	3,475	18.00	F	\$5,213	\$62,556	9/1/94	Office
410 Chipeta Way								
	Department of Genetics & Epidemiology -410 Chipeta Way, #110 & #100 (freezer space)	6,673	22.00	N	\$6,117	\$73,404	4/1/06	Offices & laboratory
	Expansion Space - UNI - 410 Chipeta Way, #222, 225	3,329	13.50	N	\$3,745	44,940	10/8/96	Research, office & UNI
	Lung Health Study, #221 - 410 Chipeta Way, #221	2,845	14.76	TN	\$3,500	42,000	9/1/93	Office
	Rocky Mountain Cancer Data Systems -410 Chipeta Way, #230	1,759	16.48	N	\$2,415	28,980	8/1/93	Office
	SOM Depts-Physiology & Cardiology 1 & 2 -410 Chipeta Way, #222, 280	3,329	13.10	N	\$3,637	43,644	4/25/97	Office & laboratory
420 Chipeta Way								
	Health Sciences - 420 Chipeta Way	54,150	12.24	N	\$55,233	\$662,796	3/1/06	General office, medical office, research & laboratory
546 Chipeta Way								
	Pain Management Center - 546 Chipeta Way, #G200	6,986	15.54	N	\$9,048	\$108,576	8/17/95	Office
585 Komars Drive								
	Telecommunications/ITS/NetCom/Poison Control -585 Komars Drive	60,000	11.73	N	\$58,634	\$703,608	10/1/03	Research & office
650 Komars Drive								
	Department of Psychiatry -650 Komars, #206	6,601	18.98	F	\$11,304	\$135,648	9/1/06	Research & general offices
	Information Technology Services -650 Komars, #101, 102, 104, 107, 107A, 108	24,150	17.06	F	\$34,324	\$411,888	9/16/05	Information technology service & related training & storage
	Information Technology Services -650 Komars Drive, #105	3,167	20.09	F	\$5,301	\$63,612	7/1/06	Information technology service & related training & storage
	Medical Billing -650 Komars Drive, #202, 203, 204	14,780	19.24	F	\$23,701	\$284,412	6/1/06	Office & related services
	Medical Billing - Office of Compliance- 650 Komars Drive, #205	1,578	19.50	F	\$2,564	\$30,768	6/1/06	Office & related services
	Neuropsychiatric Institute - Adult Behavioral Clinic -650 Komars Drive, #208	10,175	20.60	F	\$17,467	\$209,604	8/1/05	Office and medical clinic
	Neuropsychiatric Institute - Home -650 Komars Drive, #200	9,154	20.60	F	\$15,714	\$188,568	8/1/05	Office and medical clinic
	Utah Cancer Registry & Alzheimer's Resource Center -650 Komars Drive, #106 A & B	7,189	19.50	F	\$11,682	\$140,184	11/1/05	Office, research, clinic
417 Wakara Way								
	University of Utah Lease - Tenants (See comments) -417 Wakara Way	71,296	15.15	N	\$90,011	\$1,080,132	2/1/05	Research, office space, leasing of commercial office space
419 Wakara Way								
	Child Development Center - 419 Wakara Way, #100	8,463	14.79	N	\$10,434	\$125,208	9/1/96	Day care center
	College of Pharmacy/Medicinal Chemistry - 419 Wakara Way, #205	6,054	13.98	TN	\$7,052	\$84,624	10/1/00	Office & lab
420 Wakara Way								
	Human Resources, Payroll - 420 Wakara Way	22,159	25.02	F	\$46,207	\$554,484	4/14/02	General office, classroom, educational uses
421 Wakara Way								
	College of Pharmacy - 421 Wakara Way, #318	16,672	17.20	N	\$23,897	\$286,764	1/1/87	Research & office
	College of Pharmacy/Center for Cell Signaling - 421 Wakara Way, #360	4,076	16.66	N	\$5,660	\$67,920	3/1/01	Research & office
	Drug Information Center & Pharmacotherapy Outcomes Research Center - 421 Wakara Way, #204	6,525	15.91	TN	\$8,653	\$103,836	1/1/04	Office
	Pharmacological Outcomes Research Center -421 Wakara Way, #208	2,773	15.90	N	\$3,675	\$44,100	4/11/05	Office

<i>Dpt</i>	<i>Location</i>	<i>Gross Sq. Feet</i>	<i>Cost per Sq. Foot</i>	<i>Net or Full</i>	<i>Monthly Payment</i>	<i>Yearly Payment</i>	<i>Start</i>	<i>Type of Space</i>
423 Wakara Way								
	Energy & Geosciences Institute - 423 Wakara Way (1st/3rd floors)	32,380	14.78	N	\$39,873	\$478,476	9/1/96	Office
520 Wakara Way								
	Health Sciences - Professional Education - 520 Wakara Way	52,000				\$0	5/1/99	Educational purposes
590 Wakara Way								
	Orthopedic Specialty Hospital - 590 Wakara Way	105,000	21.58	N	\$188,866	\$2,266,392	9/20/04	Full Service Hospital
OTHER OFF CAMPUS LEASES								
	Beehive Square Storage - Beehive Square Units - Bldg. 23-D, Units 19,20 & 21A	21,094	3.58	N	\$6,292	\$75,504	2/1/02	Storage
	Beehive Square Storage (Physics Department) - Beehive Square Units - Portions of Bldg. 13-15	4,800		N	\$0	\$0	8/1/06	Storage & shop space (Rent payments will not begin until 2/1/07.)
	Bureau of Economic and Business Research - 1060 N. Beck Street, 438	128	13.92	N	\$149	\$1,788	8/1/06	Storage
	College of Engineering - V.P. Pershing - Beehive Square Units - Bldg. 23C, 23B, 22A, 23E	33,278	13.99	N	\$12,910	\$154,920	7/1/95	Research and office
	Dept. of Andrology - 1055 North 300 West, #318, Provo, Utah	206	29.13	F	\$500	\$6,000	2/24/03	Lab and associated services
	Dept. of Dermatology - Cottonwood Place Medical Center, #150, 160	5,058	19.41	F	\$8,182	\$98,184	1/15/02	General office & medical clinic
	Dept. of Dermatology - Cottonwood Place Medical Center (6095 South 300 East, Murray), #250	2,878	17.50	F	\$4,198	\$50,376	4/15/04	General office & medical clinic
	Dept. of Dermatology - Cottonwood Place Medical Center (6095 South 300 East, Murray), #270	1,853	19.06	F	\$2,943	\$35,316	10/1/05	General office & medical clinic
	Dept. of Family & Preventive Medicine, Health Research Center - American Indian Health Project - Ayani' Neez Center @ Shiprock, New Mexico	1,365	16.66	F	\$1,895	\$22,740	4/1/03	Research office for prospective study of American Indians & Alaskan natives
	Dept. of Family & Preventive Medicine, Health Research Center - American Indian Health Project - Window Rock Shopping Center @ Window Rock, Navajo Nation (AZ)	1,000	11.00	N	\$917	\$11,004	3/13/03	Navajo Nation Study
	Dept. of Neurosurgery - 100 North Medical Drive	3,550	17.51	F	\$5,180	\$62,160	7/1/02	Clinic and office
	Department of Ophthalmology - Additional Space -4400 South 700 East, #240	1,110	12.50	N	\$1,156	\$13,872	12/15/05	Ophthalmology practice
	Dept. of Orthopedics - Ambulatory Care Center (PCMC)	3,853	17.51	F	\$5,622	\$67,464	7/1/02	Office and clinic space
	Dept. of Pediatrics - Ambulatory Care Center (PCMC)	11,086	17.51	F	\$16,176	\$194,112	1/1/01	Medical office
	Department of Physiology - 410 Chipeta Way, #150, 125	5,116	12.50	N	\$5,329	\$63,948	4/1/06	Offices & laboratory
	Dept. of Psychiatry -515 South 700 East, #3Q	5,722	9.12	N	\$4,347	\$52,164	7/1/03	Medical office/general office
	Department of Psychology - Family Support Program - 3269 South Main Street	1,969	7.31	F	\$1,200	\$14,400	11/1/05	Office
	Department of Special Education - Reading Clinic -Cedar Park, 5282 S. 320 W., #D-100, Murray, UT	3,331	13.80	N	\$3,831	\$45,972	7/1/06	General business offices
	Energy & Geosciences Institute - 865 S. 600 W., Bldg. 22-C	17,100	4.82	N	\$6,863	\$82,356	8/1/98	Warehouse & office
	HealthNetwork - Basement - 1492 West Antelope Drive, Layton	3,528	15.52	N	\$4,564	\$54,768	2/4/99	General offices
	HealthNetwork - Main Floor - 1492 West Antelope Drive, Layton	12,800	16.83	N	\$17,956	\$215,472	9/30/98	General offices
	HealthNetwork - Stansbury Park - 220 Millpond, #100	12,000	22.67	N	\$22,672	\$272,064	8/2/99	General medical office
	Health Sciences ³ - 127 South 500 East (Ambassador Bldg.)	96,000	10.32	TN	\$82,543	\$990,516	5/1/02	Offices
	Hospital - Records - 134 South 400 East	15,419	5.45	N	\$7,000	\$84,000	10/15/95	Office & warehouse
	Hospitals and Clinics - Centerville Medical Building, 26 S. Main St., Centerville, UT	8,510	14.00	TN	\$9,928	\$119,136	7/1/06	Medical offices
	Hospitals and Clinics - Gondola Bldg., Park City Resort Center	1,440	10.73	N	\$1,288	\$15,456	11/1/96	Medical clinic and office
	Hospitals and Clinics - 1091 West Jordan Parkway, #350, 400, 450 & 500 South Jordan	6,369	16.39	N	\$8,699	\$104,388	8/1/03	General medical office
	Redstone Project -Bldg. B - Redstone Business & Retail Center, Park City, UT	18,039	19.05	N	\$28,637	\$343,644	9/1/05	Medical Clinic
	Madsen Health Center (formerly Wasatch Clinics) - 555 Foothill Boulevard	32,000	9.79	TN	\$26,095	\$313,140	4/3/88	Clinic
	Moran Eye Center - 4400 South 700 East, #240	4,617	12.75	N	\$4,906	\$58,872	9/1/86	Medical office
	Moran Eye Center - 6360 S. 3000 E. (Old Mill II Med. Ofc. Bldg.), #200	5,894	18.04	F	\$8,861	\$106,332	5/11/98	Medical office
	Parking Structure - Institute of Religion - South Campus Drive				\$31,963	\$383,556	8/19/03	Parking
	Parking Surface Use - Institute of Religion - South Campus Drive					\$0	3/1/03	Parking (No monetary fee for lease. University has agreed to maintain the Licensed Space pursuant to the terms and conditions of the Agreement.)
	Radiation Oncology Program - 1250 East 3900 South, #10	6600	11	N	\$6,050	\$72,600	5/1/06	Medical office

<i>Dpt</i>	<i>Location</i>	<i>Gross Sq. Feet</i>	<i>Cost per Sq. Foot</i>	<i>Net or Full</i>	<i>Monthly Payment</i>	<i>Yearly Payment</i>	<i>Start</i>	<i>Type of Space</i>
	Radiation Therapy (St. Marks Hospital) - 1250 East 3900 South (Ground Floor)	6,600	11.00	N	\$6,050	\$72,600	5/1/96	Therapy clinic
	Spine Therapy Center - 1355 Foothill Boulevard, #200	4,785	10.42	N	\$4,156	\$49,872	6/5/92	Clinic
	Sugar House Family Practice Clinic - SE Corner of Wilmington and Highland Drive	8,788	20.00	TN	\$14,647	\$175,764	3/20/96	Clinic
	Sugar House Rehabilitation Clinic-space F6 - SE Corner of Wilmington and Highland Drive	3,581	18.50	TN	\$5,519	\$66,228	3/20/96	Clinic
	Virginia Tanner Creative Dance Program - 2580 Jefferson Avenue, Ogden						8/28/06	Classroom
	Virginia Tanner Creative Dance Program - 2080 Gold Dust Lane (Prospector Sq.) - Park City						8/28/06	Classroom
	Westside Studio - 631 West North Temple, #50	564	12.51	TN	\$588	\$7,056	2/1/05	Community outreach
	West Valley Outreach - 1060 South 900 West (in Jordan Park)						11/1/02	Community resource building.
		1,344,433			\$1,607,957	\$19,295,484		
Residential:								
	Hinckley Institute of Politics - 01 113 2950 Van Ness St. #113				\$2,025	\$24,300	4/15/02	Apartment
	Hinckley Institute of Politics - 01 230 2950 Van Ness St. #230				\$1,920	\$23,040	4/15/02	Apartment
	Hinckley Institute of Politics - 01 515 2950 Van Ness St. #515				\$2,050	\$24,600	4/15/02	Apartment
	Hinckley Institute of Politics - 01 610 2950 Van Ness St. #610				\$2,140	\$25,680	4/15/02	Apartment
	Hinckley Institute of Politics - 01 910 2950 Van Ness St. #910				\$1,995	\$23,940	4/15/02	Apartment
	Hinckley Institute of Politics - 01 930 2950 Van Ness St. #930				\$1,998	\$23,976	4/15/02	Apartment
LAND:								
	KUED - Mt. Vision	.43 acre			\$3,184	\$38,208	7/18/02	Broadcasting & transmitting
	Physics Dept. - Dugway Proving Grounds	988 acres				\$0	12/31/04	N/A
	Physics Department - Kia Martens - Millard County - near Delta, Utah	120 acres				\$0	2/1/04	\$990/yr. for first 5 yrs. Rent may be increased after 5 yrs. and each s
	Seismograph Station* - Various points in Utah	300 seismograph stations				\$0		Varies *Documents available thru Sue Nava, 1-6274.
	U of U (Beta Corner Lease) - NE corner of University & 1st South	Land only				\$0	7/30/74	
	U of U Madsen Health Center-Parking Lot (formerly Wasatch Clinic) - L.D.S. Church	.75 acre			\$1,000	\$12,000	10/15/88	Parking lot

October 18, 2006

MEMORANDUM

TO: State Board of Regents
FROM: Richard E. Kendell
SUBJECT: USHE – Annual Report on Institutional Residences

Regent Policy R207 requires that each USHE institution provide an annual report regarding institutional coverage of expenses for maintenance, repair, utilities, insurance and domestic assistance related to the institutional residences. The attached report identifies the approved budget and expenditures for each institution over the past five years.

Commissioner's Recommendation

This is a discussion item only; no action is needed.

REK/MHS/KLH
Attachments

Richard E. Kendell
Commissioner of Higher Education

Utah System of Higher Education

Institutional Residences Operation and Maintenance Costs Report

	2002-03 Budget	2002-03 Actual	2003-04 Budget	2003-04 Actual	2004-05 Budget	2004-05 Actual	2005-06 Budget	2005-06 Actual	2006-07 Budget	Source of Funds	Square Footage
U of U ⁽¹⁾	\$64,300	\$43,735	\$62,100	\$96,967	\$102,350	\$99,768	\$83,100	\$80,618	\$51,150	Discretionary Funds	11,439
USU	\$72,000	\$47,778	\$72,000	\$76,826	\$72,000	\$71,032	\$72,000	\$73,381	\$74,000	E&G	8,479
WSU	\$19,214	\$19,668	\$19,200	\$24,462	\$19,066	\$0	\$19,066	\$7,199	\$15,000	E&G	3,900
SUU ⁽²⁾	\$16,000	\$14,351	\$16,000	\$15,436	\$16,000	\$18,191	\$19,000	\$15,260	\$62,350	E&G	11,314
SNOW	\$9,001	\$4,820	\$13,183	\$6,725	\$15,458	\$6,777	\$24,450	\$21,940	\$12,000	E&G	6,128
										E&G and Discretionary	
DSC ⁽³⁾	\$11,000	\$14,536	\$14,600	\$12,929	\$14,700	\$12,222	\$14,700	\$4,426	\$0	Funds	5,236
CEU ⁽⁴⁾	\$6,000	\$4,856	\$4,900	\$0	\$3,500	\$3,462	\$4,800	\$4,794	\$4,800	E&G	3,684
UVSC ⁽⁵⁾	\$48,320	\$36,234	\$35,747	\$21,112	\$26,074	\$24,859	\$35,243	\$16,865	\$20,940	E&G	5,075
SLCC	\$42,600	\$15,953	\$51,100	\$8,471	\$50,400	\$16,563	\$68,600	\$33,621	\$69,600	E&G	8,343

Board Policy R207 provides for institutional coverage of expenses for maintenance, repair, utilities, insurance and domestic assistance related to our institutional residences. Policy requires annual reports for the previous year's actual expenses and the current year's budget, as summarized in the table below.

(1) UU: FY 2004, 2005, 2006 increase in expenses to address deferred maintenance issues.

UU: FY 2007 \$23,500 additional budget planned for deferred repair and replacement costs

(2) SUU: Has an increase in costs for 2006-07 related to furnishing the home for a new president

(3) The Regents approved a request from Pres. Caldwell to receive a housing allowance rather than live in the institutional residence.

The College has decided to use the former residence as an Alumni House, and will therefore need to develop a plan for acquiring a new institutional residence as required by Board policy.

College officials will report on their plan at the December 8, 2006, Board of Regents meeting.

(4) CEU: All Residence Maintenance in 2003-04 paid for by the President of the institution's personal funds

(5) UVSC: FY 2002 includes roofing and portico capital improvement projects. FY 2003 includes new furniture purchases.

October 18, 2006

MEMORANDUM

TO: State Board of Regents

FROM: Richard E. Kendell

SUBJECT: University of Utah – Follow-up Report on University Hospital Bond Sale

Recent practice has been that when a revenue bond is approved, staff bring to the next Board meeting a follow-up report on the bond sale. At the September 15 meeting, the Board of Regents approved Hospital Revenue Bonds Series 2006A and Variable Rate Hospital Revenue Bonds Series 2006B. The bond sale occurred on September 26, 2006. The attached final financing summary was provided by financial advisor Kelly Murdock of Wells Fargo Public Finance.

University officers and Mr. Murdock will attend the October 26 meeting to respond to questions.

Commissioner's Recommendation

Information only. No action needed.

Richard E. Kendell
Commissioner of Higher Education

REK/MHS
Attachment

\$77,145,000

State Board of Regents of the State of Utah
University of Utah
Hospital Revenue and Refunding Bonds
Series 2005A
(Fixed-Rate Bonds Including the
Refunding of the Hospital's remaining Series 2001 Bonds)

And

\$20,240,000

State Board of Regents of the State of Utah
University of Utah
Variable-Rate Hospital Revenue Bonds
Series 2006B

WEST PAVILION EXPANSION PROJECT

FINANCING SUMMARY—FINAL

Purpose:	To finance a portion of the construction of the University of Utah's Hospitals and Clinics' (the "Hospital") West Pavilion Expansion Project as well as advance-refund the remaining portion of the Hospital's Series 2001 revenue bonds for purposes of achieving debt service savings and to pay costs incident to the issuance of the Series 2006A & B Bonds.
Par Amount:	Not-to-exceed \$105,000,000, as approved by Regents. <u>Final par amount came to \$97,385,000.</u>
Net-Present-Value Savings:	At least 3.00% or higher, as approved between University and Regents. Initial pricing views generated approximately 3.26% in savings. <u>Actual NPV savings came to 5.24% or \$595,000. Gross debt service savings (over the life of the bond issue) came to \$918,103.00. Pricing of the refunding bonds occurred on a date (9/26/06) where the 10-year Treasury bond was the lowest in nearly 9 months (4.54% vs. 4.77% as of 10/17/06).</u>

Security: The Series 2006A & B Bonds are payable from and secured by a pledge and assignment of the net revenues of the Hospital's bond system.

Ratings: The Series 2006A Bonds are rated 'AAA/Aaa' by virtue of bond insurance provided by MBIA. Underlying long-term ratings: 'AA' (Standard & Poor's) and 'Aa2' (Moody's). The Series 2006B Bonds are rated 'A1-+' (Standard & Poor's) and 'VMIG1' (Moody's) by virtue of a Standby Bond Purchase Agreement entered into between The State Board of Regents of the State of Utah (on behalf of the University of Utah) and DEPFA BANK, plc as liquidity provider for the Series 2006B (variable-rate) Bonds.

Method of Sale: Public offering through negotiation with Lehman Brothers, Morgan Stanley and Zions Bank as Underwriters on the Series 2006A Bonds. Lehman Brothers acted as sole Underwriter and Remarketing Agent on the Series 2006B Bonds.

Total Discount: Not-to-exceed 2.00% (including Underwriter's Discount). **Actual Underwriter's Discount on the Series 2006A Bonds was 0.40% (\$4.00 per \$1000 par).**

Sale Date: Tuesday, September 26, 2006

Closing Date: October 26, 2006

Interest Rate: True Interest Cost ("TIC") at time of the pricing call was estimated at 4.48%. **Actual TIC came in at 4.47%.** Maximum coupon rate approved by Regents was not-to-exceed 6.00%. **Actual highest coupon was 5.25%.**

Interest Payment Dates: August 1st and February 1st, commencing February 1, 2007.

Interest Basis: 30/360 (Series 2006A); Actual/365 (Series 2006B)

Principal Payment Dates: August 1, 2014 through August 1, 2031 (Series 2006A), No predetermined principal repayment dates on Series 2006B Bonds.

Maturity: Not to exceed 26 years from date of issuance. **Actual was 25 years.**

Redemption: Not-to-exceed 11 years at 101% was Regent-approved parameter. **10 years at 100% was the actual call feature secured. Note: For additional savings purposes, the**

2018-2021 maturities of the Series 2006A Bonds were classified as 'non-callable'.

University of Utah Contact: Arnold B. Combe, Vice President for Administrative Services
(581-6404)

Financial Advisor: Kelly Murdock, Wells Fargo Public Finance (246-1732)

Trustee, Paying Agent/Reg.: Wells Fargo Bank, National Association

Bond Counsel: Ballard Spahr Andrews & Ingersoll, LLP

Underwriters/Disclosure
Counsel: Chapman and Cutler

Liquidity Bank: DEPFA BANK, plc

October 18, 2006

MEMORANDUM

TO: State Board of Regents
FROM: Richard E. Kendell
SUBJECT: UHEAA Update

Issue

Commissioner Kendell or Associate Commissioner Spencer will provide an update of UHEAA activities since the last Board meeting.

Recommendation

No action is necessary. This report is for information only.

REK/MHS

Richard E. Kendell
Commissioner of Higher Education

October 18, 2006

MEMORANDUM

TO: State Board of Regents

FROM: Richard E. Kendell

SUBJECT: USHE Legislative Priorities for 2007

In preparation for the 2007 Legislative Session, Associate Commissioner David Buhler has prepared a list of proposed legislative priorities for the Utah System of Higher Education. These include the budget recommendation of the Board of Regents, the Capital Facility priorities approved by the Board of Regents on September 15, 2006, and several proposed items that will require legislative action in the form of bills. Associate Commissioner Buhler has identified and worked with legislative sponsors for each of these items. These are described on the attached document.

In addition, the Commissioner's office, presidents and their staffs, will be closely monitoring legislation that could impact the Utah System of Higher Education, now and throughout the legislative session.

Recommendation

The Commissioner recommends the Board consider these priorities and endorse them as the priorities of the Utah System of Higher Education. Further, the Commissioner recommends that the Board authorize the Commissioner, in consultation with the presidents, to monitor, support, or oppose on a case-by-case basis, other legislation that will be introduced during the 2007 legislative session. Further, that the Board be given regular reports during the legislative session regarding items of interest to the Utah System of Higher Education.

Richard E. Kendell
Commissioner of Higher Education

REK/DLB/jc

UTAH SYSTEM OF HIGHER EDUCATION
2007 LEGISLATIVE PRIORITIES
 October 18, 2006

- 1- USHE budget priorities as adopted by the Board of Regents on October 26, in priority order.
- 2- USHE Capital Facility priorities as adopted by the Board of Regents on September 15, in priority order:

Rank	Project	State Funds
	CEU—Retire Dormitory Bonds	\$2,200,000
1	WSU Classroom Bldg/Chiller Plant	\$22,650,000
1	U of U College of Nursing	\$14,465,400
2	USU Ag/Classroom Replacement Design Only	\$3,000,000
3	SLCC Digital Design & Communications/ South City Campus Student Life Center	\$42,979,700
3	Snow Library/Classroom	\$17,650,800
4	UVSC Science/Health Sciences Bldg. Addition	\$52,755,500
5	SUU Science Center Addition	\$20,496,400
6	DSC Centennial Commons	TBD
7	U of U Campus Learning Center	\$47,842,900

- 3- USHE has requested and will actively support the following legislation (exact titles and bill numbers to be determined):
 - **Concurrent Enrollment Amendments** sponsored by Rep. Kory Holdaway. This legislation will codify an agreement adopted by the K-16 Alliance to shore up state funding including requiring that funding be tied to the weighted pupil unit.
 - **UCAT Amendments** sponsored by Rep. Ron Bigelow. If approved by the Board of Regents, this legislation will include merging the Southeast ATC with the College of Eastern Utah. It will also make other housekeeping and technical changes.
 - **UESP Amendments** sponsored by Rep. Fred Hunsaker and Rep. Sheryl Allen. Restores the tax deduction for trusts that was inadvertently eliminated by the 2006 Legislature, and to allow married couples filing a joint state tax return the ability to own only one UESP account per beneficiary and take the deduction as if each spouse owned a separate UESP account (and other technical changes).
 - **Amendments to Higher Education Tuition Assistance Program** sponsored by Rep. Scott Wyatt. Bill will simplify this program created by the Legislature in 1989 by removing the requirement for matching funds and allowing institutions to use appropriated funds directly for need-based financial aid.
- 4- USHE shall oppose any legislation to repeal in-state tuition for students who graduated from and attended a Utah high school for three years.

The Board authorizes the Commissioner, in consultation with presidents, to monitor, support, or oppose on a case by case basis other legislation that will be introduced during the 2007 legislative session. Further, that the Board be given regular reports during the legislative session regarding items of interest to the Utah System of Higher Education.

October 18, 2006

MEMORANDUM

TO: Utah State Board of Regents

FROM: Richard E. Kendell

SUBJECT: U.S. Secretary of Education's Commission on the Future of Higher Education—
Information Item

Background

Between October 2005 and August 2006, the Commission on the Future of Higher Education, appointed by U.S. Secretary of Education Margaret Spellings, met several times to hold a national dialogue on the future of higher education in America. The Commission's work culminated with a report, issued in September 2006, outlining several findings and recommendations. Because many of the Commission's finding and recommendations impact the Regents' Strategic Directions, and have the potential to affect higher education policy in Utah, the Commission's report deserves thorough review and discussion.

The Commission's Recommendations

The report first outlines the Commission's findings in several areas: The Value of Higher Education, Access, Cost and Affordability, Financial Aid, Learning, Transparency and Accountability, and Innovation. Based on these findings, the report lists several recommendations, as follows:

1. "Every student in the nation should have the opportunity to pursue postsecondary education. We recommend therefore, that the U.S. commit to an unprecedented effort to expand higher education access and success by improving student preparation and persistence, addressing non academic barriers and providing significant increases in aid to low-income students."
2. "To address the escalating cost of a college education and the fiscal realities affecting government's ability to finance higher education in the long run, we recommend that the entire student financial aid system be restructured and new incentives put in place to improve the measurement and management of costs and institutional productivity."
3. "To meet the challenges of the 21st century, higher education must change from a system primarily based on reputation to one based on performance. We urge the creation of a robust culture of accountability and transparency throughout higher education. Every one

of our goals, from improving access and affordability to enhancing quality and innovation, will be more easily achieved if higher education institutions embrace and implements serious accountability measures. We recommend the creation of a consumer-friendly information database on higher education with useful, reliable information on institutions, coupled with a search engine to enable students, parents, policymakers and others to weigh and rank comparative institutional performance."

4. "With too few exceptions, higher education has yet to address the fundamental issues of how academic programs and institutions must be transformed to serve the changing needs of a knowledge economy. We recommend that America's colleges and universities embrace a culture of continuous innovation and quality improvement by developing new pedagogies, curricula, and technologies to improve learning, particularly in the area of science and mathematical literacy."
5. "America must ensure that our citizens have access to high quality and affordable educational, learning, and training opportunities throughout their lives. We recommend the development of a national strategy for lifelong learning that helps all citizens understand the importance of preparing for and participating in higher education throughout their lives."
6. "The United States must ensure the capacity of its universities to achieve global leadership in key strategic areas such as science, engineering, medicine, and other knowledge-intensive professions. We recommend increased federal investment in areas critical to our nation's global competitiveness and a renewed commitment to attract the best and brightest minds from across the nation and around the world to lead the next wave of American innovation."

Commissioner's Recommendation

This is an information item and no formal action needs to be taken.

Richard E. Kendell, Commissioner

REK/DSD/jc
Attachment



A TEST OF LEADERSHIP

Charting the Future of U.S. Higher Education

| A Report of the Commission Appointed by
| **Secretary of Education Margaret Spellings**

Pre-Publication Copy September 2006

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U.S. Department of Education

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Secretary

The Secretary of Education's Commission on the Future of Higher Education

Cheryl Oldham
Executive Director

September 2006

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**A NATIONAL DIALOGUE:
THE SECRETARY OF EDUCATION'S COMMISSION ON THE FUTURE OF HIGHER EDUCATION**

The Honorable Margaret Spellings
U.S. Department of Education
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Washington, DC 20202-0001

Dear Madam Secretary:

The undersigned members of the commission respectfully hereby submit this report resulting from your assignment.



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Former Chairman of the Board of Regents, University of Texas System



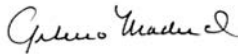
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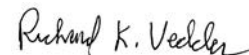
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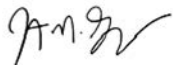
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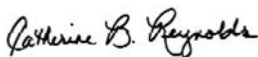
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PREAMBLE

Three hundred and seventy years after the first college in our fledgling nation was established to train Puritan ministers in the Massachusetts Bay Colony, it is no exaggeration to declare that higher education in the United States has become one of our greatest success stories. Whether America's colleges and universities are measured by their sheer number and variety, by the increasingly open access so many citizens enjoy to their campuses, by their crucial role in advancing the frontiers of knowledge through research discoveries, or by the new forms of teaching and learning that they have pioneered to meet students' changing needs, these postsecondary institutions have accomplished much of which they and the nation can be proud.

Despite these achievements, however, this commission believes U.S. higher education needs to improve in dramatic ways. As we enter the 21st century, it is no slight to the successes of American colleges and universities thus far in our history to note the unfulfilled promise that remains. Our yearlong examination of the challenges facing higher education has brought us to the uneasy conclusion that the sector's past attainments have led our nation to unwarranted complacency about its future.

It is time to be frank. Among the vast and varied institutions that make up U.S. higher education, we have found much to applaud but also much that requires urgent reform. As Americans, we can take pride in our Nobel Prizes, our scientific breakthroughs, our Rhodes Scholars. But we must not be blind to the less inspiring realities of postsecondary education in our country.

To be sure, at first glance most Americans don't see colleges and universities as a trouble spot in our educational system. After all, American higher education has been the envy of the world for years. In 1862, the *First Morrill Act* created an influential network of land-grant universities across the country. After World

Among the vast and varied institutions that make up U.S. higher education, we have found much to applaud, but also much that requires urgent reform.

War II, the *Serviceman's Readjustment Act of 1944*, also known as the G.I. Bill made access to higher education a national priority. In the 1960s and 1970s, the launching and rapid growth of community colleges further expanded postsecondary educational opportunities. For a long time, we educated more people to higher levels than any other nation.

We remained so far ahead of our competitors for so long, however, that we began to take our postsecondary superiority for granted. The results of this inattention, though little known to many of our fellow citizens, are sobering.

We may still have more than our share of the world's best universities. But a lot of other countries have followed our lead, and **they are now educating more of their citizens to more advanced levels than we are.** Worse, they are passing us by at a time when education is more important to our collective prosperity than ever.

We acknowledge that not everyone needs to go to college. But everyone needs a postsecondary education. Indeed, we have seen ample evidence that some form of postsecondary instruction is increasingly vital to an individual's economic security. Yet too many Americans just aren't getting the education that they need—and that they deserve.

- We are losing some students in our high schools, which do not yet see preparing all pupils for postsecondary education and training as their responsibility.
- Others don't enter college because of inadequate information and rising costs, combined with a confusing financial aid system that spends too little on those who need help the most.
- Among high school graduates who do make it on to postsecondary education, a troubling number waste time—and taxpayer dollars—mastering English and math skills that they should have learned in high school. And some never complete their degrees at all, at least in part because most colleges and universities don't accept responsibility for making sure that those they admit actually succeed.
- As if this weren't bad enough, there are also disturbing signs that many students who do earn degrees have not actually mastered the reading, writing, and thinking skills we expect of college graduates. Over the past decade, literacy among college graduates has actually declined. Unacceptable numbers of college graduates enter the workforce without the skills employers say they need in an economy where, as the truism holds correctly, knowledge matters more than ever.
- The consequences of these problems are most severe for students from low-income families and for racial and ethnic minorities. But they affect us all.
- Compounding all of these difficulties is a lack of clear, reliable information about the cost and quality of postsecondary institutions, along with a remarkable absence of accountability mechanisms to ensure that colleges succeed in educating students. The result is that students, parents, and policymakers are often left scratching their heads over the answers to basic questions, from the true cost of private colleges (where most students don't pay the official sticker price) to which institutions do a better job than others not only of graduating students but of teaching them what they need to learn.

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As higher education evolves in unexpected ways, this new landscape demands innovation and flexibility from the institutions that serve the nation's learners.

In the face of such challenges, this commission believes change is overdue. But when it comes—as it must—it will need to take account of the new realities that are sometimes overlooked in public discussions about the future of higher education. While many Americans still envision the typical undergraduate as an 18- to 22-year-old with a recently acquired high school diploma attending classes at a four-year institution, the facts are more complex. Of the nation's nearly 14 million undergraduates, more than four in ten attend two-year community colleges. Nearly one-third are older than 24 years old. Forty percent are enrolled part-time.

As higher education evolves in unexpected ways, this new landscape demands innovation and flexibility from the institutions that serve the nation's learners. Beyond high school, more students than ever before have adopted a “cafeteria” approach to their education, taking classes at multiple institutions before obtaining a credential. And the growing numbers of adult learners aren't necessarily seeking degrees at all. Many simply want to improve their career prospects by acquiring the new skills that employers are demanding.

In this consumer-driven environment, students increasingly care little about the distinctions that sometimes preoccupy the academic establishment, from whether a college has for-profit or nonprofit status to whether its classes are offered online or in brick-and-mortar buildings. Instead, they care—as we do—about results.

Against this backdrop, we have adopted an ambitious set of goals that spell out what our commission expects from American higher education, which we define as broadly and richly as possible to include all public and private education that is available after high school, from trade schools, online professional-training institutions and technical colleges to community colleges, traditional four-year colleges and universities, and graduate and professional programs.

- We want a world-class higher-education system that creates new knowledge, contributes to economic prosperity and global competitiveness, and empowers citizens;
- We want a system that is accessible to all Americans, throughout their lives;
- We want postsecondary institutions to provide high-quality instruction while improving their efficiency in order to be more affordable to the students, taxpayers, and donors who sustain them;
- We want a higher-education system that gives Americans the workplace skills they need to adapt to a rapidly changing economy;
- We want postsecondary institutions to adapt to a world altered by technology, changing demographics and globalization, in which the higher-education landscape includes new providers and new paradigms, from for-profit universities to distance learning.

To reach these objectives, we believe that U.S. higher education institutions must recommit themselves to their core public purposes. For close to a century now, access to higher education has been a principal—some would say *the* principal—means of achieving social mobility. Much of our nation's inventiveness has been centered in colleges and universities, as has our commitment to a kind of democracy that only an educated and informed citizenry makes possible. It is not surprising that American institutions of higher education have become a magnet for attracting people of talent and ambition from throughout the world.

But today that world is becoming tougher, more competitive, less forgiving of wasted resources and squandered opportunities. In tomorrow's world a nation's wealth will derive from its capacity to educate, attract, and retain citizens who are to able to work smarter and learn faster—making educational achievement ever more important both for individuals and for society writ large.

What we have learned over the last year makes clear that American higher education has become what, in the business world, would be called a mature enterprise: increasingly risk-averse, at times self-satisfied, and unduly expensive. It is an enterprise that has yet to address the fundamental issues of how academic programs and institutions must be transformed to serve the changing educational needs of a knowledge economy. It has yet to successfully confront the impact of globalization, rapidly evolving technologies, an increasingly diverse and aging population, and an evolving marketplace characterized by new needs and new paradigms.

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History is littered with examples of industries that, at their peril, failed to respond to—or even to notice—changes in the world around them, from railroads to steel manufacturers. Without serious self-examination and reform, institutions of higher education risk falling into the same trap, seeing their market share substantially reduced and their services increasingly characterized by obsolescence.

Already, troubling signs are abundant. Where once the United States led the world in educational attainment, recent data from the Organization for Economic Cooperation and Development indicate that our nation is now ranked 12th among major industrialized countries in higher education attainment. Another half dozen countries are close on our heels. And these global pressures come at a time when data from the U.S. Department of Labor indicate that postsecondary education will be ever more important for workers hoping to fill the fastest-growing jobs in our new economy.

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To implement the goals outlined above, we have distilled our deliberations into a series of findings that range across four key areas that the U.S. secretary of education charged us

with examining when she created this commission: access, affordability, quality, and accountability. Those findings are followed by a series of six far-reaching recommendations aimed at all the parties whose efforts will be needed to ensure that reform takes root: colleges and universities; accrediting bodies and governing boards; state and federal policymakers; elementary and secondary schools; the business community; and parents and students themselves.

We note that the commissioners did not agree unanimously on every single finding and recommendation. This was a diverse group, with varied perspectives and backgrounds, and from the beginning our commission's explicit mandate was to engage in debate and discussion, as indicated by the first part of our panel's formal name: "A National Dialogue." In a higher-education system as diverse and complex as ours, it is no surprise that knowledgeable individuals can and do differ over certain matters. Nevertheless, there has been remarkable consensus among our members not only on the acute challenges facing the nation's colleges and universities but also on how we can begin to address higher education's weaknesses and build a promising foundation for a thriving 21st century postsecondary education system.

In outlining our conclusions and recommendations below, and detailing them in the remainder of this report, we recognize that some who care deeply about higher education—and whose partnership we value in the new endeavors we propose—may not easily accept either our diagnosis or our prescriptions. But we would note that past reforms that later came to be recognized as transformational for American society were not universally embraced at first. The G.I. Bill, for instance, greatly worried such 20th century intellectual luminaries as Robert Maynard Hutchins, president of the University of Chicago, and James B. Conant, president of Harvard University, each of whom fretted that newly returned veterans might overwhelm campuses and be ill-suited to reap the benefits of higher education. In retrospect, such concerns seem positively archaic.

We can make no promise that our proposed reforms would have an impact as enormous as that historic, door-opening measure. Nor do we make light of the inevitable questions and concerns that may be raised by all those who we are asking to participate in the reform measures called for in our recommendations, including postsecondary institutions, federal and state policymakers, and employers.

But were the American system of higher education—and those who want to help it rise to the challenges of a new century—to make the changes our commission recommends, we believe other important changes would follow. The result would be institutions and programs that are more nimble, more efficient, and more effective. What the nation would gain is a heightened capacity to compete in the global market place. What individuals would gain is full access to educational opportunities that allow them to be lifelong learners, productive workers, and engaged citizens.

SUMMARY

THE VALUE OF HIGHER EDUCATION

In an era when intellectual capital is increasingly prized, both for individuals and for the nation, postsecondary education has never been more important. Ninety percent of the fastest-growing jobs in the new knowledge-driven economy will require some postsecondary education. Already, the median earnings of a U.S. worker with only a high school diploma are 37 percent less than those of a worker with a bachelor's degree. Colleges and universities must continue to be the major route for new generations of Americans to achieve social mobility. And for the country as a whole, future economic growth will depend on our ability to sustain excellence, innovation, and leadership in higher education. But even the economic benefits of a college degree could diminish if students don't acquire the appropriate skills.

Substandard high school preparation is compounded by poor alignment between high schools and colleges, which often creates an “expectations gap” between what colleges require and what high schools produce.

ACCESS

We found that access to American higher education is unduly limited by the complex interplay of inadequate preparation, lack of information about college opportunities, and persistent financial barriers. Substandard high school preparation is compounded by poor alignment between high schools and colleges, which often creates an “expectations gap” between what colleges require and what high schools produce. Although the proportion of high school graduates who go on to college has risen substantially in recent decades, the college completion rate has failed to improve at anywhere near the same pace. Shortcomings in high schools mean that an unacceptable number of college students must take costly remedial classes. Moreover, there is a troubling and persistent gap between the college attendance and graduation rates of low-income Americans and their more affluent peers. Similar gaps characterize the college attendance rates—and especially the college completion rates—of the nation's growing population of racial and ethnic minorities. While about one-third of whites have obtained bachelor's degrees by age 25–29, for example, just 18 percent of blacks and ten percent of Latinos in the same age cohort have earned degrees by that time.

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We propose to dramatically expand college participation and success by outlining ways in which postsecondary institutions, K–12 school systems, and state policymakers can work together to create a seamless pathway between high school and college. States’ K–12 graduation standards must be closely aligned with college and employer expectations, and states should also provide incentives for postsecondary institutions to work actively and collaboratively with K–12 schools to help underserved students improve college preparation and persistence. While better high-school preparation is imperative, admitted students and colleges themselves must jointly take responsibility for academic success. Improving the information about college available to students—and reducing financial barriers to attendance, which we address below in our discussion of affordability—are also crucial to improving access.

In our view, affordability is directly affected by a financing system that provides limited incentives for colleges and universities to take aggressive steps to improve institutional efficiency and productivity.

COST AND AFFORDABILITY

The commission notes with concern the seemingly inexorable increase in college costs, which have outpaced inflation for the past two decades and have made affordability an ever-growing worry for students, families, and policymakers. Too many students are either discouraged from attending college by rising costs, or take on worrisome debt burdens in order to do so. While students bear the immediate brunt of tuition increases, affordability is also a crucial policy dilemma for those who are asked to fund higher education, notably federal and state taxpayers. Even as institutional costs go up, in recent years state subsidies have decreased on a per capita basis and public concern about affordability may eventually contribute to an erosion of confidence in higher education. In our view, affordability is directly affected by a financing system that provides limited incentives for colleges and universities to take aggressive steps to improve institutional efficiency and productivity.

To improve affordability, we propose a focused program of cost-cutting and productivity improvements in U.S. postsecondary institutions. Higher education institutions should improve institutional cost management through the development of new performance benchmarks, while also lowering per-student educational costs by reducing barriers for transfer students. State and federal policymakers must do their part as well, by supporting the spread of technology that can lower costs, encouraging more high school-based provision of college courses, and working to relieve the regulatory burden on colleges and universities.

FINANCIAL AID

We found that our financial aid system is confusing, complex, inefficient, duplicative, and frequently does not direct aid to students who truly need it. There are at least 20 separate federal programs providing direct financial aid or tax benefits to individuals pursuing postsecondary education. For the typical household, the *Free Application for Federal Student Aid*, or *FAFSA*, is longer and more complicated than the federal tax return. Moreover, the current system does not provide definitive information about freshman year aid until the spring of the senior year of high school, which makes it hard for families to plan and discourages college attendance. Unmet financial need is a growing problem for students from low-income families, who need aid the most.

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We propose replacing the current maze of financial aid programs, rules and regulations with a system more in line with student needs and national priorities. That effort would require a significant increase in need-based financial aid and a complete restructuring of the current federal financial aid system. Our recommendations call for consolidating programs, streamlining processes, and replacing the *FAFSA* with a much shorter and simpler application.

LEARNING

As other nations rapidly improve their higher education systems, we are disturbed by evidence that the quality of student learning at U.S. colleges and universities is inadequate and, in some cases, declining. A number of recent studies highlight the shortcomings of postsecondary institutions in everything from graduation rates and time to degree to learning outcomes and even core literacy skills. According to the most recent National Assessment of Adult Literacy, for instance, the percentage of college graduates deemed proficient in prose literacy has actually declined from 40 to 31 percent in the past decade. These shortcomings have real-world consequences.

Employers report repeatedly that many new graduates they hire are not prepared to work, lacking the critical thinking, writing and problem-solving skills needed in today's workplaces. In addition, business and government leaders have repeatedly and urgently called for workers at all stages of life to continually upgrade their academic and practical skills. But both national and state policies and the practices of postsecondary institutions have not always made this easy, by failing to provide financial and logistical support

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But both national and state policies and the practices of postsecondary institutions have not always made this easy, by failing to provide financial and logistical support for lifelong learning and by failing to craft flexible credit-transfer systems that allow students to move easily between different kinds of institutions.

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In our view, correcting shortcomings in educational quality and promoting innovation will require a series of related steps, beginning with some of the accountability mechanisms that are summarized below and discussed at greater length later in this report. In addition, we urge postsecondary institutions to make a commitment to embrace new pedagogies, curricula, and technologies to improve student learning.

TRANSPARENCY AND ACCOUNTABILITY

We have noted a remarkable shortage of clear, accessible information about crucial aspects of American colleges and universities, from financial aid to graduation rates. Because data systems are so limited and inadequate, it is hard for policymakers to obtain reliable information on students' progress through the educational pipeline. This lack of useful data and accountability hinders policymakers and the public from making informed decisions and prevents higher education from demonstrating its contribution to the public good.

We believe that improved accountability is vital to ensuring the success of all the other reforms we propose. Colleges and universities must become more transparent about cost, price, and student success outcomes, and must willingly share this information with students and families. Student achievement, which is inextricably connected to institutional success, must be measured by institutions on a "value-added" basis that takes into account students' academic baseline when assessing their results. This information should be made available to students, and reported publicly in aggregate form to provide consumers and policymakers an accessible, understandable way to measure the relative effectiveness of different colleges and universities.

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INNOVATION

Finally, we found that numerous barriers to investment in innovation risk hampering the ability of postsecondary institutions to address national workforce needs and compete in the global marketplace. Too many of our colleges and universities have not embraced opportunities to be entrepreneurial, from testing new methods of teaching

and content delivery to meeting the increased demand for lifelong learning. For their part, state and federal policymakers have also failed to make supporting innovation a priority. Accreditation, along with federal and state regulation, can impede creative new approaches as well.

We recommend that America's colleges and universities embrace a culture of continuous innovation and quality improvement. We urge these institutions to develop new pedagogies, curricula and technologies to improve learning, particularly in the areas of science and mathematics. At the same time, we recommend the development of a national strategy for lifelong learning designed to keep our citizens and our nation at the forefront of the knowledge revolution.

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FINDINGS

The U.S. secretary of education asked this commission to examine four central issues in American higher education: access, affordability, quality, and accountability. Despite the many successes of our system, we have found that significant shortcomings remain. Our recommendations for improving U.S. higher education, and thus fulfilling the untapped promise of our colleges and universities, stem from the following findings:

FINDINGS REGARDING THE VALUE OF HIGHER EDUCATION

In today's knowledge-driven society, higher education has never been more important.

America's national capacity for excellence, innovation and leadership in higher education will be central to our ability to sustain economic growth and social cohesiveness. Our colleges and universities will be a key source of the human and intellectual capital needed to increase workforce productivity and growth. They must also continue to be the major route for new generations of Americans to achieve social mobility.

- The transformation of the world economy increasingly demands a more highly educated workforce with postsecondary skills and credentials. Ninety percent of the fastest-growing jobs in the new information and service economy will require some postsecondary education.¹ Job categories that require only on-the-job training are expected to see the greatest decline.² In high-demand fields, the value of postsecondary credentials and skills is likely to rise. The Department of Labor projects, for instance, that by 2014 there will be close to four million new job openings combined in health care, education, and computer and mathematical sciences.³
- The benefits of higher education are significant both for individuals and for the nation as a whole. In 2003, for example, the median annual salary of an American worker with only a high school diploma was \$30,800, compared with the \$37,600 median for those with an associate's degree and the \$49,900 median for those with a bachelor's degree.⁴ Over a lifetime, an individual with a bachelor's degree will earn an average of \$2.1 million—nearly twice as much as a worker with only a high school diploma.⁵ Higher education also produces broader social gains. Colleges and universities are major economic engines, while also serving as civic and cultural centers.

FINDINGS REGARDING ACCESS

Too few Americans prepare for, participate in, and complete higher education—especially those underserved and nontraditional groups who make up an ever-greater proportion of the population. The nation will rely on these groups as a major source of new workers as demographic shifts in the U.S. population continue.

This commission believes the nation must be committed to building and sustaining a higher education system that is accessible to all qualified students in all life stages. While the proportion of high school graduates who immediately enter college has risen in recent decades, unfortunately, it has largely stalled at around 60 percent since the late 1990s.⁶ The national rate of college completion has also remained largely stagnant.⁷ Most important, and most worrisome, too many Americans who could benefit from postsecondary education do not continue their studies at all, whether as conventional undergraduates or as adult learners furthering their workplace skills.⁸

We found that access to higher education in the United States is *unduly limited by the complex interplay of inadequate preparation, lack of information about college opportunities, and persistent financial barriers*. Inadequate high school preparation is compounded by poor alignment between high schools and colleges, which often creates an “expectations gap” between what colleges require and what high schools produce. The result is a high level of remediation by colleges (and by employers), a practice that is both costly and inefficient. *We are especially troubled by gaps in college access for low-income Americans and ethnic and racial minorities. Notwithstanding our nation’s egalitarian principles, there is ample evidence that qualified young people from low-income families are far less likely to go to college than their similarly qualified peers from high-income families.*

- Several national studies confirm the insufficient preparation of high school graduates for *either* college-level work or the changing needs of the workforce.⁹ Dismal high school achievement rates nationwide have barely budged in the last decade. Close to 25 percent of all students in public high schools do not graduate¹⁰—a proportion that rises among low-income, rural, and minority students.
- The educational achievement levels of our young people who do complete high school are simply not high enough to allow them to succeed in college. According to the National Assessment of Educational Progress (NAEP), only 17 percent of seniors are considered proficient in mathematics,¹¹ and just 36 percent are proficient in reading.¹²
- Ample evidence demonstrates that a key component of our national achievement problem is insufficient alignment between K-12 and higher education. Studies show the overwhelming majority of both college and

high school faculty and administrators are unaware of the standards and assessments being used by their counterparts in the other sector. For example, only eight states require high school graduates to take at least Algebra II—a threshold course for college-level success in math-based disciplines including engineering and science.¹³ Fewer than 22 percent of the 1.2 million students who took the ACT college-entrance examinations in 2004 were ready for college-level work in the core subjects of mathematics, English and science.¹⁴ Forty-four percent of faculty members say students aren't well prepared for college-level writing, in contrast to the 90 percent of high school teachers who think they are prepared.¹⁵

- Not surprisingly, the consequences of substandard preparation and poor alignment between high schools and colleges persist in college. Remediation has become far too common an experience for American postsecondary students. Some 40 percent of all college students end up taking at least one remedial course¹⁶—at an estimated cost to the taxpayers of \$1 billion.^{17,18} Additionally, industry spends significant financial resources on remediation and retraining.
- Access and achievement gaps disproportionately affect low-income and minority students. Historically these are the very students who have faced the greatest academic and financial challenges in getting access to or completing college. Many will be the first in their families to attend college. Regardless of age, most will work close to full-time while they are in college and attend school close to home. Despite years of funding student aid programs, family income and the quality of high school education remain major factors in college-level access and success.^{19,20} By age 25–29, about 34 of every 100 whites obtain bachelor's degrees, compared to 17 of every 100 blacks and just 11 of every 100 Latinos.²¹ Just as dismaying, low-income high school graduates in the top quartile on standardized tests attend college at the same rate as high-income high school graduates in the bottom quartile on the same tests.²² Only 36 percent of college-qualified low-income students complete bachelor's degrees within eight and a half years, compared with 81 percent of high-income students.²³
- Access problems also affect adult students. More and more adults are looking for ways to upgrade and expand their skills in an effort to improve or protect their economic position. Nearly 40 percent of today's postsecondary students are self-supporting adults age 24 and up²⁴; almost half attend school part-time; more than one-third work full-time; 27 percent have children themselves.²⁵ In 2005, more than 12 million adults age 25 and older participated in credential or degree-granting programs in colleges and universities.²⁶ But we are not expanding capacity across higher education to meet this demand. America's community colleges, whose enrollments have been growing significantly, have provided a place to begin for many of these students. In some states, however, community colleges are reaching their capacity limits, a cause for deep concern.

FINDINGS REGARDING COST AND AFFORDABILITY

Our higher education financing system is increasingly dysfunctional. State subsidies are declining; tuition is rising; and cost per student is increasing faster than inflation or family income. Affordability is directly affected by a financing system that provides limited incentives for colleges and universities to take aggressive steps to improve institutional efficiency and productivity. Public concern about rising costs may ultimately contribute to the erosion of public confidence in higher education.

There is no issue that worries the American public more about higher education than the soaring cost of attending college. That may explain why most public discussions of college affordability are framed solely in terms of the financial strain faced by students and families. Yet because students and families only pay a portion of the actual cost of higher education, affordability is also an important public policy concern for those who are asked to fund colleges and universities, notably federal and state taxpayers but also private donors. Tuition increases for students have gone hand in hand with a rapid rise in the cost of operating institutions. While the pattern of cost increases varies (it has been much less pronounced, for example, at community colleges), it is in general unacceptably large and contributes to problems of access discussed elsewhere in this report.

- From 1995 to 2005, average tuition and fees at private four-year colleges and universities rose 36 percent after adjusting for inflation. Over the same period, average tuition and fees rose 51 percent at public four-year institutions and 30 percent at community colleges.²⁷
- One of the reasons tuition and fees have increased is that state funding fell to the lowest level in over two decades.²⁸ State funding for higher education has always followed a zigzag course—going up in times of growth and down during recessions. The prospects for a return to a time of generous state subsidies are not good. States are expected to experience long-term structural deficits in funds for postsecondary education, caused by the squeeze of revenues and pressures on spending from rising health care costs.²⁹ *The bottom line is that state funding for higher education will not grow enough to support enrollment demand without higher education addressing issues of efficiency, productivity, transparency, and accountability clearly and successfully. However, based on our commission's review of the education needs of our nation, we encourage states to continue their historic and necessary commitment to the support of public higher education.*
- Funding cuts are not the only reason costs are rising. Institutions are spending more money, particularly the wealthiest universities with the greatest access to capital. Next to institutional financial aid, the greatest growth has been in administrative costs for improvements in student services (including state-of-the-art fitness centers and dormitories).

- College and university finances are complex, and are made more so by accounting habits that confuse costs with revenues and obscure production costs. The lack of transparency in financing is not just a problem of public communication or metrics. It reflects a deeper problem: inadequate attention to cost measurement and cost management within institutions.
- A significant obstacle to better cost controls is the fact that a large share of the cost of higher education is subsidized by public funds (local, state and federal) and by private contributions. These third-party payments tend to insulate what economists would call producers—colleges and universities—from the consequences of their own spending decisions, while consumers—students—also lack incentives to make decisions based on their own limited resources. Just as the U.S. healthcare finance system fuels rising costs by shielding consumers from the consequences of their own spending choices, the high level of subsidies to higher education also provides perverse spending incentives at times.
- In addition, colleges and universities have few incentives to contain costs because prestige is often measured by resources, and managers who hold down spending risk losing their academic reputations. With pressures on state funding for higher education continuing, institutional attention to cost—and price—control will inevitably become an urgent priority both for internal institutional accountability and public credibility.
- Another little-recognized source of cost increases is excessive state and federal regulation. Specifically, institutions of higher education must comply with more than 200 federal laws—everything from export administration regulations to the *Financial Services Modernization Act*. At their best, these regulations are a mechanism to support important human values on campuses. At worst, regulations can absorb huge amounts of time and waste scarce campus financial resources with little tangible benefit to anyone.³⁰

Table 1: Percentage of family income needed to cover net college costs after grant aid by type of institution from 1992–93 to 2003–04

Distribution of Family Income				
Type of Institution	Lowest Quartile 2003 (1992)	2 nd Quartile 2003 (1992)	3 rd Quartile 2003 (1992)	Highest Quartile 2003 (1992)
Public Two-Year	37% (29%)	19% (15%)	13% (13%)	7% (6%)
Public Four-Year	47% (41%)	26% (22%)	18% (16%)	11% (10%)
Private Four-Year	83% (60%)	41% (33%)	29% (25%)	19% (17%)

Lowest quartile: \$0-\$34,000; 2nd quartile: \$34,000-\$62,000; 3rd quartile: \$62,000-\$94,000; Highest quartile: \$94,000+. (Source: College Board, 2005.)

FINDINGS REGARDING FINANCIAL AID

The entire financial aid system—including federal, state, institutional, and private programs—is confusing, complex, inefficient, duplicative, and frequently does not direct aid to students who truly need it. Need-based financial aid is not keeping pace with rising tuition.

- There are at least 20 separate federal programs providing direct financial aid or tax benefits to individuals seeking postsecondary education.³¹ The system is overly complicated and its multitude of programs sometimes redundant and incomprehensible to all but a few experts. This complexity has the unfortunate effect of discouraging some low-income students from even applying to college.
- For the typical household, the *Free Application for Federal Student Aid*, or FAFSA, is longer and more complicated than the federal tax return.³² Moreover, the simplest IRS tax form, the 1040EZ, already collects most of the key pieces of data that could determine federal aid eligibility.
- The current system does not provide definitive information about freshman year aid until the spring of the senior year in high school, which makes it difficult for families to plan and discourages college attendance.
- Unmet financial need among the lowest-income families (those with family incomes below \$34,000 annually) grew by 80 percent from 1990 to 2004 at four-year institutions, compared with seven percent for the highest-income families.³³ The Advisory Committee on Student Financial Assistance estimates that in the first decade of the new century, financial barriers will keep nearly two million low- and middle-income college qualified high school graduates from attending college.³⁴ Over half of today's undergraduates take out loans to finance part of their college work. According to the most recent College Board figures, nearly three-quarters of undergraduate students in private, non-profit institutions graduate with some debt, compared with 62 percent in public institutions. Median debt levels among students who graduated from four-year institutions were \$15,500 for publics and \$19,400 for private, nonprofits.³⁵
- Large majorities of adults—59 percent overall and 63 percent among parents of college students—say students today graduate with too much debt. While 80 percent of adults say a college education is more important today than it was a decade ago, two-thirds say that affording college is harder now—and 70 percent say they expect it to be even more difficult in the future.³⁶

FINDINGS REGARDING LEARNING

At a time when we need to be increasing the quality of learning outcomes and the economic value of a college education, there are disturbing signs that suggest we are moving in the opposite direction. As a result, the continued ability of American postsecondary institutions to produce informed and skilled citizens who are able to lead and compete in the 21st-century global marketplace may soon be in question.

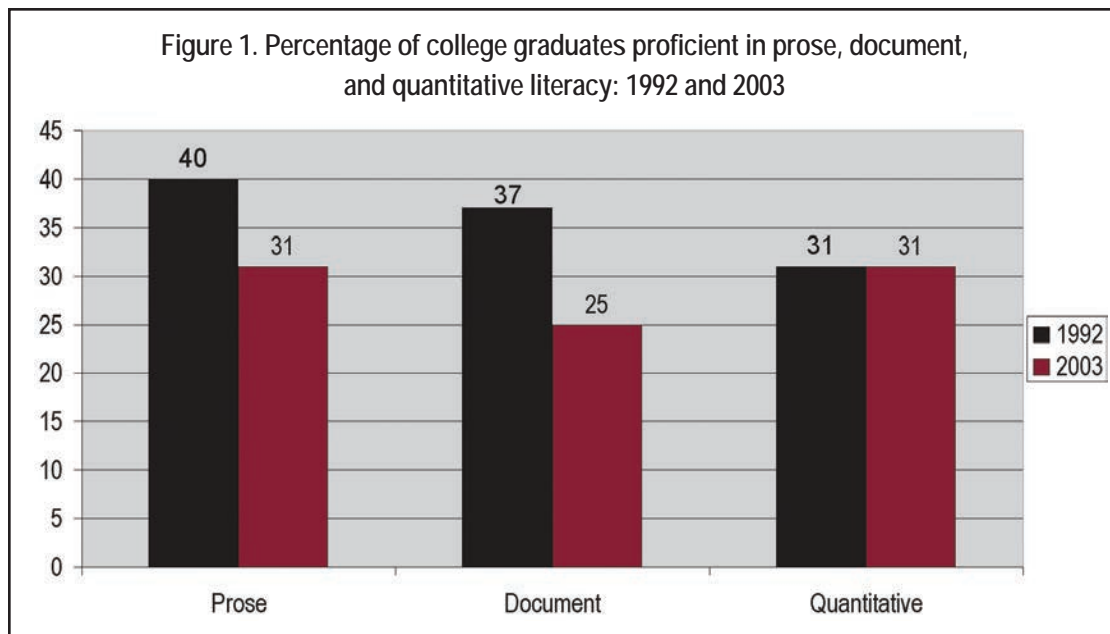
- While U.S. higher education has long been admired internationally, our continued preeminence is no longer something we can take for granted. The rest of the world is catching up, and by some measures has already overtaken us. We have slipped to 12th in higher education attainment and 16th in high school graduation rates.³⁷
- While educators and policymakers have commendably focused on getting more students into college, too little attention has been paid to helping them graduate. The result is that unacceptable numbers of students fail to complete their studies at all, while even those that graduate don't always learn enough.
- Several national studies highlight shortcomings in the quality of U.S. higher education as measured by literacy, rising time to degree, and disturbing racial and ethnic gaps in student achievement:
 - The National Assessment of Adult Literacy indicates that, between 1992 and 2003, average prose literacy (the ability to understand narrative texts such as newspaper articles) decreased for all levels of educational attainment, and document literacy (the ability to understand practical information such as instructions for taking medicine) decreased among those with at least some college education or a bachelor's degree or higher (Figure 1).³⁸
 - Only 66 percent of full-time four-year college students complete a baccalaureate degree within six years.³⁹ (This reflects the percentage of students who begin full-time in four-year institutions and graduate within six years.)
 - Significant attainment gaps between white and Asian students and black and Hispanic students remain during the college years.⁴⁰
 - Employers complain that many college graduates are not prepared for the workplace and lack the new set of skills necessary for successful employment and continuous career development.⁴¹

FINDINGS REGARDING TRANSPARENCY AND ACCOUNTABILITY

There is inadequate transparency and accountability for measuring institutional performance, which is more and more necessary to maintaining public trust in higher education.

Our complex, decentralized postsecondary education system has no comprehensive strategy, particularly for undergraduate programs, to provide either adequate internal accountability systems or effective public information. Too many decisions about higher education—from those made by policymakers to those made by students and families—rely heavily on reputation and rankings derived to a large extent from inputs such as financial resources rather than outcomes. Better data about real performance and lifelong working and learning ability is absolutely essential if we are to meet national needs and improve institutional performance.

- Traditionally, institutional quality is measured primarily through financial inputs and resources. In today's environment, these measures of inputs are no longer adequate, either within individual institutions or across all of higher education.
- Despite increased attention to student learning results by colleges and universities and accreditation agencies, parents and students have no solid evidence, comparable across institutions, of how much students learn in colleges or whether they learn more at one college than another. Similarly, policymakers need more comprehensive data to help them decide whether the national investment in higher education is paying off and how taxpayer dollars could be used more effectively.



Source: U.S. Department of Education, National Center for Education Statistics, 1992 National Adult Literacy Survey and 2003 National Assessment of Adult Literacy.

- Colleges and universities can also use more comparable data about the benchmarks of institutional success—student access, retention, learning and success, educational costs (including the growth in administrative expenses such as executive compensation), and productivity—to stimulate innovation and continuous improvement.
- Extensive government data on higher education do exist, but they leave out large numbers of nontraditional students who are increasingly attending our colleges and universities⁴² and rarely focus on outcomes.⁴³ Data collected by the National Center for Education Statistics through the Graduation Rate Survey under the Integrated Postsecondary Education Systems (IPEDS) are limited to full-time, first-time degree- or certificate-seeking students. Unfortunately, for a significant portion of students—those who enroll on a part-time basis and those who transfer to other institutions—no data exist on time to degree for individual students or completion for students who, in an increasingly common pattern, begin their studies, drop out, and then restart.⁴⁴
- Accreditation, the large and complex public-private system of federal, state and private regulators, has significant shortcomings. Accreditation agencies play a gatekeeper role in determining the eligibility of institutions and programs to receive federal and state grants and loans. However, despite increased attention by accreditors to learning assessments, they continue to play largely an internal role. Accreditation reviews are typically kept private, and those that are made public still focus on process reviews more than bottom-line results for learning or costs. The growing public demand for increased accountability, quality and transparency coupled with the changing structure and globalization of higher education requires a transformation of accreditation.⁴⁵

FINDINGS REGARDING INNOVATION

American higher education has taken little advantage of important innovations that would increase institutional capacity, effectiveness and productivity. Government and institutional policies created during a different era are impeding the expansion of models designed to meet the nation's workforce needs. In addition, policymakers and educators need to do more to build America's capacity to compete and innovate by investing in critical skill sets and basic research.

- Institutions as well as government agencies have failed to sustain and nurture innovation in our colleges and universities. Reports from those working at the grassroots level in fields such as teacher preparation and math and science education indicate that the results of scholarly research on teaching and learning are rarely translated into practice. Little of the significant research of the past decade in areas such as cognitive science, neurosciences, and organizational theory is making it into American classroom practice, whether at the K–12 level or in colleges and universities.

- With the exception of several promising practices, many of our postsecondary institutions have not embraced opportunities for innovation, from new methods of teaching and content delivery to technological advances to meeting the increasing demand for lifelong learning. For their part, both state and federal policymakers have also failed to make supporting innovation a priority by adequately providing incentives for individuals, employers, and institutions to pursue more opportunities for innovative, effective and efficient practice.
- Traditional academic calendars and schedules often result in inefficient use of institution's physical plant and learning programs that are less than optimal.
- Barriers to the recognition of transfer credits between different types of institutions pose challenges to students and prevent institutions from increasing capacity. Students too often receive conflicting information about credit-transfer policies between institutions, leading to an unknown amount of lost time and money (and additional federal financial aid) in needlessly repeated course work. Underlying the information confusion are institutional policies and practice on student transfers that are too often inconsistently applied, even within the same institution.
- Accreditation and federal and state regulations, while designed to assure quality in higher education, can sometimes impede innovation and limit the outside capital investment that is vital for expansion and capacity building.
- Fewer American students are earning degrees in the STEM fields (science, technology, engineering, mathematics), medicine, and other disciplines critical to global competitiveness, national security, and economic prosperity. Even as the Bureau of Labor Statistics projects that 16 of the 30 fastest-growing jobs in the next decade will be in the health professions, current and projected shortages of physicians, registered nurses and other medical specialists may affect the quality of care for the increasingly aging population of baby boomers.⁴⁶
- It is fundamental to U.S. economic interests to provide world-class education while simultaneously providing an efficient immigration system that welcomes highly educated individuals to our nation. Foreign-born students represent about half of all graduate students in computer sciences, and over half of the doctorate degrees awarded in engineering. Almost 30 percent of the actively employed science and engineering doctorate holders in the U.S. are foreign born. However, current limits on employer-sponsored visas preclude many U.S. businesses from hiring many of these graduates, which may discourage some talented students from attending our universities.
- At a time when innovation occurs increasingly at the intersection of multiple disciplines (including business and social sciences), curricula and research funding remain largely contained in individual departments.

RECOMMENDATIONS

Our colleges and universities are treasured national assets, but the shortcomings we have outlined persuade us that it is time for Americans to concentrate on what higher education can become. The challenge before us is nothing less than securing the promise of the future and unleashing the potential of the American people.

To that end, we offer recommendations that aim to improve access to higher education and make it more affordable. We seek to strengthen quality and encourage innovation. And we want to bring much-needed transparency and accountability to our colleges and universities. Secretary Spellings charged us to be bold. The commission believes that America must embrace a new agenda and engage in a new dialogue that places the needs of students and the nation at its center.

1. Every student in the nation should have the opportunity to pursue postsecondary education. We recommend, therefore, that the U.S. commit to an unprecedented effort to expand higher education access and success by improving student preparation and persistence, addressing non academic barriers and providing significant increases in aid to low-income students.

- A high school diploma should signify that a student is ready for college or work. States must adopt high school curricula that prepare all students for participation in postsecondary education and should facilitate seamless integration between high school and college. The commission believes higher education must assume responsibility for working with the K–12 system to ensure that teachers are adequately trained, curricula are aligned and entrance standards are clear. The effort underway in a number of states to align K–12 graduation standards with college and employer expectations should be implemented in all 50 states. States should provide incentives for higher education institutions to make long-term commitments to working actively and collaboratively with K–12 schools and systems to help underserved students improve college preparation and persistence.
- The commission strongly encourages early assessment initiatives that determine whether students are on track for college. A prominent chancellor has described the 12th grade as a “vast wasteland” rather than a time to ensure that students are prepared for college or are enrolled in college-level courses. We endorse the expansion of early college or dual enrollment programs, as well as Advanced Placement and International Baccalaureate courses.

■ The commission recommends support for initiatives that help states hold high schools accountable for teaching all students and that provide federal support for effective and timely intervention for those students who are not learning at grade level. Such initiatives would include requirements for state assessments in high school to ensure that diplomas mean students are prepared to enter college or the workforce with the skills to succeed. In addition, the current 12th-grade NAEP test should be redesigned to allow the NAEP proficiency standard to be used to measure college and workforce readiness and provide disaggregated data in state-by-state reports. (Historically, the 12th-grade NAEP has been limited to a national survey with a sample size that precludes state-by-state reporting of assessment results. This is of little value for either improvement or accountability.)

■ Students must have clearer pathways among educational levels and institutions and we urge colleges to remove barriers to student mobility and promote new learning paradigms (e.g., distance education, adult education, workplace programs) to accommodate a far more diverse student cohort. States and institutions should review and revise standards for transfer of credit among higher education institutions, subject to rigorous standards designed to ensure educational quality, to improve access and reduce time-to-completion.

■ Even though surveys show that most students and parents believe college is essential, numerous non academic barriers undermine these aspirations. Many student and parents don't understand the steps needed to prepare for college and the system fails to address this information gap. The commission calls on businesses to partner with schools and colleges to provide resources for

The California State University System: Increasing Access and Improving Preparation

One of the best national models of how higher-education and K–12 officials can collaborate to help students is the Early Assessment Program (EAP) developed by Chancellor Charles Reed and administrators at the California State University (CSU) system in partnership with the California Department of Education and the State Board of Education. This statewide assessment is designed to test students' proficiency in mathematics and English and to reduce the likelihood that students will have to take remedial classes once they enter college. The award-winning program embeds a voluntary college-placement exam in the state testing program required of all 11th-grade students, using the CSU's admissions placement standards in math and English. The "early" component of the program—testing in the 11th grade, rather than the 12th—provides students an opportunity to make gains in areas of weakness during their senior year.

Additionally, CSU is raising awareness of college opportunities by reaching future students where they are—in their homes, their churches, and their communities. Partnering with community leaders and the state's K–12 system, administrators are targeting low-income and minority students and putting higher education within their reach. For the 54 percent of CSU's 405,000 students who are racial or ethnic minorities, initiatives such as visits by campus presidents to the largest African-American church in Los Angeles and partnerships with Latina mothers of elementary school children show the university system's commitment to bringing underrepresented populations into higher education. An informative "How to Get to College" poster available in English, Spanish, Vietnamese, Korean, and Chinese outlines step-by-step advice on how students and parents can begin getting ready for college as early as the sixth grade. These posters have been distributed to the state's middle and high schools and contain helpful information on the admission process, applying for financial aid, and appropriate courses to take in high school to best prepare students for collegiate-level learning. Finally, the system has a dedicated Web site (<http://www.csumentor.edu>) to help students and families navigate the college admissions and financial aid application processes.

early and ongoing college awareness activities, academic support, and college planning and financial aid application assistance. Such efforts should include developing students' and parents' knowledge of the economic and social benefits of college through better information, use of role models and extensive career exploration.

2. To address the escalating cost of a college education and the fiscal realities affecting government's ability to finance higher education in the long run, we recommend that the entire student financial aid system be restructured and new incentives put in place to improve the measurement and management of costs and institutional productivity.

Public providers of student financial aid should commit to meeting the needs of students from low-income families.

- The federal government, states, and institutions should significantly increase need-based student aid. To accomplish this, the present student financial aid system should be replaced with a strategically oriented, results-driven system built on the principles of (i) increased access, or enrollment in college by those students who would not otherwise be likely to attend, including nontraditional students; (ii) increased retention, or graduation by students who might not have been able to complete college due to the cost, (iii) decreased debt burden, and (iv) eliminating structural incentives for tuition inflation.
- Any new federal financial aid system should aim to replace the current federal aid form (the *Free Application for Federal Student Aid*, or *FAFSA*) with a much shorter and simpler application form. The application process should be substantially streamlined by analyzing student need through a simple criterion such as family income. Students should have information about financial aid eligibility (such as need or ability to pay) sooner and with early estimates of likely aid available as soon as the eighth grade.
- The financial-aid needs of transfer students, including those who transfer from two-year to four-year institutions, and part-time students should be attended to as part of the restructuring we recommend.
- Federal grant programs should be consolidated to increase the purchasing power of the Pell Grant. Whatever restructuring of federal financial aid takes place, the Pell Grant will remain the core need-based program. A specific benchmark should be established to increase the purchasing power of the average Pell Grant to a level of 70 percent (from 48 percent in 2004–05) of the average in-state tuition at public, four-year institutions over a period of five years. However, even with significant additional federal investment, there is little chance of restoring the Pell's purchasing power if tuition increases absorb most or all of the new money. This effort requires not only federal investment but also strategies by which colleges and universities contain increases in tuition and fees.

- Additionally, administrative and regulatory costs of federal aid programs should be streamlined through a comprehensive review of financial aid regulations.

Policymakers and higher education leaders should develop, at the institutional level, new and innovative means to control costs, improve productivity, and increase the supply of higher education.

- Higher education governing and coordinating boards, entrusted with the responsibility to ensure both internal and external accountability, should work with colleges to improve information about costs as well as prices for consumers, policymakers and institutional leaders.
- Higher education institutions should improve institutional cost management through the development of new performance benchmarks designed to measure and improve productivity and efficiency. Also, better measures of costs, beyond those designed for accounting purposes, should be provided to enable consumers and policymakers to see institutional results in the areas of academic quality, productivity and efficiency. An important benchmark, for example, would be that the growth in college tuition not exceed the growth in median family income over a five-year period. At the same time, the commission opposes the imposition of price controls.
- Colleges should help lower per-student educational costs by reducing barriers for transfer students. This step would be likely to lower costs to the overall postsecondary system by eliminating a great deal of redundancy within the system.
- The commission urges states to provide financial incentives to institutions that show they are fostering access, increasing productivity and cutting costs while maintaining or enhancing educational quality. States can drive improvements in educational learning productivity by encouraging both traditional and electronic delivery of college courses in high school.
- Federal and state policymakers should support the dissemination of technological advances in teaching that lower costs on a quality-adjusted basis. Institutions that reduce instructional costs generally on a quality-adjusted basis should be financially rewarded. States should provide similar incentive payments to institutions that significantly reduce academic attrition and increase graduation rates within the traditional period for the degree (e.g., four years for a bachelor's degree).
- Federal and state policymakers and accrediting organizations should work to eliminate regulatory and accreditation barriers to new models in higher education that will increase supply and drive costs down. To address these barriers, federal and state policymakers should:
 - Eliminate federal financial aid regulations that differentiate between traditional semesters and non-standard terms or, at a minimum, rewrite those regulations to provide the same benefits to nontraditional programs as to traditional semester programs.

- Require accreditation agencies to act in a more timely manner to accredit new institutions and new programs at existing institutions, while focusing on results and quality rather than dictating, for example, process, inputs, and governance, which perpetuates current models and impedes innovation.
- Federal and state policymakers should relieve the regulatory burden on colleges and universities by undertaking a review of the hundreds of regulations with which institutions must comply and recommend how they might be streamlined or eliminated. Additionally, nearly every federal agency is involved in regulating some aspect of higher education and each ought to create a compliance calendar to assist colleges and universities with identifying the myriad regulations and meeting their requirements.
- Finally, the federal government should work closely and cooperatively with institutions and higher education associations to develop compliance materials when new regulations are issued and to develop a system for notifying institutions when they are covered by a new law or regulation.

3. To meet the challenges of the 21st century, higher education must change from a system primarily based on reputation to one based on performance. We urge the creation of a robust culture of accountability and

transparency throughout higher education. Every one of our goals, from improving access and affordability to enhancing quality and innovation, will be more easily achieved if higher education institutions embraces and implements serious accountability measures.

We recommend the creation of a consumer-friendly information database on higher education with useful, reliable information on institutions, coupled with a search engine to enable students, parents, policymakers and others to weigh and rank comparative institutional performance.

- The Department of Education should collect data and provide information in a common format so that interested parties can create a

Quality and Innovation Through Course Redesign

From 1999 to 2004, Carol Twigg and the National Center for Academic Transformation at the Rensselaer Polytechnic Institute worked with 30 colleges and universities to enhance quality of instruction, improve student learning, and reduce costs through the use of technology and innovative pedagogy. The participating institutions, which included Carnegie Mellon University, Northern Arizona University, and Tallahassee Community College, redesigned instructional approaches to improve some of their large, introductory courses. Instead of offering traditional lecture formats, instructors used active learning strategies to engage students in course material. These redesigned courses provided online access to Web-based tutorials, on-demand feedback, and support from student peer mentors. The use of technology reduced course preparation time for instructors and lowered instructional costs per student.

The results speak for themselves: more learning at a lower cost to the university. Institutions reported an average of 37 percent reduced cost and an increase in student engagement and learning. For example, scores in a redesigned biology course at the University of Massachusetts increased by 20 percent, while the cost to the university per student dropped by nearly 40 percent. For more information, visit http://www.collegecosts.info/pdfs/solution_papers/Collegecosts_Oct2005.pdf.

searchable, consumer-friendly database that provides access to institutional performance and aggregate student outcomes in a secure and flexible format. The strategy for the collection and use of data should be designed to recognize the complexity of higher education, have the capacity to accommodate diverse consumer preferences through standard and customizable searches, and make it easy to obtain comparative information including cost, price, admissions data, college completion rates and, eventually, learning outcomes.

- Third-party organizations should be encouraged and enabled to publish independent, objective information using data from such a database. In addition, comparative studies such as, for example, the National Center for Public Policy and Higher Education's biennial *Measuring Up* report, which gauges how successful state systems are at preparation, participation, affordability, completion and learning, should be published and disseminated by the Department as part of this information system.

In addition to this new consumer-oriented database, more and better information on the quality and cost of higher education is needed by policymakers, researchers and the general public.

- The secretary of education should require the National Center for Education Statistics to prepare timely annual public reports on college revenues and expenditures, including analysis of the major changes from year to year, at the sector and state level. Unlike the data currently available, institutional comparisons should be consumer-friendly and not require a sophisticated understanding of higher education finance.
- The commission supports the development of a *privacy-protected* higher education information system that collects, analyzes and uses student-level data as a vital tool for accountability, policy-making, and consumer choice. A privacy-protected system would not include individually identifiable information such as student names or Social Security numbers at the federal level. Such a system would allow policymakers and consumers to evaluate the performance of institutions by determining the success of each institution's students without knowing the identities of those students. It is essential for policymakers and consumers to have access to a comprehensive higher education information system in order to make informed choices about how well colleges and universities are serving their students, through accurate measures of individual institutions' retention and graduation rates, net tuition price for different categories of students, and other important information. Right now, policymakers, scholarly researchers, and members of the public lack basic information on institutional performance and labor market outcomes for postsecondary institutions. This is particularly true for measuring outcomes from the work of those institutions that serve the growing proportion of nontraditional students who do not begin and finish their higher education at the same institution within a set period of time.

Examples of Student Learning Assessments

The Collegiate Learning Assessment

Among the most comprehensive national efforts to measure how much students actually learn at different campuses, the Collegiate Learning Assessment (CLA) promotes a culture of evidence-based assessment in higher education. Since 2002, 134 colleges and universities have used the exam, which evaluates students' critical thinking, analytic reasoning, and written communication using performance tasks and writing prompts rather than multiple choice questions. Administered to freshmen and seniors, the CLA allows for comparability to national norms and measurement of value added between the freshman and senior years. Additionally, because the CLA's unit of analysis is the institution and not the student, results are aggregated and allow for inter-institutional comparisons that show how each institution contributes to learning. For more information, visit www.cae.org/cla.

The National Survey of Student Engagement and the Community College Survey of Student Engagement

Administered by the Indiana University Center for Postsecondary Research, the National Survey of Student Engagement (NSSE) and its community college counterpart, the Community College Survey of Student Engagement (CCSSE), survey hundreds of institutions annually about student participation and engagement in programs designed to improve their learning and development. The measures of student engagement - the time and effort students put into educational activities in and out of the classroom, from meeting with professors to reading books that weren't assigned in class - serve as a proxy for the value and quality of their undergraduate experience. NSSE and CCSSE provide colleges and universities with readily usable data to improve that experience and create benchmarks against which similar institutions can compare themselves. With surveys from several million students already compiled, these instruments provide a comprehensive picture of the undergraduate student experience at four-year and two-year institutions. Results from NSSE and CCSSE, which are publicly reported, can provide institutions and external stakeholders data for improving institutional performance, setting accountability standards, and strategic planning. For more information, visit <http://nsse.iub.edu>.

The National Forum on College-Level Learning

The National Forum on College-Level Learning has been called "the first attempt to measure what the college educated know and can do across states." Piloted in 2002 across Illinois, Kentucky, Nevada, Oklahoma, and South Carolina, the study collected data on student learning using multiple assessment instruments already in use or widely available such as the National Adult Literacy Survey, the Collegiate Learning Assessment (for four-year colleges) or WorkKeys (for two-year colleges), and graduate admissions exams. Results from these assessments provide states comparable information on how their colleges and universities contribute to student learning and identify challenges such as performance gaps and inconsistent teacher preparation. Comparable assessment also allows states to identify best practices, providing information useful in creating policy and programs that will improve the states' intellectual capital. For more information, visit <http://curry.edschool.virginia.edu/centers/collegelevellearning>.

- The philanthropic community and other third-party organizations are urged to invest in the research and development of instruments measuring the intersection of institutional resources, student characteristics, and educational value-added. Tools should be developed that aggregate data at the state level and that also can be used for institutional benchmarking.

Postsecondary education institutions should measure and report meaningful student learning outcomes.

- Higher education institutions should measure student learning using quality-assessment data from instruments such as, for example, the Collegiate Learning Assessment, which measures the growth of student learning taking place in colleges, and the Measure of Academic Proficiency and Progress, which is designed to assess general education outcomes for undergraduates in order to improve the quality of instruction and learning.
- The federal government should provide incentives for states, higher education associations, university systems, and institutions to develop interoperable outcomes-focused accountability systems designed to be accessible and useful for students, policymakers, and the public, as well as for internal management and institutional improvement.
- Faculty must be at the forefront of defining educational objectives for students and developing meaningful, evidence-based measures of their progress toward those goals.
- The results of student learning assessments, including value-added measurements that indicate how much students' skills have improved over time, should be made available to students and reported in the aggregate publicly. Higher education institutions should make aggregate summary results of all postsecondary learning measures, e.g., test scores, certification and licensure attainment, time to degree, graduation rates, and other relevant measures, publicly available in a consumer-friendly form as a condition of accreditation.
- The collection of data from public institutions allowing meaningful interstate comparison of student learning should be encouraged and implemented in all states. By using assessments of adult literacy, licensure, graduate and professional school exams, and specially administered tests of general intellectual skills, state policymakers can make valid interstate comparisons of student learning and identify shortcomings as well as best practices. The federal government should provide financial support for this initiative.
- The National Assessment of Adult Literacy (NAAL), should be administered by U.S. Department of Education at five- instead of ten-year intervals. The survey sample should be of sufficient size to yield state-by-state as well as national results. The NAAL should also survey a sample of graduating students at two and four-year colleges and universities and provide state reports.

- Accreditation agencies should make performance outcomes, including completion rates and student learning, the core of their assessment as a priority over inputs or processes. A framework that aligns and expands existing accreditation standards should be established to (i) allow comparisons among institutions regarding learning outcomes and other performance measures, (ii) encourage innovation and continuous improvement, and (iii) require institutions and programs to move toward world-class quality relative to specific missions and report measurable progress in relationship to their national and international peers. In addition, this framework should require that the accreditation process be more open and accessible by making the findings of final reviews easily accessible to the public and increasing public and private sector representation in the governance of accrediting organizations and on review teams. Accreditation, once primarily a private relationship between an agency and an institution, now has such important public policy implications that accreditors must continue and speed up their efforts towards transparency as this affects public ends.

4. With too few exceptions, higher education has yet to address the fundamental issues of how academic programs and institutions must be transformed to serve the changing needs of a knowledge economy. We recommend that America's colleges and universities embrace a culture of continuous innovation and quality improvement by developing new pedagogies, curricula, and technologies to improve learning, particularly in the area of science and mathematical literacy.

- The Fund for the Improvement of Postsecondary Education (FIPSE) should be revitalized and its funding increased. Its original mission of promoting improvement and innovation in higher education needs to be reenergized to sustain and enhance innovation in postsecondary education. The commission recommends that FIPSE prioritize, disseminate, and promote best practices in innovative teaching and learning models as well as the application of high-quality learning-related research in such rapidly growing areas as neuroscience, cognitive science and organizational sciences.
- An additional purpose of revitalizing FIPSE would be to encourage broad federal support of innovation in higher education from multiple agencies (Departments of Education, Energy, Labor, Defense, and Commerce; the National Science Foundation; the National Institutes of Health; and the National Aeronautics and Space Administration) in order to align and coordinate federal investment of innovation in higher education.
- Institutions should harness the power of information technology by sharing educational resources among institutions, and use distance learning to meet the educational needs of rural students and adult learners, and to enhance workforce development. Effective use of information technology can improve student learning, reduce instructional costs, and meet critical workforce needs. We urge states and institutions to establish course redesign programs using technology-based, learner-centered principles drawing upon the innovative work already

being done by organizations such as the National Center for Academic Transformation. Additionally, we urge institutions to explore emerging interdisciplinary fields such as services sciences, management and engineering and to implement new models of curriculum development and delivery.

- The commission encourages the creation of incentives to promote the development of information technology-based collaborative tools and capabilities at universities and colleges across the United States, enabling access, interaction, and sharing of educational materials from a variety of institutions, disciplines, and educational perspectives. Both commercial development and new collaborative paradigms such as open source, open content, and open learning will be important in building the next generation learning environments for the knowledge economy.

Innovation in Curriculum Development and Program Delivery

Salt Lake City-based Neumont University is educating the most sought-after software developers in the world. Neumont's curriculum is project-based and focuses on the skills most valued by today's employers. The institution's unique instructional approach is built on a project-based, experiential foundation that incorporates the tools and technologies important to the industry. Students learn both the theory of computer science and then apply that theory in real-world projects, initially mentored by faculty, and ultimately mentored by other senior students in peer-to-peer relationships. Neumont offers an accelerated program; in about 28 months graduates can earn a Bachelor of Science in computer science degree; IBM, .NET and other leading industry certifications; and a digital portfolio of projects. For more information, visit www.neumont.edu.

5. America must ensure that our citizens have access to high quality and affordable educational, learning, and training opportunities throughout their lives. We recommend the development of a national strategy for lifelong learning that helps all citizens understand the importance of preparing for and participating in higher education throughout their lives.

- The commission encourages institutions to expand their reach to adults through technology such as distance learning, workplace learning, and alternative scheduling programs.
- The secretary of education, in partnership with states and other federal agencies, should develop a national strategy that would result in better and more flexible learning opportunities, especially for adult learners. The comprehensive plan should include better integration of policy, funding and accountability between postsecondary education, adult education, vocational education, and workforce development and training programs. Emphasis should be placed on innovation incentives, development of tailored, new delivery mechanisms, ability to transfer credits among institutions easily (subject to rigorous standards designed to ensure educational quality), and the ability to acquire credits linked to skill certifications that could lead to a degree. The plan should include specific recommendations for legislative and regulatory changes needed to create an efficient, transparent and cost-effective system needed to enhance student mobility and meet U.S. workforce needs.

6. The United States must ensure the capacity of its universities to achieve global leadership in key strategic areas such as science, engineering, medicine, and other knowledge-intensive professions. We recommend increased federal investment in areas critical to our nation's global competitiveness and a renewed commitment to attract the best and brightest minds from across the nation and around the world to lead the next wave of American innovation.

- The commission supports increasing federal and state investment in education and research in critical areas such as the STEM fields, teaching, nursing, biomedicine, and other professions along the lines recommended by President George W. Bush's American Competitiveness Initiative; *Rising Above the Gathering Storm*, published by the National Academies' Committee on Science, Engineering, and Public Policy; and the National Innovation Initiative by the Council on Competitiveness.
- The administration should encourage more research collaboration, multi-disciplinary research and curricula, including those related to the growing services economy, through existing programs at the Department of Education, the National Science Foundation, the Department of Defense, and the Department of Energy's Office of Science.
- The need to produce a globally literate citizenry is critical to the nation's continued success in the global economy. The federal government has recently embarked on an initiative to dramatically increase the number of Americans learning critically needed foreign languages from K–16 and into the workforce. Higher education, too, must put greater emphasis on international education, including foreign language instruction and study abroad, in order to ensure that graduates have the skills necessary to function effectively in the global workforce.
- In addition to these competitiveness trends, the racial and ethnic diversity of our citizens is also changing. The U.S. must respond with public policies that encourage and channel capable students from diverse populations into the health care pipeline to become doctors, nurses, dentists, public health officers and related health professionals and similarly into the pipelines of other STEM professions. Two-year and four-year colleges should expand partnerships that encourage the progression of low-income and minority students through STEM fields, teaching, nursing, biomedicine, and other knowledge-intensive fields.
- In an effort to retain the best and brightest students and professionals from around the world, the federal government must address immigration policies specifically aimed at international students. The commission recommends that these international students who graduate with an advanced STEM degree from a U.S. college or university should have an expedited path to an employer-sponsored green card and also be exempted from the numerical cap for green cards. The commission also recommends eliminating the requirement that in order to receive a student visa, all students must prove that they have no intent to remain in the United States after graduating. After all, talented graduates with sought-after advanced training represent precisely the kind of intellectual capital our nation needs.

CONCLUSION

In short, the commission believes it is imperative that the nation give urgent attention to improving its system of higher education.

The future of our country's colleges and universities is threatened by global competitive pressures, powerful technological developments, restraints on public finance and serious structural limitations that cry out for reform.

Our report has recommended strategic actions designed to make higher education more accessible, more affordable, and more accountable, while maintaining world-class quality. Our colleges and universities must become more transparent, faster to respond to rapidly changing circumstances and increasingly productive in order to deal effectively with the powerful forces of change they now face.

But reaching these goals will also require difficult decisions and major changes from many others beyond the higher education community.

The commission calls on policymakers to address the needs of higher education in order to maintain social mobility and a high standard of living. We call on the business community to become directly and fully engaged with government and higher education leaders in developing innovative structures for delivering 21st-century educational services—and in providing the necessary financial and human resources for that purpose.

Finally, we call on the American public to join in our commitment to improving the postsecondary institutions on which so much of our future—as individuals and as a nation—relies.

Working together, we can build on the past successes of U.S. higher education to create an improved and revitalized postsecondary system that is better tailored to the demands, as well as the opportunities, of a new century.

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CHARTER

A National Dialogue: The Secretary of Education's Commission on the Future of Higher Education

AUTHORITY

A National Dialogue: The Secretary of Education's Commission on the Future of Higher Education (Commission) is established by the Secretary of Education and governed by the provisions of the Federal Advisory Committee Act (FACA) (P.L. 92-463, as amended; 5 U.S.C.A. Appendix 2).

BACKGROUND

Higher education in the United States encompasses a wide array of educational opportunities and programs. Students attend institutions of higher education offering programs that range from baccalaureate and advanced degrees to occupational training of less than one year. The Higher Education Act of 1965, as amended, has benefited millions of students by making higher education more affordable and ensuring its quality. As we look to the future, it is imperative that we maintain a system of higher education that meets the needs of our diverse population, and in particular the needs of traditionally underserved communities; provides enhanced opportunities for lifelong learning; and addresses the economic and workforce needs of the country.

In particular, the country is encountering a significant change to its economic structure, resulting in unmet workforce needs. This is particularly true with respect to highly skilled workers and in the fields of mathematics and science. The need is clear and unavoidable: only 68 out of 100 entering 9th graders graduate from high school on time. Yet, 80 percent of our fastest-growing jobs will require some higher education. As the need for highly skilled workers continues to grow, institutions of higher education must assess whether they are providing the necessary coursework and incentives that will enable American students to compete in the new global economy.

PURPOSE AND FUNCTIONS

The purpose of the Commission is to consider how best to improve our system of higher education to ensure that our graduates are well prepared to meet our future workforce needs and are able to participate fully in the changing economy. To accomplish this purpose, the Commission shall consider Federal, state, local, and institutional roles in higher education and analyze whether the current goals of higher education are appropriate and achievable. By August 1, 2006, the Commission will provide its written recommendations to the Secretary.

STRUCTURE

The Commission will be composed of no more than 20 representatives appointed by the Secretary from the public and private sectors, as well as several ex officio members from the Department of Education and other Federal agencies. These representatives shall include former or current public and private college presidents, and may also include former elected officials, representatives of Fortune 500 corporations, the financial services industry, for-profit education companies, nonprofit education foundations, higher education researchers and other such group representatives as the Secretary deems appropriate. As representatives, the members will speak for the groups of persons they represent, drawing on their personal experience as members of these groups with respect to these issues.

The Secretary shall appoint members for the life of the Commission. Any vacancy in the Commission shall not affect its powers but shall be filled in the same manner as the original appointment. The Secretary shall select one or more chairpersons from among the members of the Commission.

The Secretary names the Designated Federal Official (DFO) to the Commission. The Institute of Education Sciences,

the Office of Postsecondary Education, and the Office of the Secretary will provide management and staff support.

MEETINGS

The Commission will conduct at least three (3) meetings in different parts of the country to obtain a public discussion of the issues. In furtherance of its duties, the Commission shall invite experts and members of the public to provide information and guidance.

The Commission shall meet at the call of the DFO or the DFO's designee, who is present at all meetings. Meetings are open to the public except as may be determined otherwise by the Secretary in accordance with Section 10(d) of the FACA. Adequate public notification will be given in advance of each meeting. Meetings are conducted and records of the proceedings kept, as required by applicable laws.

A quorum of the Commission consists of eight members. A lesser number of members may hold public meetings.

ESTIMATED ANNUAL COST

Members will serve without compensation. Members may each receive reimbursement for travel expenses for attending Commission meetings, including per diem in lieu of subsistence, as authorized by the Federal travel regulations. Funds will be provided by the Department of Education to administer the Commission. The estimated annual person-years of staff support are three (3) Full Time Equivalents. The estimated one-fiscal year non-pay cost will be approximately \$700,000.

REPORT

As representatives, the Commission's members will work independently of Departmental supervision to produce their report. The Commission's written report will address how best to improve our system of higher education, from increasing academic preparation in secondary school to building transitions for students between secondary school, higher education, and the workplace. Recommendations will be targeted at ensuring that our graduates are well prepared to meet our changing workforce needs and are able to participate fully in the new economy.

The Commission's report shall address the following questions. In addressing these questions, the report should address the appropriate roles for the various participants and how they intersect with one another.

How can State and local governments, with the assistance and encouragement of the Department of Education, better align secondary and higher education systems?

What changes are needed to ensure that higher education remains both affordable and accessible to students and their families?

What should be done to promote, sustain, and enhance world-class research and intellectual discourse?

How well are institutions of higher education preparing our students, especially nontraditional students and lifelong learners, to compete in the new global economy? What must be done to ensure that our system of higher education is able to keep up with the demand for highly skilled workers? How can the business community, other public and private sector organizations, and the higher education community work together to accomplish this goal?

TERMINATION

The Commission shall terminate 30 days after submitting its report.

The Commission is hereby chartered in accordance with Section 14(b) of FACA. This charter expires two years from the date of filing or before as the Secretary determines.

Approved:

Date

Secretary

Filing date:

COMMISSION AND STAFF ROSTER AND BIOGRAPHIES

COMMISSIONERS

Nicholas Donofrio

Executive Vice President, Innovation and Technology
IBM Corporation

Nick Donofrio is a renowned business leader and the architect of IBM's global innovation and technology strategy. A 42-year IBM veteran, he is a tireless champion of the engineering and technical professions, and personally commits hundreds of hours each year to work with women and underrepresented minorities to enrich the technical professions around the world with a diversity of culture and thought. Among the many milestones accomplished under Donofrio's leadership, IBM has generated more patents than any other company for 13 consecutive years, entered a ground-breaking research partnership with the National Geographic Society to map how humankind populated the planet, and developed and nurtured one of the largest and most capable technical talent pools in the industrial world. Donofrio earned a B.S. degree in electrical engineering from Rensselaer Polytechnic Institute and a M.S. degree in the same discipline from Syracuse University. He has been awarded numerous honorary degrees and is a member of the National Academy of Engineering, the American Academy of Arts and Sciences and the Royal Academy of Engineering in the United Kingdom.

James J. Duderstadt

President Emeritus and University Professor of Science and Engineering
Director, The Millennium Project

After receiving a B.Eng. degree in electrical engineering from Yale in 1964 and a Ph.D. in engineering science from the California Institute of Technology in 1967, Duderstadt joined the University of Michigan in 1968 as a professor of nuclear engineering. He later served as dean of engineering

in 1981, provost in 1986, and president of the university in 1988, returning to the faculty as university professor of science and engineering in 1996. His teaching and research interests have spanned a wide range of subjects in science, mathematics, and engineering, including work in areas such as nuclear fission reactors, thermonuclear fusion, high-powered lasers, computer simulation, science policy, higher education, and information technology. Duderstadt has as served in various public policy roles including member and chair of the National Science Board (1984 to 1996) while chairing various studies and advisory groups for the Department of Energy, the National Science Foundation, and the National Academies.

Gerri Elliott

Corporate Vice President
Worldwide Public Sector
Microsoft Corporation

Gerri Elliott is corporate vice president of Microsoft's Worldwide Public Sector organization, which includes more than 1,200 sales professionals. She is responsible for strengthening customer and partner outreach within government, education and non-privatized healthcare markets in more than 75 countries worldwide. Prior to assuming her current role in October 2004, Elliott led Microsoft's U.S. Enterprise Sales segment where she was responsible for software sales across several vertical industries including financial services, retail and hospitality, automotive and healthcare as well as three geographic regions across the U.S. A 22-year veteran of IBM, Elliott held several senior executive positions focused on customers within Asia Pacific, North and South America, including vice president of distribution sector, Asia Pacific, and vice president, distribution sector, IBM Americas. She received her B.A. degree in International Politics from New York University.

Jonathan Grayer
Chairman and CEO
Kaplan, Inc.

Jonathan Grayer is chairman and CEO of Kaplan, Inc., one of the world's leading providers of educational services. Grayer has overseen Kaplan's expansion from an \$80 million test preparation company in 1994 to a diverse education corporation with more than \$1.4 billion in revenue in 2005. Kaplan has 900,000 students, 23,000 employees and more than 4,000 classroom locations. In an era of globalization, technological advancements and education reform, Grayer's vision is helping to transform the for-profit education industry. Under his leadership, Kaplan has embraced an aggressive, outcomes-based approach that has served as a model in the education community. Kaplan is a wholly owned subsidiary of the Washington Post Company. Grayer joined Kaplan in 1991 and held several key positions before being named president and CEO of Kaplan in 1994, and chairman and CEO in 2002. He received an A.B. degree from Harvard College and an M.B.A. degree from Harvard Business School.

Kati Haycock
Director
The Education Trust

Kati Haycock is one of the nation's leading child advocates in the field of education and she has served as director of the Education Trust since 1992. Previously, Haycock served as executive vice president of the Children's Defense Fund, the nation's largest child advocacy organization. A native Californian, Haycock founded and served as president of the Achievement Council, a statewide organization that provides assistance to teachers and principals in predominately minority schools in improving student achievement. She also served as director of the Outreach and Student Affirmative Action programs for the nine-campus University of California system. Haycock received her B.A. degree from the University of California, Santa Barbara, and her M.A. degree in Education Policy from the University of California, Berkeley.

James B. Hunt, Jr.
Governor of North Carolina (1977–85; 1993–2001)
Chairman, James B. Hunt, Jr. Institute for Educational
Leadership and Policy

Serving a historic four terms as governor, Jim Hunt is a nationally recognized leader in education who led North Carolina through 20 years of education reform and economic growth. His early childhood Smart Start program won the prestigious Innovations in American Government Award. In K–12 education, Governor Hunt led his state in setting high standards and rigorous accountability. During the decade of the 1990s, North Carolina raised NAEP scores more than any other state in America. He also set high standards and pay for teachers and was the founding chairman of the National Board for Professional Teaching Standards where he served for ten years. Governor Hunt serves as chairman of the board for the National Center on Public Policy and Higher Education in San Jose, Calif., the Hunt Institute for Educational Leadership and Policy within the University of North Carolina, and the Institute for Emerging Issues at North Carolina State University. Governor Hunt is a partner in the large Southeastern U.S. law firm of Womble Carlyle Sandridge & Rice, PLLC, in Raleigh, N.C. He holds B.A. and M.S. degrees from North Carolina State University and a J.D. from the University of North Carolina at Chapel Hill.

Arturo Madrid
Murchison Distinguished Professor of Humanities
Trinity University

Arturo Madrid is the Norine R. and T. Frank Murchison distinguished professor of the humanities at Trinity University and the recipient of the Charles Frankel Prize in the Humanities. Madrid has served as the founding president of the Tomás Rivera Center, the nation's first institute for policy studies on Latino issues. He has also served as director of the Fund for the Improvement of Post-Secondary Education (FIPSE) as well as national director of the Ford Foundation's Graduate Fellowship Program for Mexican Americans, Native Americans and Puerto Ricans. He is an elected fellow of the Council on Foreign Relations and of the National Academy for Public Administration. Madrid received a B.A. degree from the University of New Mexico and holds a Ph.D. in Hispanic Languages and Literatures from the University of California, Los Angeles as well as several honorary degrees.

Robert Mendenhall

President

Western Governors University

Robert Mendenhall is the president of Western Governors University (WGU). Established in 1997, WGU is a private, not-for-profit, online university offering degrees based on demonstrating competency, rather than on credit hours or clock hours. It was founded and is supported by 19 governors as well as 23 leading corporations and foundations, and is the only regionally accredited competency-based university. WGU currently offers bachelor's and master's degrees in business, information technology and K–12 teacher education, with students in all 50 states and nine countries. Mendenhall has more than 25 years of experience in technology-based education, serving as general manager of IBM's K–12 education division, and as founder, president and CEO of Wicat Systems, a publicly traded company providing computer-based curriculum and instructional management to K–12 schools, and technology-based training to government and industry. Mendenhall has a Ph.D. in instructional psychology and technology from Brigham Young University.

Charles Miller, Chairman

Private Investor

Former Chairman of the Board of Regents

University of Texas System

Charles Miller is the former chairman of the University of Texas System Board of Regents. During his tenure as chairman, Miller took the lead toward developing better higher education accountability systems, to be matched with deregulation and institutional autonomy. He also fostered strategies to generate significant increases in research funding, enrollment, patient care, private contributions and tuition revenues, while increasing financial aid. Miller has had a long-standing interest in education and served as chairman of the Texas Education Policy Center, which designed the public school accountability system for Texas. He also served as chairman of the Education Committee of the Governor's Business Council during Governor Bush's term and was a member of the Bush-Cheney Transition Team. Miller is chairman emeritus of the board of directors of the Greater Houston Partnership and has been very active in civic, business and educational organizations. He has had a long

and successful career in investment management and is a private investor in Houston, Texas. Miller received a B.A. degree in mathematics from the University of Texas, Austin.

Charlene Nunley

President

Montgomery College

Charlene Nunley is the president of Montgomery College, a multi-campus community college in Montgomery County, Md., just outside the nation's capital. The college's diverse student population is made up of more than 50,000 students in credit and noncredit programs. Nunley is a staunch advocate for preserving the open access mission of community colleges. She led a statewide task force that examined capacity challenges facing Maryland's public colleges and universities, an effort that contributed to the recent adoption of legislation to enhance state funding for community colleges. To preserve access at her own institution, she led efforts to expand and enhance facilities at all three campuses of Montgomery College. Additionally, to broaden educational opportunities in Montgomery County, Nunley also led efforts to build model partnerships between the college and the local school district, Montgomery County Public Schools—one of the nation's largest and most outstanding school systems, as well as with the University of Maryland. As president, she has led Montgomery College into the top five community colleges nationally in private fundraising for several consecutive years. Prior to her tenure as president, she served in several other key posts at Montgomery College. Nunley received a B.A. and M.Ed. degrees from Pennsylvania State University and a Ph.D. from the George Washington University.

Catherine B. Reynolds

CEO and Chairman

Educap, Inc

Catherine B. Reynolds Foundation

Catherine B. Reynolds is chairman and Chief Executive Officer of EduCap, Inc. and chairman and Chief Executive Officer of Catherine B. Reynolds Foundation. Featured in *Business Week* magazine as one of the 50 most philanthropic living Americans, Reynolds helped to create the private education loan market that provides affordable financing for millions of students to attend college. She is the vice chairman of the American Academy of

Achievement and has served as the host chairman of its annual International Achievement Summit since its inaugural gathering in Budapest, Hungary. She has been active in community affairs, serving as a major benefactor of a number of organizations, including the National Gallery of Art, the John F. Kennedy Center for the Performing Arts, Morehouse College and the Catherine B. Reynolds Foundation Fellowship in Social Entrepreneurship at Harvard University and New York University. Reynolds was recently appointed as chairman of the Dance Theatre of Harlem. A native of Jacksonville, Fla., Reynolds is a graduate of Vanderbilt University.

Arthur J. Rothkopf

Senior Vice President and Counselor to the President
U.S. Chamber of Commerce

Arthur J. Rothkopf has served as senior vice president and counselor to the president of the U.S. Chamber of Commerce since 2005. One of his principal responsibilities is to manage the Chamber's initiative on workforce development and education. From 1993–2005, Rothkopf served as president of Lafayette College, a highly selective undergraduate college of liberal arts and engineering. Rothkopf is past board chair of the Council for Higher Education Accreditation and the Association of Independent Colleges and Universities of Pennsylvania. Rothkopf has held numerous key posts within the federal government including deputy secretary of the U.S. Department of Transportation (DOT), general counsel for DOT and staff lawyer at the Securities and Exchange Commission. Additionally, Rothkopf was a senior partner in Hogan & Hartson, Washington's largest law firm. Rothkopf earned his undergraduate degree from Lafayette College and received a J.D. from Harvard University.

Richard Stephens

Senior Vice President
Human Resources and Administration
The Boeing Company

Richard (Rick) Stephens is senior vice president, Human Resources and Administration for the Boeing Company and is a member of the Boeing Executive Council. In a career with Boeing that spans 26 years, he has led a number of businesses, involving homeland security, communications, reusable space systems and space

shuttle, naval systems, missile systems, submarine combat systems, and a number of service and support-related programs. Stephens serves on a number of nonprofit and business focused boards and has been recognized for his long-standing leadership to local and national organizations regarding the use of science and technology education programs to develop the workforce of the future. Stephens is an enrolled member of the Pala Band of Mission Indians, and served as its chairman from 1988–89. A former U.S. Marine Corps officer, and published author, Stephens received his B.S degree in mathematics from the University of Southern California and his M.S. degree in computer science from California State University, Fullerton.

Louis W. Sullivan, M.D.

President Emeritus, Morehouse School of Medicine
Secretary of the U.S. Department of Health and
Human Services 1989-1993

In 1975 Louis W. Sullivan was the founding dean and first president of Morehouse School of Medicine (MSM). With the exception of his tenure as secretary of the U.S. Department of Health and Human Services (HHS) from 1989 to 1993, Dr. Sullivan was president of MSM for more than two decades. Prior to assuming the presidency at MSM, Sullivan served as an instructor at Harvard Medical School, and professor of medicine at Seton Hall College of Medicine and Boston University School of Medicine. In 1989, after Senate confirmation, Sullivan became Secretary of the U.S. Department of Health and Human Services, the federal agency responsible for the major health, welfare, food and drug safety, medical research and income security programs serving the American people. Sullivan serves as chairman on numerous national boards including: the Sullivan Alliance on Diversity in the Healthcare Workforce, the President's Board of Advisors on Historically Black Colleges and Universities, and co-chair of the President's Commission on HIV and AIDS. A native of Atlanta, Sullivan graduated *magna cum laude* from Morehouse College and *cum laude* from Boston University School of Medicine. He is certified in internal medicine and hematology.

Sara Martinez Tucker

President and CEO
Hispanic Scholarship Fund

Sara Martinez Tucker is president and chief executive officer of the Hispanic Scholarship Fund (HSF). In 2005, *Time* magazine named her one of the 25 most influential Hispanics in America. In her time at the helm of HSF, Tucker has generated funds for almost \$135 million in scholarships to more than 39,000 students, clearly establishing HSF as our country's premier Hispanic higher education organization. Recognizing that scholarships alone will not get HSF to its goal, she led the launch of community outreach programs to raise college expectations in Latino families and communities. To date, these programs have directly touched more than 65,000 students, parents, HSF alumni and community members. Prior to joining HSF in 1997, she spent 16 years at AT&T, becoming the first Latina to reach the company's executive level. Tucker also served as vice president for Consumer Operations, a \$370 million operation with 6,500 employees serving AT&T's 80 million consumers. Under her leadership, this group contributed to the division's receipt of the Malcolm Baldrige Quality Award. A native of Laredo, Texas, Tucker received her undergraduate and MBA degrees from the University of Texas, Austin.

Richard Vedder

Distinguished Professor of Economics, Ohio University
Adjunct Scholar, American Enterprise Institute

Richard Vedder is distinguished professor of economics at Ohio University and a visiting scholar at the American Enterprise Institute. He has won many awards for teaching undergraduate students (which he has done for over 40 years), and is the author of numerous books, including *The American Economy in Historical Perspective*, *Out of Work: Unemployment and Government in Twentieth-Century America* (with Lowell Gallaway), *Going Broke by Degree: Why College Costs Too Much*, and the forthcoming *The Wal-Mart Revolution* (with Wendell Cox), as well as some 200 scholarly essays and papers. Vedder serves as the director of the newly created Center for College Affordability and Productivity (CCAP) and he has been a visiting professor at several universities, including serving as John M. Olin visiting professor of labor economics and public policy at Washington University in St. Louis. Vedder has served as an economist with the Joint Economic

Committee of Congress, and has advised numerous political leaders of public policy matters, including Russian President Vladimir Putin. He writes extensively in the popular press (e.g., *Wall Street Journal*, *USA Today*, *Investor's Business Daily*, *Los Angeles Times*, *Washington Post*, *Christian Science Monitor*). Vedder completed his undergraduate education at Northwestern University and received his Ph.D. from the University of Illinois.

Charles M. Vest

President Emeritus
Massachusetts Institute of Technology

Charles M. Vest was president of MIT from 1990 until December 2004. During his presidency, he placed special emphasis on enhancing undergraduate education, exploring new organizational forms to meet emerging directions in research and education, building a stronger international dimension into education and research programs, developing stronger relations with industry, and enhancing racial and cultural diversity at MIT. He also devoted considerable energy to bringing issues concerning education and research to broader public attention and to strengthening national policy on science, engineering and education. His research interests have focused on the thermal sciences and the engineering applications of lasers and coherent optics. Vest has been a member of several government commissions and task forces including service on the President's Commission on the Intelligence Capabilities of the United States Regarding Weapons of Mass Destruction. Vest earned his B.S. degree in mechanical engineering from West Virginia University and his M.S. and Ph.D. degrees from the University of Michigan. Additionally, he is a life member of the MIT Corporation, the institute's board of trustees.

David Ward

President
American Council on Education

A leading spokesperson for American higher education, David Ward became the 11th president of the American Council on Education (ACE) on Sept. 1, 2001. ACE is the major umbrella organization for all of the nation's higher education institutions that strives to provide a unified voice on higher education issues to policy makers. Prior to his appointment at ACE, Ward served as a faculty member

and then held several top administrative posts before being named chancellor of the University of Wisconsin-Madison in 1993, a position he held until 2001. Under his leadership at UW-Madison, Ward led the development of a strategic plan that improved the quality of undergraduate education there; added to the campus research facilities; enhanced the connections between the university, the city, the business community, and the state; and creatively combined public and private support for the institution. Ward has held numerous visiting appointments at universities around the world. He completed his undergraduate education and master's work at the University of Leeds, U.K., and received a Ph.D. at the University of Wisconsin-Madison.

Robert Zemsky

Chair and Professor

The Learning Alliance for Higher Education
University of Pennsylvania

Robert Zemsky currently serves as chair of the Learning Alliance for Higher Education, a broad coalition of organizations and firms assisting institutions in implementing their change agendas. From 1980 through 2000, Zemsky served as the founding director of the University of Pennsylvania's Institute for Research on Higher Education, one of this country's major public policy centers specializing in educational research and analysis. In his research Zemsky pioneered the use of market analyses for higher education as well as the importance of purposeful change. From 1990 through 1995, Zemsky served as co-director of the National Center on the Educational Quality of the Workforce and later as a senior scholar with the National Center for Postsecondary Improvement. He is currently a trustee of Franklin and Marshall College and a member of the National Advisory Board for the National Survey of Student Engagement (NSSE). Zemsky received his B.A. degree from Whittier College and his Ph.D. in history from Yale University.

EX OFFICIO MEMBERS

Samuel Bodman

Secretary

U.S. Department of Energy

Samuel Wright Bodman was sworn in as the 11th secretary of energy on February 1, 2005 after the United States Senate unanimously confirmed him on January 31, 2005. He leads the Department of Energy with a budget in excess of \$23 billion and over 100,000 federal and contractor employees. Previously, Bodman served as deputy secretary of the Treasury beginning in February 2004. He also served the Bush administration as the deputy secretary of the Department of Commerce beginning in 2001. A financier and executive by trade with three decades of experience in the private sector, Bodman graduated in 1961 with a B.S. degree in chemical engineering from Cornell University and completed his Sc.D. degree at the Massachusetts Institute of Technology in 1965.

Raymond Orbach, *designee for Samuel Bodman*

Under Secretary for Science

U.S. Department of Energy

Raymond Lee Orbach was sworn in as the department's first under secretary for science on June 1, 2006, and he has served as director of the DOE Office of Science since March 2002. As under secretary for science, Orbach is responsible for planning, coordinating and overseeing the Energy Department's research and development programs and its 17 national laboratories, as well as the Department's scientific and engineering education activities. Orbach manages an organization that is the third largest federal sponsor of basic research in the United States and is viewed as one of the premier science organizations in the world. He oversees \$3.6 billion in funds for research in high energy and nuclear physics, basic energy sciences, magnetic fusion energy, biological and environmental research, and computational science, which supports scientists at more than 300 colleges and universities nationwide. Prior to his service at DOE, Orbach served as chancellor of the University of California, Riverside from 1992-2002 during a period of continued expansion for the university. Orbach is a committed educator and has held numerous visiting professorships at universities

around the world and has received several professional awards for his scholarship. Orbach completed his undergraduate education in physics at the California Institute of Technology and earned a Ph.D. from the University of California, Berkeley.

Elaine Chao

Secretary
U.S. Department of Labor

Elaine L. Chao is the nation's 24th secretary of labor, representing a new generation of American leadership. Since her confirmation by the United States Senate on January 29, 2001, she has been dedicated to carrying out the Department of Labor's mission of inspiring and protecting the hardworking people of America. She is respected as an effective and articulate champion of the nation's contemporary workforce, acting quickly to focus the Labor Department on the modern realities of workers' lives. Chao's previous government career includes serving as the deputy secretary at the U.S. Department of Transportation, chairman of the Federal Maritime Commission, and deputy maritime administrator in the U.S. Department of Transportation. She received her M.B.A. degree from the Harvard Business School and her undergraduate degree in economics from Mount Holyoke College.

Emily Stover DeRocco, *designee for Elaine Chao*

Assistant Secretary for Employment and Training Administration
U.S. Department of Labor

As assistant secretary for employment and training, Emily Stover DeRocco is responsible for managing a \$10 billion budget that funds the country's public workforce investment system. DeRocco has made it her purpose to develop a "demand driven" workforce investment system, which links employment, education, and economic development. Her belief is that only by effectively equipping workers with the skills that are needed by employers, and better understanding the workforce needs of business, can we create the highly skilled workforce needed to be globally competitive in the 21st century. Before her appointment as assistant secretary, DeRocco spent over ten years as executive director of the National Association of State Workforce Agencies. During President Reagan's

administration, she held several executive positions at the Departments of the Interior and Energy. DeRocco earned a B.A. degree from Pennsylvania State University and a J.D. from Georgetown Law Center.

Carlos Gutierrez

Secretary
U.S. Department of Commerce

Carlos M. Gutierrez is the 35th secretary of the U.S. Department of Commerce, the voice of business in government. The former chairman of the board and chief executive officer of Kellogg Company, Gutierrez was sworn into office on February 7, 2005. Born in Havana, Cuba, he came to the United States with his family in 1960. In 1975 he joined Kellogg as a sales representative. Rising to president and chief executive officer in 1999, he was the youngest CEO in the company's nearly 100-year history. In April 2000, he was named chairman of the board of Kellogg Company. Gutierrez studied business administration at the Monterrey Institute of Technology in Queretaro, Mexico.

John Bailey, *designee for Carlos Gutierrez*

Deputy Policy Director
U.S. Department of Commerce

John Bailey is the deputy policy director for the U.S. Department of Commerce. He serves as the secretary's principal policy advisor on issues related to immigration, innovation, pandemic influenza, and health care. He has also served at the Department of Education, directing the Office of Educational Technology and, while there, established a research agenda of more than \$56 million over five years including the first national long-term study of technology's impact on teaching and learning. Bailey previously worked for former Governor Tom Ridge. He received his B.A. degree in policy studies from Dickinson College and attended the Kennedy School of Government's Executive Program for State and Local Government.

Donald Rumsfeld
Secretary
U.S. Department of Defense

Donald H. Rumsfeld was sworn in as the 21st secretary of defense on January 20, 2001. Before assuming his present post, the former Navy pilot had also served as the 13th secretary of defense, White House chief of staff, U.S. ambassador to NATO, U.S. congressman, and chief executive officer of two Fortune 500 companies. Under Rumsfeld's leadership, the department has developed a new defense strategy and replaced the old model for sizing forces with a newer approach more relevant to the 21st century. He has received numerous honors and awards, including the Presidential Medal of Freedom, the nation's highest civilian award. Rumsfeld attended Princeton University on academic and NROTC scholarships and served in the U.S. Navy as an aviator and flight instructor.

William Berry, *designee for Donald Rumsfeld*
Director for Basic Research
Office of the Director of Defense, Research and Engineering
U.S. Department of Defense

As the director for basic research, Berry is responsible for providing scientific leadership, management oversight, policy guidance and coordination of the \$1.3 billion yearly basic research programs of the Military Services and Defense Agencies. In this capacity, Berry has cognizance over the complete spectrum of basic research. In addition, he is responsible for science, technology, engineering and mathematics education and workforce issues, policy for grants. Prior to his current position, he has held numerous other positions within the Department of Defense. Berry's research publications are in the fields of environmental toxicology and neuroscience. Berry earned a B.S. degree in Biology from Lock Haven University of Pennsylvania, a M.A.T. degree in zoology from Miami University, Ohio, and a Ph.D. in zoology and biochemistry from the University of Vermont, Burlington.

David Dunn (April 2006–September 2006)
Acting Under Secretary and Chief of Staff
U.S. Department of Education

President Bush appointed David Dunn acting under secretary at the U.S. Department of Education in January 2006. In this role, Dunn oversees policies, programs and activities related to vocational and adult education, postsecondary education, college aid and the president's financial reforms for the Pell Grant program. Dunn is also the chief of staff to U.S. Secretary of Education Margaret Spellings. Prior to coming to the U.S. Department of Education, Dunn served as special assistant to the president for domestic policy at the White House Domestic Policy Council. Before working in Washington, D.C., Dunn served as the Associate Executive Director of the Texas Association of School Boards (TASB). Dunn has a B.A. degree in political science from Baylor University and an M.A. degree in government from the University of Texas at Austin.

Sally Stroup (October 2005–April 2006)
Assistant Secretary for Postsecondary Education
U.S. Department of Education

Sally Stroup served as assistant secretary for postsecondary education. She advised the U.S. Secretary of Education on all matters related to postsecondary education. In this capacity, Stroup coordinated Department programs relating to financial assistance for eligible students enrolled in higher education institutions and recommended policies to recruit and prepare disadvantaged students to enroll and complete postsecondary education programs. Before joining the Department, Stroup served as the director of industry and government affairs for the Apollo Group Inc. (University of Phoenix). From 1993 to 2001, she was a professional staff member for the U.S. House of Representatives Committee on Education and the Workforce. She completed her undergraduate education at Indiana University of Pennsylvania and received a J.D. from Loyola University School of Law in New Orleans.

STAFF

Cheryl Oldham

Executive Director and Designated Federal Officer

Cheryl Oldham came to the U.S. Department of Education in January 2003 from the White House. Prior to her appointment as executive director of the commission, she served as the director, Office of White House Liaison. As liaison she oversaw the political personnel process, advised the secretary, and served as the White House's contact to the department on matters of personnel and political affairs. During her tenure at the White House, Oldham served in both the Presidential Personnel and Cabinet Affairs offices. She received her J.D. from St. Mary's University School of Law and her B.A. degree from Texas Christian University.

Vickie Schray

Deputy Director for Management and Planning

For more than 20 years, Vickie Schray has dedicated her career to improving secondary and postsecondary education and has led state and national initiatives to develop standards and assessments, accountability systems, curriculum reform models, and public-private partnerships. For the past eight years she has worked in a variety of roles at the U.S. Department of Education. In previous assignments, she led the department's effort to implement a new vision for career and technical education and implement performance measurement and accountability systems at the state and local level. Prior to joining the commission staff she worked for the Executive Secretariat in the Office of the Secretary. She received her B.S. degree from Oregon State University and her M.S. degree from Portland State University. She began her career as a business and management teacher and administrator at the secondary and postsecondary levels.

Eleanor L. Schiff

Deputy Director for Research and External Affairs

Eleanor Schiff spent several years working at the White House prior to her appointment at the U.S. Department of Education. She has also worked at the Department of Health and Human Services and the U.S. Senate. In addition, she has worked in college admissions and as a substitute English teacher. She received her B.A. degree at Carleton College and has pursued graduate work at the George Washington University.

Kristen Vetri

Chief of Staff

Prior to joining the commission, Kristen Vetri served as deputy chief of staff for the Office of Postsecondary Education at the U.S. Department of Education. As deputy chief of staff, Vetri assisted in personnel management and travel operations for the office. She graduated from James Madison University with a B.A. degree in political science.

Archie P. Cubarrubia

Senior Analyst

Before joining the U.S. Department of Education, Archie Cubarrubia coordinated new student orientation, transition, and retention programs at the University of Rhode Island. Cubarrubia has also served as coordinator of new student programs at Northern Arizona University and Boston University. He earned his B.S. degree in health studies and Ed.M. degree in higher education administration from Boston University. He is currently a doctoral candidate in higher education administration at the George Washington University.

ISSUE PAPERS

In order to advance the work of the Secretary of Education's Commission on the Future of Higher Education, Chairman Charles Miller asked that a series of issues papers on key topics affecting the work of the Commission be produced. These papers were authored by various experts and their purpose was to spark a national dialogue, educate the public, generate debate, and inform the work of the Commission surrounding key postsecondary issues. These papers did not represent the opinions of the Commissioners; the papers were not formal recommendations by the Commission nor were they intended to reflect the views of the U.S. Department of Education.

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ORGANIZATIONS THAT PROVIDED INFORMATION TO THE COMMISSION

Information was received in many forms: white papers, testimony, opinion pieces, research reports on topics relevant to the work of the Commission and also reviewed reports of past blue-ribbon commissions.

ORGANIZATIONS

Academy One Navigating Education System
 Accreditation Board of Engineering and Technology
 Accrediting Commission of Career Schools and Colleges of Technology
 Accrediting Council for Continuing Education and Training
 Achieve, Inc.
 Advisory Committee on Student Financial Assistance
 American Association of Colleges of Nursing
 American Association of Community Colleges
 American Dental Education Association
 American Federation of Teachers
 American Productivity and Quality Center
 Appalachian State University
 Association of American Medical Colleges
 Association for Consortium Leadership
 Association on Higher Education and Disability
 Association of Independent Colleges and Universities in Massachusetts
 Alfred P. Sloan Foundation
 American Association of State Colleges and Universities
 American Association of University Professors
 American Association of University Women of Washington
 American College Health Association
 American Council of Trustees and Alumni
 American Council on Education
 American Indian Science and Engineering Society
 American InterContinental University – London
 Anti-Defamation League
 Arizona State University
 Associated Students of Oregon State University
 Association of Advanced Rabbinical and Talmudic Schools Accreditation Commission
 Association of American Colleges and Universities
 Association of American Universities
 Association of Specialized and Professional Accreditors
 Bellevue Community College
 Bentley College
 The Boston Foundation
 Boston University

Bunker Hill Community College
Business Roundtable
California State University System
California Student Public Interest Research Group
Cambridge College
Capella Education Company
Carnegie Mellon University
The Carol R. Goldberg Seminars
Center for Law and Social Policy
Center for Reform of School Systems
CISCO Systems
College Board
College Parents of America
College Summit, Inc.
Commission on Collegiate Nursing Education
Connecticut Board of Governors for Higher Education
Consortium for High Academic Performance Institute for the Study of Social Change
Council for Adult and Experiential Learning
Council for Aid to Education
Council for Higher Education Accreditation
College Solutions Network
Demos: A Network for Ideas and Action
Distance Education and Training Council
The Education Resources Institute
Education Sector
The Education Trust
Educational Testing Service
Eduventures, Inc.
Federal Interagency Committee on Education
Florida Department of Education
Florida Higher Education Accountability Project
Genentech
Georgia Institute of Technology
Heritage University
Highland Campus Health Group
Houston Community College
Indiana University
The Institute for College Access and Success, Inc.
Institute for Community Inclusion
Institute of Education Sciences
International Association of Medical Schools
Ivy Tech State College
Jobs for the Future
Just for the Kids
Lawrence Berkeley National Lab
Louisiana Tech University
Massachusetts Down Syndrome Congress
Massachusetts Institute of Technology
Massachusetts School of Law at Andover
Miami University, Ohio

Minnesota State College Student Association
Minnesota System of Higher Education
NASPA – Student Affairs Administrators in Higher Education
National Academic Advising Association
National Association for College Admission Counseling
National Association of College and University Business Officers
National Association of Manufacturers
National Association of State Universities and Land-Grant Colleges
National Association of Student Financial Aid Administrators
National Center for Academic Transformation
National Center for Education Statistics
National Center for Higher Education Management Systems
National Center for Public Policy and Higher Education
National Down Syndrome Society National Policy Center
National Education Association (NEA)
National Science Foundation
Nebraska Coordinating Commission for Postsecondary Education
New England Association of Schools and Colleges
Olin College of Engineering
Oregon State University
Pepperdine University
The Project on Student Debt
Public Interest Research Groups
Quad Ventures
Quinsigamond Community College
R.W. Baird
RAND Corporation
Rutgers, the State University of New Jersey
Saint Anselm College
San Diego State University
Seattle Community College District
Southern Association of Colleges and Schools
Stark Education Partnership
State Higher Education Executive Officers
The State PIRGs' Higher Education Project
Student Debt Alert
Texas A&M University
Temple University
Tufts University
United States Student Association
University of Massachusetts
University of Northern Colorado
University of Oregon
University of Texas
University of Texas-Austin Board of Regents
University of Washington
University System of New Hampshire
Upward Bound
Utah State University
Wagner College

Washington State Board for Community and Technical Colleges
Washington State University
Wayne State University
Western Connecticut State University
Western Illinois University
Worcester Polytechnic Institute

INDIVIDUAL STUDENTS FROM THE FOLLOWING INSTITUTIONS PROVIDED TESTIMONY TO THE COMMISSION:

Bellevue Community College
Cambridge College
Capella University
Central Washington University
Columbus State Community College
Eastern Washington University
Evergreen State College
Harvard University
Howard University
Kaplan University
Lane Community College
Massachusetts Bay Community College
Massachusetts College of Liberal Arts
Northeastern University
Oberlin College
Providence College
Quinsigamond Community College
Rutgers, the State University of New Jersey
Salem State College
St. Louis Community College at Meramec
St. Phillips College
University of Alaska
University of Arkansas, Fayetteville
University of Connecticut, Storrs
University of Maryland, College Park
University of Massachusetts, Amherst
University of Massachusetts, Boston
University of New Hampshire
University of Southern Maine
University of Oregon
University of Washington
Vanderbilt University
Western Governors University

The Commission would also like to acknowledge and thank all of the students and individuals from around the country who e-mailed and provided their insights regarding key issues in higher education.

COMMISSION MEETINGS, HEARINGS, AND TESTIMONY

Oct. 17, 2005

Full Commission Meeting
Washington, D.C.

Presenters:

Margaret Spellings, Secretary of Education

Samuel Bodman, Secretary of Energy

Charles Miller, Chairman, The Secretary of Education's Commission on the Future of Higher Education

Dec. 8-9, 2005

Full Commission Meeting
Nashville, Tenn.

Presenters:

The State of Higher Education Today

Grover (Russ) Whitehurst, Director, Institute of Education Sciences

Peter J. Stokes, Executive Vice President, Eduventures, Inc.

Patrick M. Callan, President, National Center for Public Policy and Higher Education

Accountability

Paul E. Lingenfelter, President, State Higher Education Executive Officers

Patrick M. Callan, President, National Center for Public Policy and Higher Education

Geri Malandra, Associate Vice Chancellor for Institutional Planning and Accountability, University of Texas System

Affordability

Richard Vedder, Commission Member

Robert Zemsky, Commission Member

Accessibility

Michael Cohen, President, Achieve, Inc.

Ann Coles, Senior Vice President, College Access Programs, The Education Resources Institute

Quality

Charles Vest, Commission Member

Invited Remarks

Sen. Lamar Alexander, (R-Tenn.)

Student Panel

Mari Corales, St. Phillips College and Southern Region Vice President for Delta Epsilon Chi

Sondra Wilson, Columbia State Community College

Lori Plato, Vanderbilt University

Feb. 2-3, 2006

Full Commission Meeting

San Diego, Calif.

Presenters:

Innovation and the Economy

G. Wayne Clough, President, Georgia Institute of Technology

Nicholas Donofrio, Commission Member

Innovative Financing

Trace A. Urdan, Senior Research Analyst, R.W. Baird

Andrew E. Kaplan, Partner, Quad Partners

Howard M. Block, Managing Director; Senior Research Analyst, Banc of America Securities

Innovative Models of Delivery

Robert Mendenhall, Commission Member

Jonathan Grayer, Commission Member

Stephen G. Shank, Chairman and Chief Executive Officer, Capella Education Company; Chancellor, Capella University

Innovative Public/Private Partnerships

Roland J. Otto, Head, Center for Science and Engineering Education, Lawrence Berkeley National Laboratory

Charles B. Reed, Chancellor, California State University System

Monica L. Poindexter, Associate Director, Corporate Diversity and College Programs, Genentech

Innovative Teaching and Learning Strategies (Course/Program Level)

Thomas L. Magnanti, Dean, School of Engineering, Massachusetts Institute of Technology

Joel M. Smith, Vice Provost, Chief Information Officer for Computing Services, and Director, Carnegie Mellon's Office of Technology for Education, Carnegie Mellon University

David A. Wiley, Associate Professor and Director, Center for Open and Sustainable Learning, Utah State University

Student Panel

Jerry Davis, Western Governors University

Jon Lamphier, Kaplan University

Carol Young, Capella University

Feb. 7, 2006

Public Hearing

Seattle, Wash.

Presenters (morning session):

Samuel H. Smith, President Emeritus, Washington State University

Pamela Tate, President, Council for Adult and Experiential Learning

Charles H. Mitchell, Chancellor, Seattle Community College District

David T. Conley, Director, Center for Educational Policy Research, University of Oregon

Mark A. Emmert, President, University of Washington

Andrew Menter, President and Chief Executive Officer, Highland Campus Health Group

Richard J. Anderson, Professor of Computer Science and Engineering, University of Washington

Pamela Silas, Executive Director, American Indian Science and Engineering Society

Public Comment (afternoon session)

Mar. 20, 2006

Public Hearing

Boston, Mass.

Presenters (morning session):

Susan Hockfield, President, Massachusetts Institute of Technology

Jack M. Wilson, President, University of Massachusetts

Dennis D. Berkey, President, Worcester Polytechnic Institute

Robert A. Brown, President, Boston University

Richard K. Miller, President, Franklin W. Olin College of Engineering

Lawrence S. Bacow, President, Tufts University

Mary L. Fifield, President, Bunker Hill Community College

Stephen J. Reno, Chancellor, University System of New Hampshire

Valerie F. Lewis, Commissioner, Connecticut Board of Governors for Higher Education

Public Comment (afternoon session)

Mar. 28, 2006

Accreditation Roundtable Discussion

Washington, D.C.

Participants:

Vickie Schray, Deputy Director for Management and Planning, The Secretary of Education's Commission on the Future of Higher Education, U.S. Department of Education, Moderator

John Barth, Director, Accreditation and State Liaison, Office of Postsecondary Education, U.S. Department of Education

Barbara E. Brittingham, Director, Commission on Institutions of Higher Education, New England Association of Schools and Colleges

Jennifer Butlin, Director, Commission on Collegiate Nursing Education

Judith S. Eaton, President, Council for Higher Education Accreditation

Marshall Hill, Executive Director, Nebraska Coordinating Commission for Postsecondary Education

Michael P. Lambert, Executive Director, Accrediting Commission, Distance Education and Training Council

Paul E. Lingenfelter, President, State Higher Education Executive Officers

Cheryl Oldham, Executive Director, The Secretary of Education's Commission on the Future of Higher Education, U.S. Department of Education

George Peterson, Executive Director, Accreditation Board of Engineering and Technology

Arthur J. Rothkopf, Commission Member

Elise Scanlon, Executive Director, Accrediting Commission of Career Schools and Colleges of Technology

Belle S. Wheelan, President, Commission on Colleges, Southern Association of Colleges and Schools

Roger J. Williams, Executive Director, Accrediting Council for Continuing Education and Training

Apr. 6-7, 2006

Full Commission Meeting

Indianapolis, Ind.

Presenters:

Affordability

Robert Dickeson, Consultant, and President Emeritus, University of Northern Colorado

Barry Burgdorf, Vice Chancellor and General Counsel, University of Texas System

James A. Boyle, President, College Parents of America

James Garland, President, Miami University, Ohio

Carol A. Twigg, President and Chief Executive Officer, National Center for Academic Transformation

A. Frank Mayadas, Program Director, Alfred P. Sloan Foundation

Accreditation

Carol D'Amico, Executive Vice President, Ivy Tech Community College of Indiana

Judith S. Eaton, President, Council for Higher Education Accreditation

Kay Norton, President, University of Northern Colorado

Commission Discussion

Richard (Rick) Stephens, Commission Member, Moderator

Articulation

Jay Pfeiffer, Assistant Deputy Commissioner of Accountability, Research, and Measurement, Florida Department of Education

Gaston Caperton, President, College Board

Peter J. Joyce, Workforce Development Manager, CISCO Systems

Richard Kazis, Senior Vice President, Jobs for the Future

Accountability

Peter Ewell, Vice President, National Center for Higher Education Management Systems

Roger Benjamin, President and Chief Executive Officer, Council for Aid to Education

Stephen P. Klein, Senior Research Scientist, RAND Corporation

M. Peter McPherson, President, National Association of State Universities and Land-Grant Colleges

Anne D. Neal, President, American Council of Trustees and Alumni

George D. Kuh, Director, Center for Postsecondary Research, Indiana University

Kevin Carey, Research and Policy Manager, Education Sector

May 18-19, 2006

Full Commission Meeting

Washington, D.C.

Presenters:

Margaret Spellings, Secretary of Education

Commission Discussion (Discussion leaders listed below):

Universal Access and Preparation

Charlene Nunley, Commission Member

Affordability

Robert Mendenhall, Commission Member

Accountability: Assessment and Consumer Information

Charles Miller, Commission Member

Accountability: Accreditation

Arthur Rothkopf, Commission Member

Workforce Development and Meeting Labor Market Needs

Richard (Rick) Stephens, Commission Member

Increasing Supply to Address Capacity

Charles Vest, Commission Member

Innovation

Nicholas Donofrio, Commission Member

Identification of Gaps/New Areas

Nicholas Donofrio, Commission Member

Commission Discussion and Wrap-Up

Richard (Rick) Stephens, Commission Member

Aug. 10, 2006

Full Commission Meeting

Washington, D.C.

Introduction and Discussion of Meeting Process

Charles Miller, Chairman, The Secretary of Education's Commission on the Future of Higher Education, U.S. Department of Education

Update on Process for Production and Transmittal of Final Commission Report

Cheryl Oldham, Executive Director, The Secretary of Education's Commission on the Future of Higher Education, U.S. Department of Education

Motion to Adopt Draft Report

Commission Discussion — Follow-up to Report

October 18, 2006

MEMORANDUM

TO: State Board of Regents
FROM: Richard E. Kendell
SUBJECT: Information Item—Report on Joint Legislative Meeting

Members of the State Board of Regents joined members of the State Board of Education in a joint legislative meeting comprised of the Education Interim Committee, the Public Education Appropriations Subcommittee, and the Higher Education Appropriations Subcommittee, on September 21, 2006. The meeting was very ably hosted by President Cynthia Bioteau at Salt Lake Community College. Several Regents and Presidents were in attendance, along with the Commissioner and his staff.

Minutes of the meeting from the legislative staff were not yet available at the time the agenda was mailed. These minutes are normally posted on the Legislature's web site. We will notify you when they are available.

I was invited to make the opening presentation, and focused my remarks on the importance of higher education in producing self-sustaining adults. I also provided a brief report on concurrent enrollment from the perspective of the K-16 Alliance. Copies of my presentations are attached for your information. The meeting agenda is also attached.

Commissioner's Recommendation

This is for discussion only. No action is required.

Richard E. Kendell
Commissioner of Higher Education

REK/DLB/jc
Attachments



UTAH SYSTEM OF
HIGHER EDUCATION

Building a Stronger State of Minds



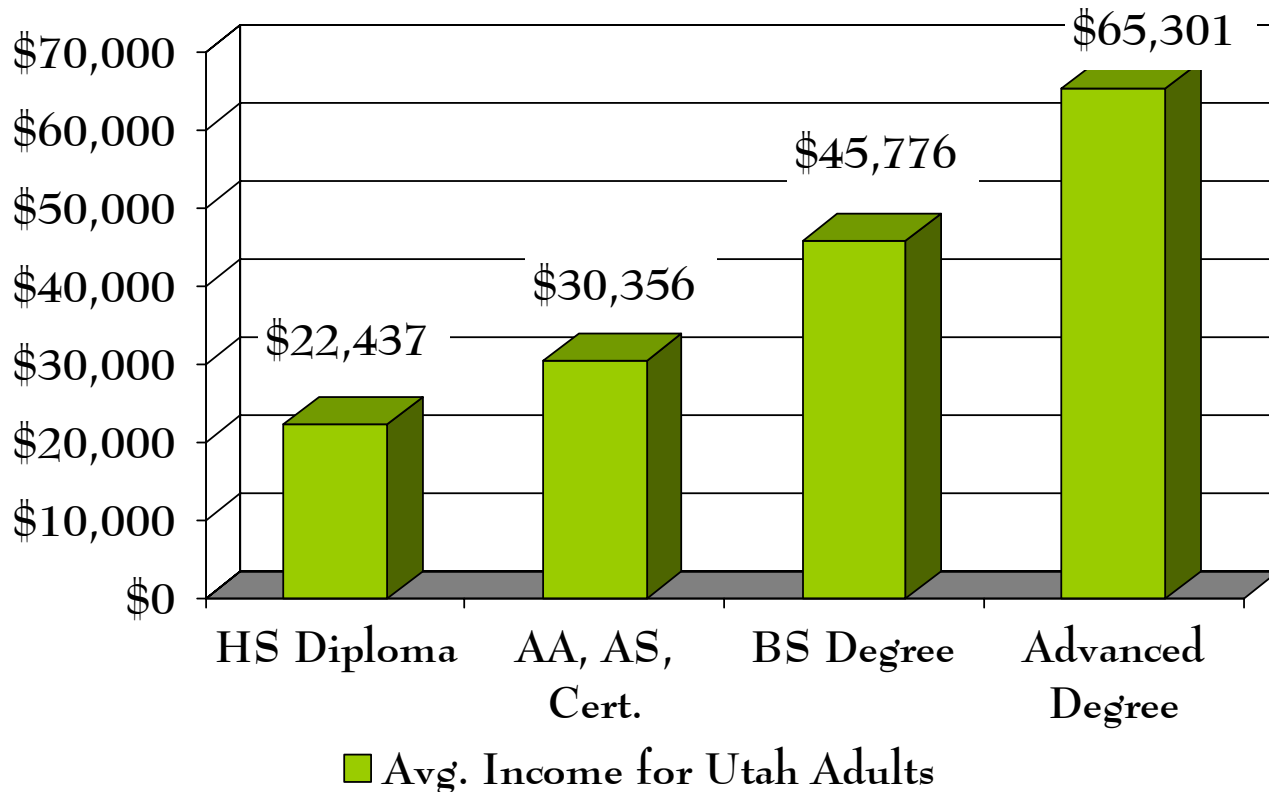
“Building a Stronger State of Minds”

- USHE’s focus of “Building a Stronger State of Minds” translates into our goal of producing self-sustaining adults.
- A self-sustaining adult is defined as one who earns an income of \$40,000/year or more for a family of four.



Education and Training Pay

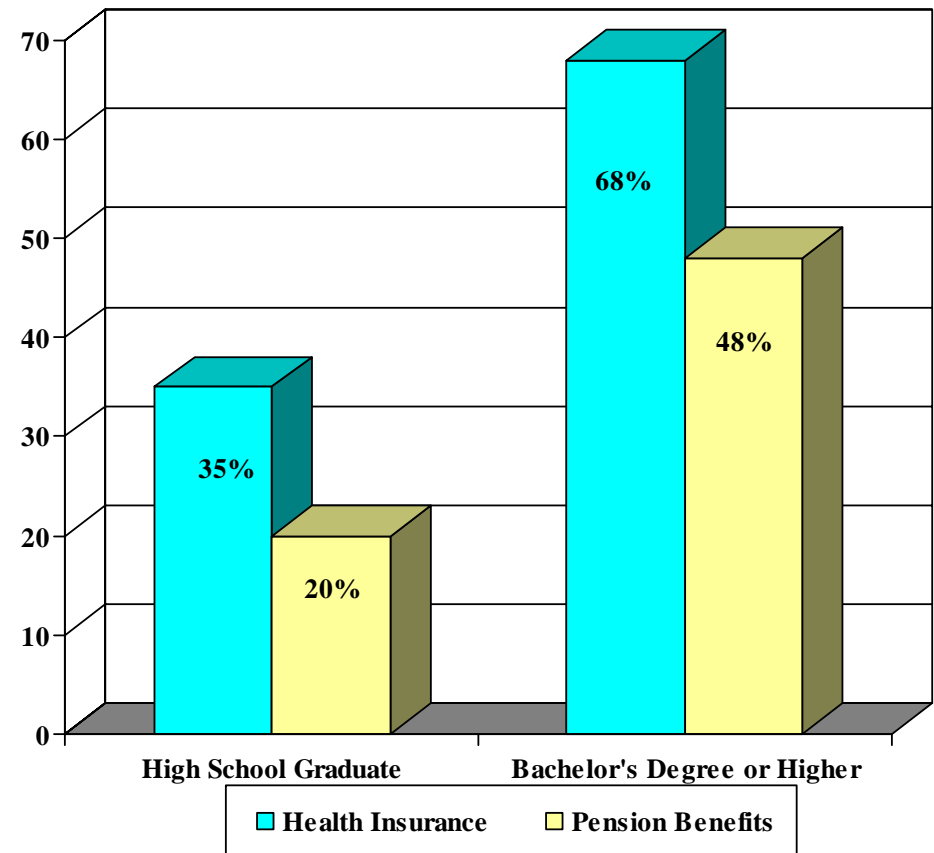
Median Income by Education Level





Education Leads to Self-Sustaining Adults

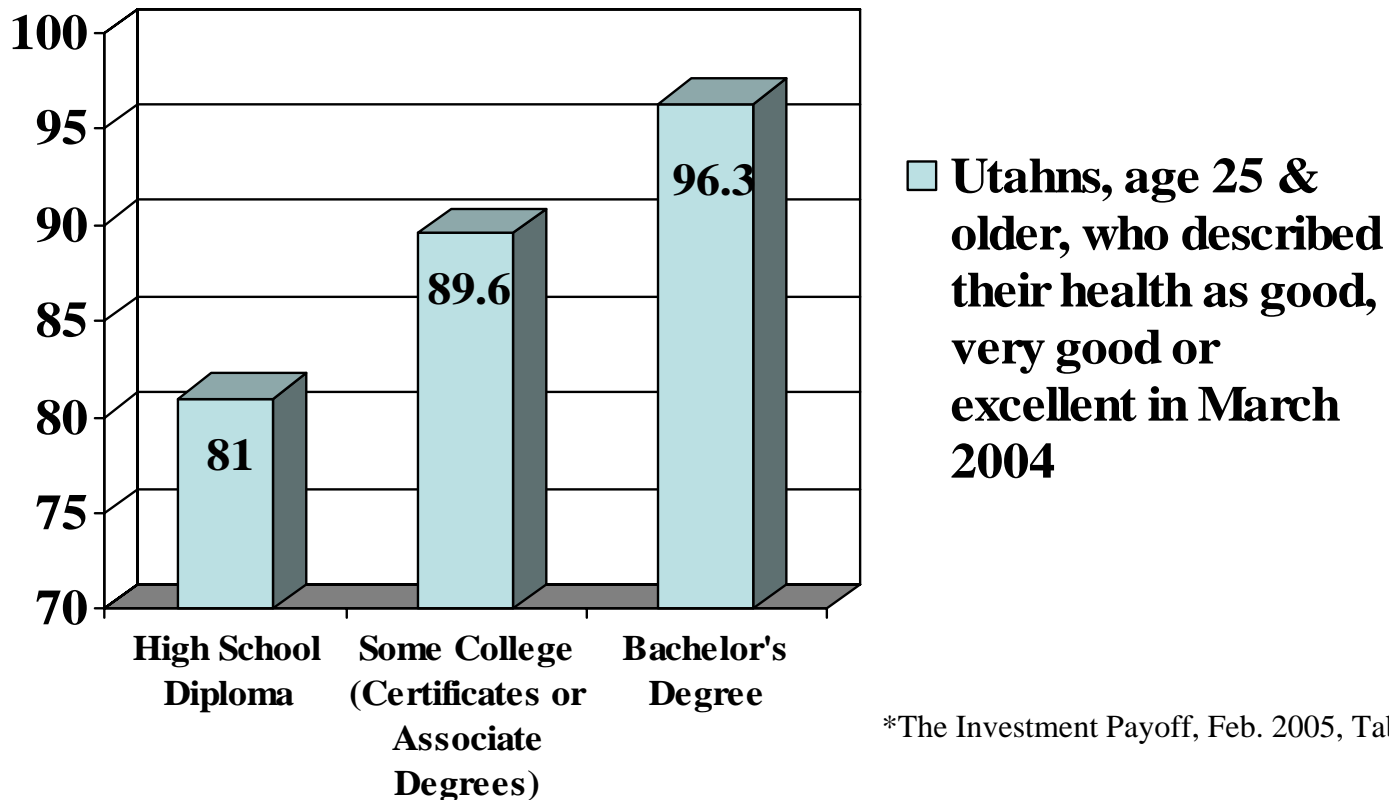
- Graduates are more likely to have employee benefits (health insurance, retirement programs, leave time, etc.)





Education Leads to Self-Sustaining Adults

- Graduates are more likely to be in good health and live a healthy lifestyle



*The Investment Payoff, Feb. 2005, Table 5



A Changing Workforce

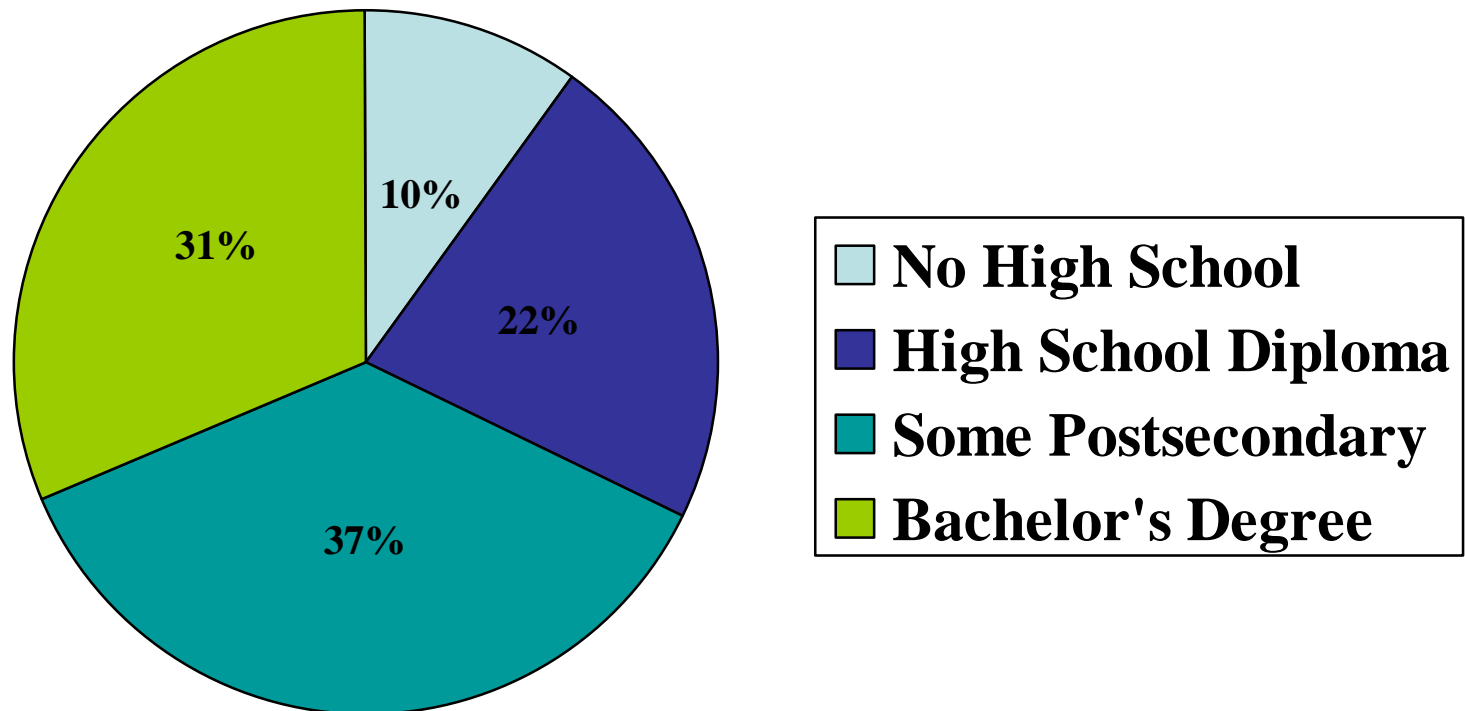
- 90% of jobs providing a wage to sustain a family of four typically require some combination of vocational training and on-the-job experience or an associate's degree.

- ACT Ready for College=Ready for Workforce Training, May 2006.



A Changing Workforce

- More than 2/3 of new jobs require some postsecondary education





Changing Workforce = Changing Goals

- Have we adjusted our goals and efforts to meet the demands of today's global economy and evolving families?
- What are they and how can our state improve?
- How can higher education assist the state in adapting to changes?
- What challenges do we face? We see it as three areas: preparation, participation and completion.



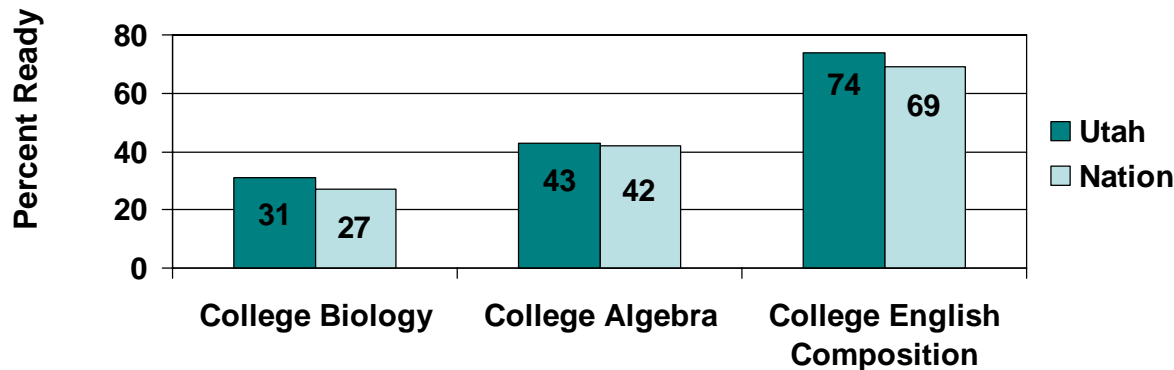
High School Graduation Rates

Graduation Rate by Student Group	Utah (%)	Nation (%)
All Students	76.7	69.6
Male	77.9	65.2
Female	80.9	72.7
American Indian/Alaska Native	** Value not reported	47.4
Asian/Pacific Islander	71.2	77.0
Hispanic	55.5	55.6
Black (not Hispanic)	60.6	51.6
White (not Hispanic)	81.7	76.2



Lack of Preparation

- Many high school students are not preparing themselves for college



1. The above chart demonstrates the percentage of 21,561 Utah high school students who took the ACT in 2005-2006 and tested ready for their first credit-bearing college-level course in three areas.
2. In 2006, only 24 percent of these students tested ready for college-level coursework in **all three areas** (biology, algebra and English comp).
3. The number of these students who don't meet the benchmarks increases between 10th and 12th grades because they aren't taking rigorous courses their last two years of high school. *(2006 ACT, Measuring College Readiness.)*



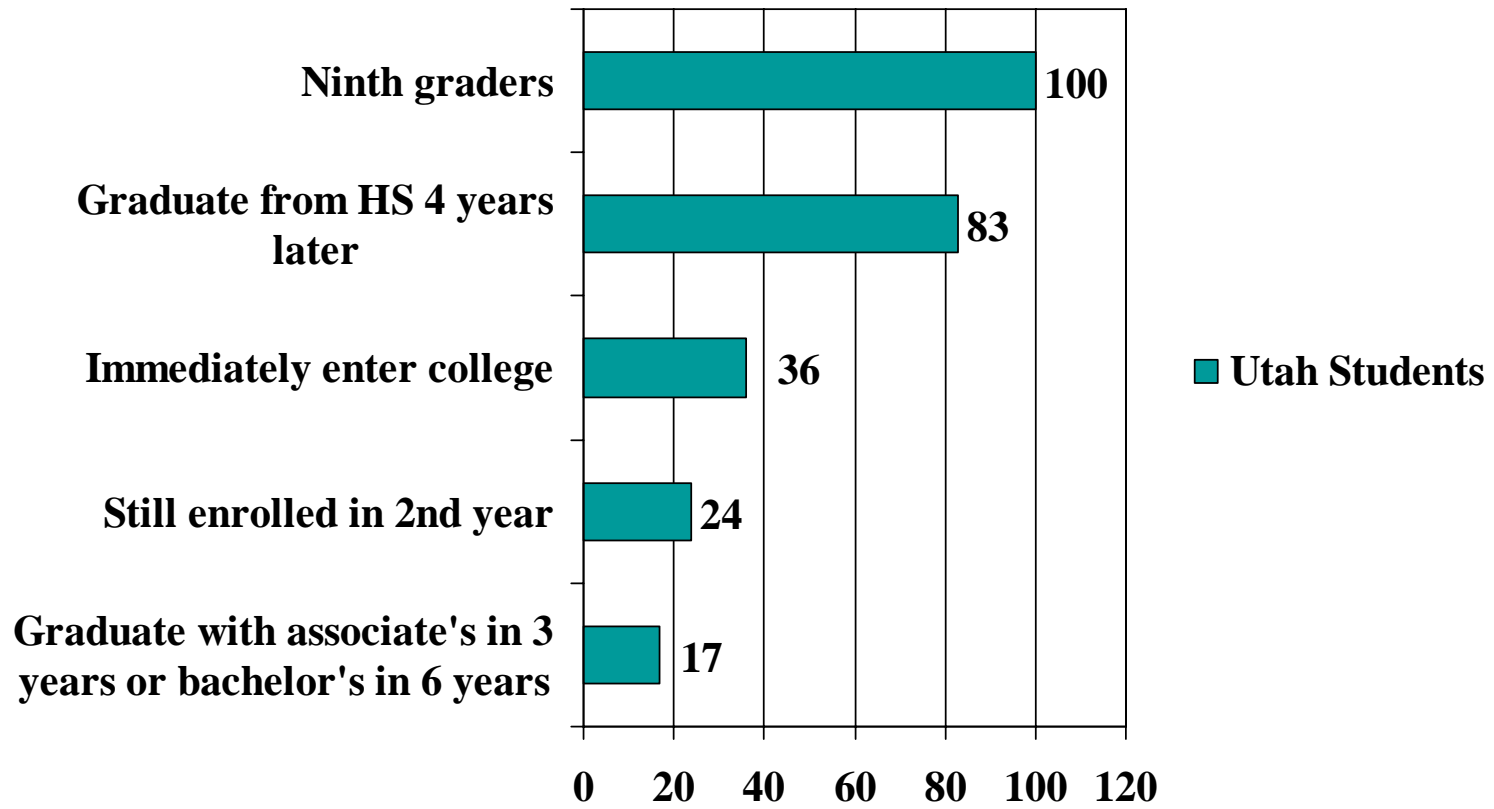
Lack of Participation

- The chance of enrolling in college by age 19 has declined by 11% compared with a national decline of 2%.

PARTICIPATION	UTAH		Top States 2006
	1992	2006	
Young Adults (60%)			
18- to 24-year-olds enrolled in college	41%	34%	41%
Working-Age Adults (40%)			
25- to 49-year-olds enrolled part-time in any type of postsecondary education	3.9%	3.9%	5.1%



Lack of Participation





Lack of Completion

- The percentage of the population holding bachelor's degrees changes across demographic groups.

Utah Losing Ground in 2002

Utah ranks 12th in the nation in the 45-64 age group, but only 32st in the nation for the 25-34 age group

Age Group	Both Sexes		Male		Female	
	Utah	U.S.	Utah	U.S.	Utah	U.S.
25 to 34 years	25.4	27.5	25.6	25.7	25.3	29.4
35 to 44 years	26.3	25.9	29.8	25.8	22.7	26.0
45 to 64 years	30.1	26.4	35.6	29.3	24.7	23.7
65 years and over	19.2	15.4	26.8	20.5	13.3	11.8

•Source: Utah Foundation, June 2004, *Utah's Higher Education Graduates*



Lack of Completion

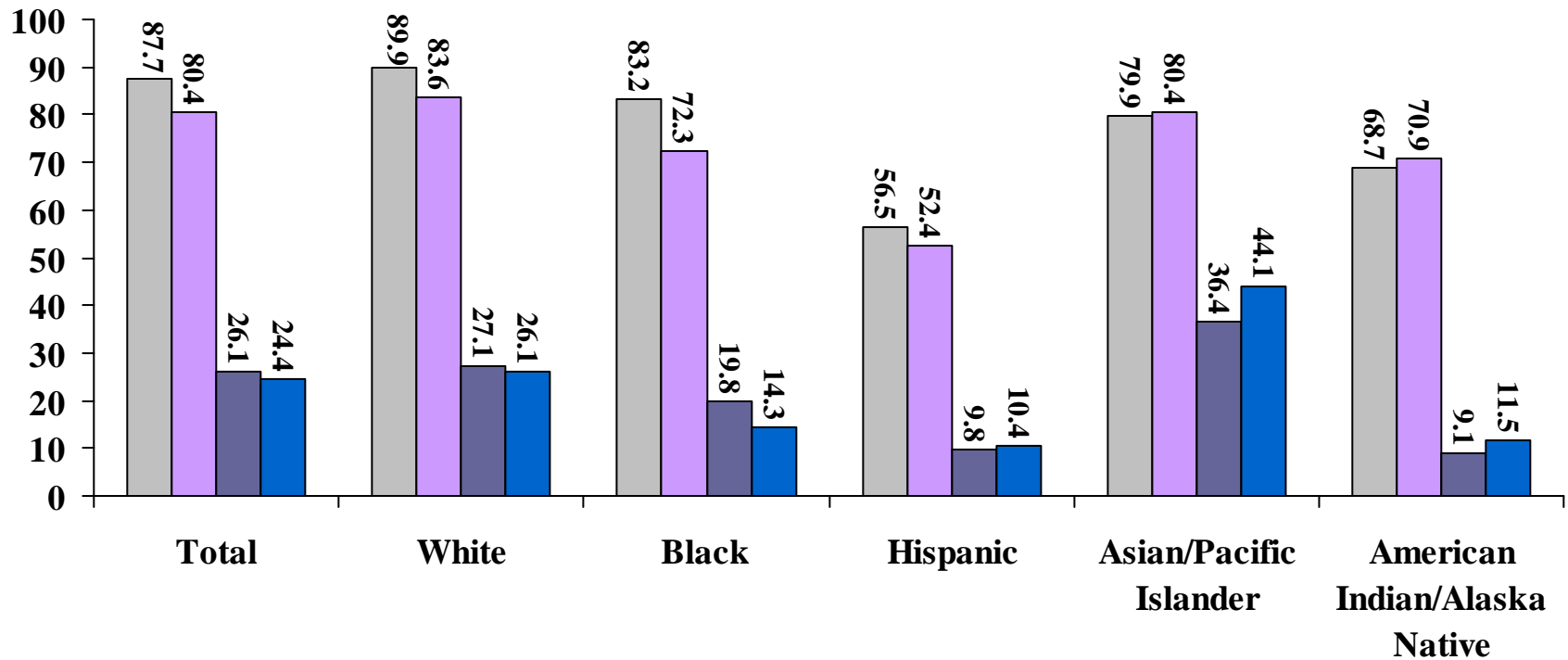
- Percent of Utah's population, by county, who hold at least a bachelor's degree

Age	Utah County			Salt Lake County		
	Men	Women	Total	Men	Women	Total
25-34	30.9	30.4	30.7	26.2	26.7	26.4
35-44	37.8	24.7	31.4	29.9	25.1	27.5
45-64	42.9	30.0	36.2	36.5	26.1	31.2
65 +	35.1	15.6	24.1	28.6	14.8	20.6
Age	Washington County			Davis County		
	Men	Women	Total	Men	Women	Total
25-34	16.3	18.4	17.4	29.0	24.9	26.9
35-44	21.3	17.5	19.4	36.9	23.2	30.1
45-64	31.6	18.9	24.8	40.4	25.5	32.8
65 +	27.5	14.0	20.4	30.0	12.4	20.3



Lack of Completion

Highest Level of Educational Attainment, Age 25+, by Race/Ethnicity

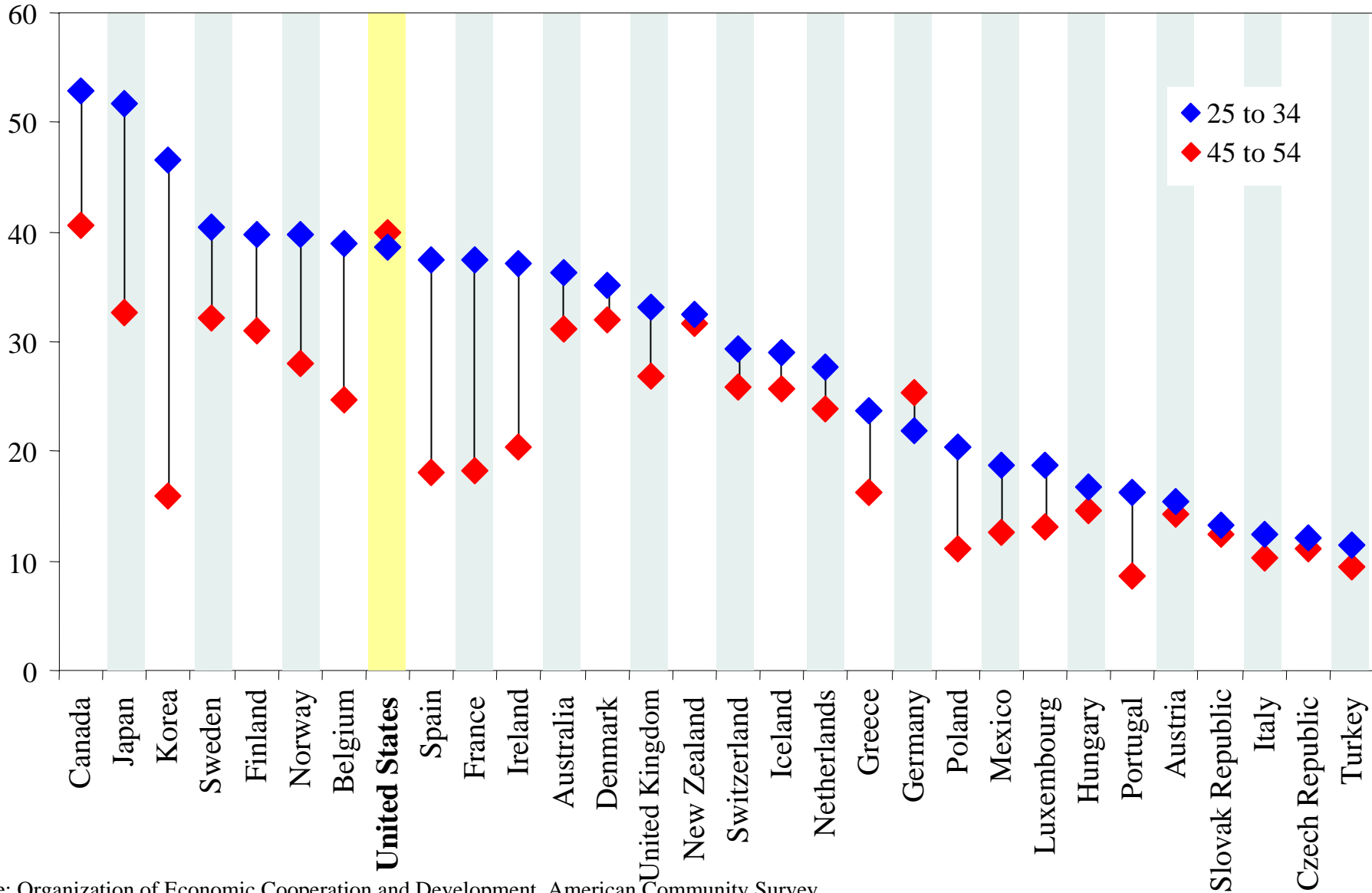


■ UT - % With High School Diploma or Higher ■ US - % With High School Diploma or Higher
 ■ UT - % With Bachelor's Degree or Higher ■ US - % With Bachelor's Degree or Higher

Source: Bureau of the Census, 2000 (updated 2003)



Percent of Adults with an Associate's Degree or Higher - 2003





Critical Mass

- “All is not well” – we are slipping in preparation, participation and completion.
- Utah is missing critical mass
- How do we get where we need to go?



Increase Preparation

- K-16 Alliance
- Minority Task Force
- Utah Scholars
- New Century Scholarship
- Concurrent Enrollment
- Increased mentoring/tutoring for students



Increase Participation

- Implement institutional goals of increasing participation rates by 0.5% annually
 - This translates to 12,000 additional full-time students in five years, system-wide
 - This translates to 21,000 additional full-time students in 10 years, system-wide



Increase Completion

- U.S. Department of Education: “The Toolbox Revisited,” cites a rigorous course of study, entering college immediately after high school, and completing at least 20 semester hours during first year of college translate to a more certain and timely completion of a degree.



Increase Completion

Work to decrease time it takes to complete degrees

- Reduce bottlenecks
- Increase number of advisors



Higher education is central to our well-being as individuals and as a state.

“In the agricultural age, postsecondary education was a pipe dream for most Americans. In the industrial age, it was the birthright of only a few. By the space age, it became common for many. Today, it is just common sense for all.”

-National Commission on the High School Senior Year



UTAH SYSTEM OF
HIGHER EDUCATION

Building a Stronger State of Minds



Concurrent Enrollment

- In the 2006 General Legislative Session a significant infusion of state funds was made into concurrent enrollment
 - \$2.3 million in new funding (a record amount in one year)



Concurrent Enrollment Growth

Year	# of Students	Total Funding
1998-1999	19,744	\$5,360,898
1999-2000	20,506	\$4,701,173
2000-2001	19,822	\$5,610,838
2001-2002	20,663	\$6,149,390
2002-2003	21,875	\$5,310,029
2003-2004	23,384	\$5,354,633
2004-2005	26,680	\$5,354,633
2005-2006	27,300	\$5,541,959

*Source: State Office of Education, 2006



“Task Force” Plan

- Value of the per credit funding – increased by increases in value of WPU
- Codify that there will be a split of funding of 40% going into higher education and 60% into public education
- Support funding concurrent enrollment as part of the Public Education budget



Quality Standards

- **Curriculum**
 - Content of USHE courses is to be the same regardless of site where delivered
- **Faculty**
 - All concurrent enrollment faculty must meet established criteria for adjunct faculty
- **Students**
 - Students must demonstrate their preparedness for the course work
- **Assessment**
 - Site visits by departmental and concurrent enrollment representatives are an important part of the on-going assessment
- **Technology Delivered Courses**
 - Courses delivered through technology is an excellent option. It should be closely supervised and evaluated

October 18, 2006

MEMORANDUM

TO: Utah State Board of Regents

FROM: Richard E. Kendell

SUBJECT: Draft Recommendations of Task Force on Minority and Disadvantaged Students—
Information Item

Background

One of the six Strategic Directions for 2005-2007 that was adopted by the Board of Regents in June 2005 is "Meeting the Needs of Disadvantaged and Minority Students." In order to flesh out an actual agenda that might be pursued by the Regents to close the gap in higher education attainment rates between white and minority students, a task force was formed to discuss the relevant issues and develop a short list of recommendations for the Regents to consider. The task force, which has been chaired by Dave Doty, Assistant Commissioner, and David Richardson, SLCC Vice President for Academic Affairs, included prominent members of Utah's ethnic minority communities, as well as representatives from each of the ten USHE institutions.

The task force first met on March 6, 2006, and held several meetings between March and September 2006. At the task force's last meeting, the group finalized a list of draft recommendations, which is attached for review and discussion. Upon receiving feedback from the Regents and institutional presidents, the task force plans to issue a final list of recommendations, supported by a comprehensive report justifying each recommendation, for Regent approval in December.

Draft Recommendations

The task force has prepared a short list of recommendations that it proposes as the core of the Regents' agenda to increase the number of minority and disadvantaged students participating in higher education. These recommendations fall under five general categories: (1) P-12 Preparation; (2) College Mentoring and Outreach; (3) Campus Academic Support; (4) Public Relations/Communications Campaign; and (5) Financial Aid.

Many of the recommendations involve steps that would need to be taken internally by USHE institutions and the Office of the Commissioner, and could be done with existing funding. However, some of the recommendations, particularly those involving kindergarten programs and financial aid programs, would require additional state funding and implicate the Regents' legislative agenda. Significantly, several other states are pursuing aggressive agendas to increase minority enrollments in higher education, and have been successful in major new initiatives in recent months. A leading state in this area is Florida, and

the "Access and Diversity in Florida Higher Education" report, which was extensively considered by the task force, is attached.

Commissioner's Recommendation

This is an information item and no formal action needs to be taken.

Richard E. Kendell, Commissioner

REK/DSD/jc
Attachment

USHE TASK FORCE ON MINORITY AND DISADVANTAGED STUDENTS

Recommendations for Action

[DRAFT 10-18-06]

- I. P-12 Preparation
 - A. Partner with the Utah State Office of Education, public school leaders, and community organizations to advocate for quality pre-school programs and full-day kindergarten for all children.
 - B. Encourage all students and their parents, beginning in grade 7, to take a rigorous program of study in secondary school (e.g., State Scholars curriculum, New Century Scholarship curriculum, etc.).
 - C. Provide substantial incentives for disadvantaged students to complete a rigorous program of study in secondary school (e.g., Regents' Scholarship, Academic Competitiveness Grants, SMART grants, etc.)
 - D. Emphasize a secondary school curriculum that is reflective of the race and culture of ethnic minority students; hold special events on college campuses several times each year for both students and teachers on how to build an inclusive curriculum. USHE teacher education programs should ensure that all teacher candidates receive training and instruction on effective teaching of students from diverse racial and language backgrounds.
 - E. Hold an annual summit for all secondary school guidance counselors regarding academic expectations and opportunities for disadvantaged students.
- II. College Mentoring and Outreach
 - A. Develop and fund a state-level program modeled on GEAR UP and TRIO such as the College Reach-Out Program in Florida (see attached report).
 - B. Provide substantial incentives for college students to encourage their involvement in meaningful service learning and mentoring of minority/disadvantaged students at both the high school and college level; expand efforts of USHE service learning programs such as Campus Compact.
 - C. Establish homework and academic resource centers at college and high school campuses, libraries, community centers, and other locations where they will be easily accessible to students and families in low income areas to assist students with course work, college planning, etc. Seek funding from the Utah Legislature, as well as from corporate partners and foundations committed to the mission of early college preparation.
 - D. Take the initiative with local churches and community organizations to enlist their support in college outreach efforts.

III. Campus Academic Support

- A. Establish a senior-level administrator at each institution who is assigned to coordinate and work on improving participation and completion rates for minority and disadvantaged students.
- B. Ensure that each institution's mission statement specifically and emphatically reflects a commitment to success for all students.
- C. Institutions should take specific steps to recruit and retain faculty and administrators from diverse backgrounds.
- D. USHE and its institutions should seek additional funding to provide for additional academic advisors at each institution.

IV. Public Relations/Communications Campaign

- A. The Office of the Commissioner should develop a clear explanation of different higher education options available at each USHE institution and what students can expect from each in terms of employment opportunities and earning potential upon completion of a certificate or degree.
- B. The Office of the Commissioner should implement a system-wide communications strategy that dovetails with the Regents' "Building a Better State of Minds" campaign but that also targets and validates the home culture of ethnic minority students.
- C. Implement a communications plan, incorporating targeted messages on the Utah System of Higher Education and Utah Mentor Web sites, that specifically engages and communicates with all parents, regardless of their background and language.

V. Financial Aid

- A. Seek funding for state need-based financial aid for students, such as the Student Assistance Grants program in Florida (see attached report).
- B. Seek funding for a scholarship program targeting low-income and disadvantaged students who are risk of dropping out of school, such as the STARS Program in Florida (see attached report). Scholarships might be provided for targeted students (primarily in middle school) who are Utah residents, eligible for free and reduced lunch, remain drug and crime free, who progress academically, who meet school attendance requirements, abide by the school's code of conduct, and who meet with a mentor on a regular basis.
- C. Seek funding for a scholarship program for first-generation college students similar to the First Generation Matching Grant Program in Florida (see attached report). Such a program would provide state funds to match private donations on a dollar-for-dollar basis to provide grants to undergraduate students who are Utah residents and who meet "first

generation" status—i.e., neither parent earned a bachelor's or higher degree, are accepted into a state college, enroll at least part-time, demonstrate financial need, and meet other criteria established by individual institutions.

October 18, 2006

MEMORANDUM

To: State Board of Regents
From: Richard E. Kendell
Subject: College of Eastern Utah and Southeast Applied Technology College Collaboration Study

Recommendation I

In order to meet the needs of the southeastern Utah community in the most effective and responsive manner, the mission and function of the Southeast Applied Technology College (SEATC) campus of the Utah College of Applied Technology (UCAT) should be merged with the College of Eastern Utah (CEU), a comprehensive community college. In effect, the missions of both institutions can be preserved and enhanced.

Recommendation II

In order for a merger to occur, the statute specifying the makeup of the UCAT will need to be amended during the 2007 regular legislative session. The Commissioner is directed to seek legislation to enable this proposed change. The merger would be effective July 1, 2007.

Recommendation III

The following recommendations should be implemented:

1. The institutional mission of the UCAT campus needs to be a clearly identifiable addition to the mission of the College of Eastern Utah.
2. Procedures and policies, including a line item budget for UCAT funding, should be created in order to ensure UCAT funding as an integral part of the overall CEU budget.
3. A charge should be given to the Commissioner of Higher Education and the President of the College of Eastern Utah to implement and monitor the combining of the institutional missions, to preserve the function and services of the UCAT campus. Benchmarks should be set for current

UCAT activities and an accountability plan implemented. This should be done in consultation with the President of the Utah College of Applied Technology

4. Several models were outlined to restructure the administration of the College of Eastern Utah. The final model would be determined by the President, in consultation with the President of UCAT and the Commissioner of Higher Education.
5. A transition team, consisting of representatives from CEU, SEATC, the Commissioner's Office, public school districts, and the regional business community served by CEU, should be formed and charged with developing a detailed plan for the merger of the two institutions, including:
 - a. A plan for the merger of faculty and staff functions, policies and procedures
 - b. A plan for the leveraging of assets to build and support Career and Technical Education in the region
 - c. A plan for transitioning the SEATC Board of Directors into a Career and Technical Education Advisory Board, with representation on the Board for both the College of Eastern Utah, the Utah College of Applied Technology, and public education
 - d. A plan for articulating credit and non-credit programs

The transition team should be appointed by the Commissioner of Higher Education, in consultation with the UCAT President and CEU President.

6. The planning for this anticipated change should commence immediately.
7. The Commissioner will prepare a progress report to the Regents and the UCAT Trustees no later than one year from the date of formal implementation.

Richard E. Kendell
Commissioner of Higher Education

REK:jc

October 18, 2006

MEMORANDUM

To: State Board of Regents
From: Richard E. Kendell
Subject: Community College -UCAT Planning – Proposed Study Parameters

Study Timelines

- | | | |
|----|---|---|
| A. | Salt Lake Community College and
Salt Lake-Tooele Applied Technology College | November 1, 2006
Commencement Date |
| | | April 30, 2007 (or sooner)
Completion Date |
| B. | Southern Utah University, Dixie State College,
Southwest Applied Technology College,
and Dixie Applied Technology College | May 1, 2007
Commencement Date |
| | | October 30, 2007
Completion Date |

Study Teams

Gary Carlson	Chair
Gary Wixom	Assistant Commissioner/Community College-CTE Specialist
Kimberly Henrie	Budget Officer, Office of the Commissioner
TBD	Financial Analyst/Capital Facilities Analyst
TBD	National Technical College Specialist
TBD	Public School CTE Specialists
TBD	Trustees

Scope of Study for SLCC/SLTATC

1. What are the capital facility and O&M costs for developing an independent/stand-alone UCAT campus that would serve the Salt Lake and Tooele County region?
2. What are the capital facility and O&M costs for integrating UCAT programs across the SLCC campuses (14 locations)?
3. What governance structures would be optimal, should the two institutions be merged?
4. Are there cost advantages to separate institutions? Are there cost advantages to merged institutions?
5. To what extent is there mission overlap between SLCC and SLTATC?
6. Are there programs that clearly articulate across both institutions? Can articulation be best achieved within a single institution?
7. What are the characteristics of students who enroll in SLCC and SLTATC? What is the balance of secondary and adult students?
8. To what extent is there competition between SLCC and SLTATC for students, programs, facilities, and funding?
9. What specific program collaboration presently exists between the two institutions? What policies and practices could facilitate further collaboration?
10. Are facilities and equipment shared across programs and campuses? What examples represent exemplary practice?
11. What impact would a merger have on faculty composition, tenure policies, salaries and benefits, assignments and workloads? Could differences be accommodated?
12. Is there a requirement for separate MIS systems? Can a single IT platform serve students and programs?

Other questions and issues may emerge as the study proceeds. Such issues will be discussed with the Commissioner in collaboration with the presidents of SLCC and UCAT.

Richard E. Kendell, Commissioner

October 18, 2006

MEMORANDUM

TO: State Board of Regents
FROM: Richard E. Kendell
SUBJECT: General Consent Calendar

The Commissioner recommends approval of the following items on the General Consent Calendar:

- A. Minutes – Minutes of the Regular Meeting of the State Board of Regents held September 15, 2006, in the Regents' offices in Salt Lake City, Utah
- B. Grant Proposals
1. University of Utah – National Science Foundation; "STEP: Utah's Engineers;" \$1,998,012. Cynthia M. Furse, Principal Investigator.
 2. University of Utah – National Institutes of Health; "pH Sensitive Microbubble;" \$1,622,075. Honggao Gao, Principal Investigator.
 3. University of Utah – National Institutes of Health; "Smart Nanoparticles;" \$1,091,550. Natalya Rapoport, Principal Investigator.
 4. University of Utah – Defense Advanced Research; "Network Testbed;" \$1,004,084. Frank J. LePreau, Principal Investigator.
 5. University of Utah – US Geological Survey; "ANSS Seismic Monitoring;" \$2,457,327. Walter Joseph Arabasz, Principal Investigator.
 6. University of Utah – National Institutes of Health; "Manipulating Signal Sequences;" \$1,695,125. Carol Lim, Principal Investigator.
 7. University of Utah – National Institutes of Health; "Nucleic Acid Core;" \$1,457,625. Thomas E. Cheatham, Principal Investigator.
 8. University of Utah – National Institutes of Health; "Particulate Pollutant Receptors;" \$1,046,500. Christopher A. Reilly, Principal Investigator.

9. University of Utah – National Institutes of Health; “An International Study of Health Transitions and Trajectory;” \$1,571,925. Zachary Zimmer, Principal Investigator.
10. University of Utah – National Institutes of Health; “Cancer Genetic Counseling;” \$3,380,247. Anita Kinney, Principal Investigator.
11. University of Utah – National Institutes of Health; “Apoptotic Cell Extrusion;” \$1,837,701. Jody Rosenblatt, Principal Investigator.
12. University of Utah – Centers for Disease Control; “ERC Training Grant;” \$8,974,880. Kurt Timothy Hegmann, Principal Investigator.
13. University of Utah – National Institutes of Health; “Study of HSC Donor Safety and Quality of Life;” \$3,199,748. Michael A. Pulsipher, Principal Investigator.
14. University of Utah – National Institutes of Health; “Utah Neuroscience Autism-Research-Neuroimaging;” \$3,002,039. Janet E. Lainhart, Principal Investigator.
15. University of Utah – National Institutes of Health/National Institute for Diabetes; “Mouse Metabolic Center;” \$2,854,365. Donald McClain, Principal Investigator.
16. University of Utah – National Institutes of Health/National Institute for Child Health and Human Development; “Utah BIRCWH;” \$2,312,159. David Jess Bjorkman, Principal Investigator.
17. University of Utah – National Institutes of Health; “Super-Resolution SPECT;” \$1,877,534. Gengsheng Lawrence Zeng, Principal Investigator.
18. University of Utah – National Institutes of Health; “Charcot-Marie-Tooth Neuropathy;” \$1,868,750. Janet M. Shaw, Principal Investigator.
19. University of Utah – National Institutes of Health; “Ceramide in Hepatic;” \$1,868,750. Scott Summers, Principal Investigator.
20. University of Utah – National Institutes of Health; “DNA Packaging;” \$1,868,750. Sherwood Reid Casjens, Principal Investigator.
21. University of Utah – National Institutes of Health; “Drosophila SMA;” \$1,868,750. Aloisia T. Schmid, Principal Investigator.
22. University of Utah – National Institutes of Health; “JS-K and Leukemia;” \$1,868,750. Paul J. Shami, Principal Investigator.

23. University of Utah – National Institutes of Health; “Immunology and Autism;” \$1,844,000. Robert S. Fujinami, Principal Investigator.
24. University of Utah – National Institutes of Health/National Heart Lung and Blood Institute; “Model-Based Dynamic MRI;” \$1,775,305. Edward V. R. DiBella, Principal Investigator.
25. University of Utah – National Institutes of Health; “Leukemia Models in Zebrafish;” \$1,681,875. Nikolaus S. Trede, Principal Investigator.
26. University of Utah – National Institutes of Health; “Linear Chromosome Biology;” \$1,495,000. Wai Mun Huang, Principal Investigator.
27. University of Utah – National Institutes of Health; “RMN;” \$1,486,694. Mark Gibson, Principal Investigator.
28. University of Utah – National Institutes of Health; “Abnormal Protamine Expression;” \$1,279,000. Douglas T. Carrell, Principal Investigator.
29. Utah State University – Department of Health and Human Services; “Animal Models of Human Viral Infections for Evaluation of Experimental Therapies: Influenza and Orthopox Viruses;” \$2,134,465. Robert Sidwell, Principal Investigator.
30. Utah State University – Department of Health and Human Services; “Animal Models of Human Viral Infections for Evaluation of Experimental Therapies: Influenza and Orthopox Viruses;” \$1,386,654. Robert Sidwell, Principal Investigator.
31. Utah State University – US Department of Defense/Missile Defense Agency; “Multiple Kill Vehicles Payload Development, Independent Testing and Evaluation;” \$1,104,476.16. Thomas Humpherys, Principal Investigator.
32. Utah State University – US Department of Education; “Improving Comprehension: Self-Explanation in Mathematics and Science (SEMS);” \$1,344,770. James Dorward, Principal Investigator.
33. Utah State University – US Office of Naval Research; “Trust and Taint Propagation in Service-Based Systems;” \$1,800,755. Supratik Mukhopadhyay, Principal Investigator.
34. Utah State University – US Naval Research Laboratory; “Tactically Responsive Imaging Spectrometer;” \$1,586,602. Dean Wada, Principal Investigator.

C. Grant Awards

1. University of Utah – National Science Foundation; “Hominids and Geology Turkana;” \$2,376,339. Francis Harold Brown, Principal Investigator.

2. University of Utah – Department of Health and Human Services/Centers for Medicare and Medicaid; “Reducing Cancer Disparities;” \$3,858,105. Randall Walter Burt, Principal Investigator.
3. University of Utah – National Institutes of Health/National Cancer Institute; “Colon Cancer Core A;” \$2,497,977. Randall Walter Burt, Principal Investigator.
4. University of Utah – National Institutes of Health/National Heart Lung and Blood Institute; “Nicotine Addiction;” \$2,373,163. John R. Hoidal, Principal Investigator.
5. University of Utah – National Highway Traffic; “NEMSIS Technical Assistance Center;” \$1,000,000. Newell C. Mann, Principal Investigator.
6. Utah State University – NASA Langley Research Center; “Geostationary Imaging Fourier Transform Spectrometer (GIFTS);” \$1,215,755. Gail Bingham, Principal Investigator.
7. Utah State University – Department of Health and Human Services; “Animal Models of Human Viral Infections for Evaluation of Experimental Therapies: Influenza and Orthopox Viruses;” \$2,134,465. Robert Sidwell, Principal Investigator. Dale Barnard, John Morrey, Donald Smee, Co-Principal Investigators.
8. Utah State University – National Science Foundation; “National Center for Engineering and Technology Education;” \$2,199,944. Christine Hailey, Principal Investigator. Kurt Becker, Maurice Thomas, Co-Principal Investigators.
9. US Department of Defense/Missile Defense Agency; “Microsat Phase III Fabrication, Test, and Assembly;” \$1,100,503. Dean Wada, Principal Investigator.

Richard E. Kendell, Commissioner

REK:jc
Attachments

STATE BOARD OF REGENTS MEETING
 REGENTS' OFFICES, SALT LAKE CITY, UTAH
 September 15, 2006

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STATE BOARD OF REGENTS
REGENTS' OFFICES, SALT LAKE CITY, UTAH
15 SEPTEMBER 2006

Minutes

Regents Present

Jed H. Pitcher, Chair
Bonnie Jean Beesley, Vice Chair
Janet A. Cannon
Rosanita Cespedes
Katharine B. Garff
David J. Grant
Ali Hasnain
Greg W. Haws
Meghan Holbrook
Michael R. Jensen
David J. Jordan
Josh M. Reid
Sara V. Sinclair
Marlon O. Snow

Regents Excused

Jerry C. Atkin
Daryl C. Barrett
James S. Jardine
Nolan E. Karras

Office of the Commissioner

Richard E. Kendell, Commissioner of Higher Education
David L. Buhler, Associate Commissioner for Public Affairs
Joyce Cottrell, Executive Secretary
Amanda K. Covington, Director of Communications
David S. Doty, Assistant Commissioner and Director of Policy Studies
Carrie Flamm, Executive Director, Utah Student Association
Brian Foisy, Assistant Commissioner for Budget and Finance
Kimberly Henrie, Budget Officer
Phyllis C. Safman, Assistant Commissioner for Academic Affairs
Mark H. Spencer, Associate Commissioner for Finance and Facilities
Lucille T. Stoddard, Associate Commissioner for Academic Affairs
Kevin Walthers, Assistant Commissioner for Finance and Facilities
Lynne N. Ward, Director, Utah Educational Savings Plan
Gary S. Wixom, Assistant Commissioner for Academic Affairs

INSTITUTIONAL REPRESENTATIVES

University of Utah

Michael K. Young, President
Paul T. Brinkman, Associate Vice President for Budget and Planning
Arnold B. Combe, Vice President for Administrative Services
John G. Francis, Associate Vice President for Undergraduate Studies and Assistant CAO
Stephen H. Hess, Associate Vice President for Information Technology

Michael Perez, Associate Vice President for Facilities
David W. Pershing, Senior Vice President for Academic Affairs
Kim Wirthlin, Vice President for Government Affairs/Associate Vice President for Health Sciences
Jacob Kirkham, Student Body President

Utah State University

Raymond T. Coward, Provost
John DeVilbiss, Executive Director, Public Relations and Marketing
Glenn Ford, Vice President for Business and Finance
Steven Hanks, Vice Provost for International Affairs
Darrell Hart, Assistant Vice President for Facilities

Weber State University

F. Ann Millner, President
Peter Owen, Student Body President

Southern Utah University

Gregory L. Stauffer, Interim President
Abe Harraf, Provost
Dorian G. Page, Interim Vice President for Administrative and Financial Services
Steven Kiisel, Student Body President

Snow College

Michael T. Benson, President

Dixie State College

Stanley J. Plewe, Vice President of College Services
Donna Dillingham-Evans, Vice President of Academic Services
Frank Lojko, Director of Government Relations, Institutional Research & Hurricane Center
Joseph C. Peterson, Dean of Arts, Letters and Sciences

College of Eastern Utah

Ryan L. Thomas, President
Bradley King, Vice President for Institutional Advancement and Student Services
Michael King, Provost and Vice President for Academic Affairs
Aaron Hales, Student Body President

Utah Valley State College

Val Peterson, Vice President for Administration and External Affairs
Linda Makin, Director of Budgets
James L. Michaelis, Associate Vice President for Facilities Planning

Salt Lake Community College

Cynthia A. Bioteau, President
Katherine Boswell, Vice President for Institutional Advancement
Richard Bouillon, Marketing Manager
Julie Ann Curtis, Assistant to the Vice President of Academic Services
Dennis Klaus, Vice President of Business Services
David Richardson, Vice President of Academic Services
Whitney Kevern, Student Body President

Utah College of Applied Technology

Robert O. Brems, President
Jared A. Haines, Vice President of Instruction and Student Services
Kirt Michaelis, Vice President of Administrative Services
Miles Nelson, Campus President, Southeast Applied Technology College

Representatives of the Media

Elaine Jarvik, *Deseret Morning News*
Sheena McFarland, *Salt Lake Tribune*
Amy K. Stewart, *Ogden Standard-Examiner*
Erin Stewart, *Salt Lake Tribune*

Other Guests

Steve Allred, Office of the Legislative Fiscal Analyst
Dirk Anderson, Governor's Office of Planning and Budget
Sage Boyer
William Evans, Education Division Chief, Office of the Attorney General
Judy Mainord, CTE Director, Carbon School District
Spencer Pratt, Office of the Legislative Fiscal Analyst
Jill Wakefield, President, South Seattle Community College

Vice Chair Beesley called the meeting to order at 9:02 a.m. and welcomed everyone. She excused Regents Jardine, Atkin, Barrett and Karras. She announced that Regent Sinclair would chair the Finance and Facilities Committee meeting and Regent Holbrook would chair the Strategic Planning Committee meeting. She further announced the report on the CEU/SEATC collaboration study would be presented in the Committee of the Whole at 11:00 a.m. rather than being discussed in the Programs Committee. The Regents were dismissed to their respective committees.

The meeting of the Committee of the Whole was reconvened at 11:00 a.m. Chair Jed Pitcher presided.

Resolution in Memory of Kermit L. Hall

Commissioner Kendell acknowledged the tragic death of Kermit Hall, former president of Utah State University, in a swimming accident on August 13. Dr. Hall was known everywhere for his wisdom, superior

knowledge and understanding of the Constitution, and his quick wit. Commissioner Kendell read a resolution in Dr. Hall's memory. (A copy of the resolution is filed with the permanent records in the Commissioner's office.)

Regent Sinclair moved adoption of the Resolution. The motion was seconded by Regent Holbrook and adopted unanimously. Commissioner Kendell said President Albrecht would be flying to New York the following day to attend a memorial service in President Hall's honor and would present the resolution to Dr. Hall's wife, Phyllis.

Resolution in Memory of Afton Bradshaw

Commissioner Kendell said Representative Bradshaw had been a great friend of higher education. She served for 18 years in the House, 14 years on the Higher Education Appropriations Subcommittee, including eight years as its co-chair. Commissioner Kendell read a resolution in Representative Bradshaw's memory.

Regent Holbrook moved adoption of the Resolution, seconded by Vice Chair Beesley. The motion carried. Commissioner Kendell said the resolution would be delivered to Representative Bradshaw's husband, Howard.

Reports of Board Committees

Finance and Facilities Committee

Vice Chair Sara V. Sinclair, Acting Chair

University of Utah – 2006-2007 Budget for University Hospitals and Clinics (Tab H). Chair Sinclair said the committee had heard an excellent presentation from Senior Vice President Betz and Gordon Crabtree, Interim Executive Director of the University Hospitals and Clinics. **Chair Sinclair moved approval of the UUHC budget. The motion was seconded by Regent Grant and adopted.**

University of Utah – Approving Resolution, University of Utah Hospital Revenue Bonds, Series 2006A, and Variable Rate Hospital Expansion Bonds, Series 2006B (Tab I). Chair Sinclair explained the total bond value was \$105 million, \$90 million of which is new money. The remaining \$15 million is capitalized interest, debt service and associated costs. She explained that \$30 million would be at a variable interest rate and \$60 million at a fixed rate. The money will be used for the West Pavilion and the expansion of the Eccles Critical Care Pavilion, as well as parking expansion. **Upon motion by Chair Sinclair and second by Regent Jensen, the resolution was adopted with the following vote:**

AYE:

Bonnie Jean Beesley
Rosanita Cespedes
Katharine B. Garff
David J. Grant
Ali Hasnain
Meghan Holbrook
Michael R. Jensen

David J. Jordan
Jed H. Pitcher
Josh M. Reid
Sara V. Sinclair
Marlon O. Snow

NAY: (None)

Consent Calendar, Finance Committee (Tab J). **Chair Sinclair moved approval of the committee's Consent Calendar (UofU and USU Capital Facilities Delegation Reports). The motion was seconded by Regent Reid and adopted.**

Preliminary Draft, 2007-2008 Budget Request Categories (Tab K). Chair Sinclair said the committee appreciated the way this report was organized. She suggested the summaries be separated into A ("above the line") and B categories. Commissioner Kendell said it might be helpful to use the term "above the line;" these items are basic needs.

Information Technology Strategic Plan (Tab L). Chair Sinclair said the committee discussed this agenda item at length and considered the new strategic plan beautifully done. She commended Dr. Steve Hess for his leadership. Regent Jordan asked about centralization of information technology functions at some of the smaller institutions. Dr. Hess said he had talked with the institutions to ascertain their needs. We will likely centralize database administration and system administration at the smaller institutions. All institutions need help with back-up for disaster recovery. Additional employees have been hired who will help the smaller schools (CEU, Dixie, Snow).

Southern Utah University – Follow-up Report on Property Purchase (Tab M). Chair Sinclair said the follow-up report was very positive. The University was able to save \$100,000 in the purchase of this housing facility, which filled within a week. University officials said it may be possible to repay the purchase cost in three years rather than seven, as anticipated.

Salt Lake Community College – Sale of Metro Learning Center (Tab N). President Bioteau said an agreement had been reached, supported by the Regents' Executive Committee, for the sale of the Main Street Campus. The purchase price of \$5.2 million enabled the College to alleviate the remaining debt on the property and to recover some of the upgrading costs incurred. The College has been allowed to continue classes in the facility through Fall Semester. Another location will be identified in the downtown area for classes, beginning in January 2007.

Federal Action on Permanency of Tax-exempt Status for 529 College Savings Plans (Tab O). Lynne Ward, Executive Director of the Utah Educational Savings Plan Trust, said Section 529 of the IRS Code allowed for tax-free withdrawals when used for higher education purposes. The original provision was set to expire on December 31, 2010. Education officials worked with Congress to lift the sunset date, a move supported by all five members of Utah's Congressional delegation. The provision was subsequently removed from the tax code on August 17. Now, any gains on those accounts will be tax-free when used for educational purposes.

Strategic Planning Committee
Vice Chair Meghan Holbrook, Acting Chair

Chair Holbrook remarked this was the first meeting of the new committee, which agreed to expand its name to Strategic Planning and Communications Committee. She thanked the Commissioner's staff for their assistance.

Review and Reaffirmation of Strategic Directions and Commissioner's Goals (Tab P). Chair Holbrook said six specific strategic directions were identified in 2005, and a roadmap was provided on how these directions would fit within the messaging agenda. The Commissioner recommended a three-part message of Preparation, Participation, and Completion. The committee reaffirmed those recommendations. **Chair Holbrook moved approval of the Strategic Directions and the Commissioner's Goals. Regent Sinclair seconded the motion, which carried.**

USHE Messaging and Logo (Tab Q). Chair Holbrook reported it was generally believed that a common logo would unify the message of the Utah System of Higher Education. The tagline of "Building a Stronger State of Minds" shows the three-part message and follows the focus that came out of the research that has been conducted. Enlarged samples of the logo, letterhead, and business cards were shown. Amanda Covington pointed out the letterhead displays the logos of all ten USHE institutions along the bottom. The PowerPoint format will have a black background, as will a banner along the top of each succeeding page. **Chair Holbrook moved the adoption of the new logo and messaging. Regent Sinclair seconded the motion, which carried.** Regent Sinclair remarked she liked the clarity of the strategic directions as well as the new logo. She commended the Commissioner and his staff for developing the new "branding" strategy.

Update on State Scholars Initiative (Utah Scholars) (Tab R). Assistant Commissioner Doty reported Utah had received a \$300,000 federal grant in March, in partnership with the Governor's Office and the State Board of Education, through the K-16 Alliance. This is a pilot program in four school districts. A kick-off event was held the previous week at the State Capitol. The program is being presented to business leaders and public school officials. The SSI encourages all students, beginning in the 8th grade, to take a more rigorous course of study throughout high school. A total of 22 states across the country are participating in this program. Dr. Doty expressed his appreciation for the support of the State Board of Education, school districts, and the Regents. Chair Holbrook thanked Dr. Doty for the conciseness of the report.

Vice Chair Beesley asked if students in other school districts who complete these requirements would be eligible for the program. Dr. Doty said yes, as long as they meet the curriculum requirements. Program officials hope to involve other school districts as the program progresses. Commissioner Kendell and his staff have met with the editorial boards of the three major Utah newspapers. Everyone has been extremely supportive of this initiative.

Proposed Revisions to "Measuring Utah Higher Education" Annual Report (Tab S). Assistant Commissioner Doty summarized the report attached to Tab S. The Commissioner's staff has been examining the concept of revising the format of the annual report. They recommend reformatting it so that the report focuses on the three-part message and measures accomplishments in those areas. Sample proposed charts

were included in the agenda material. Dr. Doty invited suggestions or comments. This item will come before the Regents again in October, when they will be asked to approve the general direction so the report can be printed in time for the 2007 Legislative Session.

Vice Chair Beesley said it would be helpful to include comparison data with other states (national averages, highs and lows). Dr. Doty said benchmarks would be included. Chair Holbrook remarked the national trend is toward increased accountability. President Young commented there is often a disconnect between goals and outcomes. He recommended the goals be connected with the necessary resources for desired outcomes.

Legislative Update (Tab T). Chair Holbrook said a joint meeting would be held on September 21 between higher education, public education, and legislators. She encouraged all Regents to attend this important meeting at the SLCC Redwood Campus. The Commissioner's Office is preparing for the 2007 Legislative Session. Staff will be drafting bills and gaining sponsors. Regents will be invited to meet with the institutional legislative liaisons, as desired.

Academic (Programs) Committee Regent Michael R. Jensen, Chair

Chair Jensen thanked the previous Programs Committee for setting a high standard for the current committee to follow.

University of Utah – Bachelor of Arts Degree and Minor in Comparative Literary and Cultural Studies (Tab A). Chair Jensen said this was an exciting program. It fits in well with President Young's inaugural remarks and the institution's mission and goals. The program will allow students to integrate their study of multiple languages and literatures and stresses the points of contact and divergence between the students' chosen areas without requiring them to complete double majors. It will also allow students to compete in an increasingly global society. **Chair Jensen moved approval of the University's BA Degree and Minor in Comparative Literary and Cultural Studies. The motion was seconded by Regent Beesley and carried.**

Assumptions and Recommendations Regarding Future Development of the Utah College of Applied Technology and Support for the Community College Role at USHE Institutions. **Chair Jensen said the Programs Committee had added this item to its agenda and he moved its addition to the Board agenda as an action item. The motion was seconded by Vice Chair Beesley and carried.** Commissioner Kendell explained that included in the Assumptions and Recommendations was the assumption that revenue would continue to be limited into the future. The document outlined the role of the comprehensive community college as well as the role of UCAT. It addressed the potential for overlap between UCAT and community colleges, as well as the role and mission of the two types of institutions.

UCAT campuses are established in the same communities as existing community colleges. Two types of UCAT campuses exist. For instance, Davis Applied Technology College (DATC) and Ogden-Weber Applied Technology College (OWATC) have been growing and developing for many years and have well developed campuses. Other UCAT campuses rely on leased space and community college support. Before further

development is done, the Regents need to determine what kinds of partnerships can be created between a UCAT campus and its sister institution, and whether a merger of the two would be more effective. Administrative functions would be protected, regardless of the governance or location.

The Commissioner recommended the study continue which was just completed for CEU and SEATC, for Salt Lake Community College (SLCC) and Salt Lake-Tooele Applied Technology College (SLTATC), Dixie State College (DSC) and Dixie Applied Technology College (DXATC), and Southern Utah University (SUU) and the Southwest Applied Technology Center (SWATC). In addition, the Commissioner recommended the study explore a consolidation of DXATC and SWATC into a single applied technology college serving all of southern Utah, as well as merging that single ATC into Dixie State College.

If it is the will of the Regents and the Legislature that the present system continues, the Legislature should back that decision with funding. If that is not the will, the Regents need to consider other possibilities for the best use of limited resources. Direction must be set, in a thoughtful manner, for advancing the purpose of community colleges and UCAT.

Commissioner Kendell suggested that this item be included on the October agenda, with the parameters for the study outlined. Outside consultants would be used, along with USHE personnel. Commissioner Kendell anticipated much legislative interest in this process. An educational plan and a governance plan must be prepared that is the most efficient and practical.

Chair Jensen moved authorization of the proposed study as set forth in the Assumptions and Recommendations document. The motion was seconded by Regent Grant and adopted by the Board.

Proposed Amendments to Policy R604, *New Century Scholarships* (Tab C). Chair Jensen said the proposed changes would add the rigorous math and science curriculum track to the scholarship requirements, as enacted by the 2006 Legislature in HB 326. The committee agreed a more important issue was getting this message out to the public. This should begin with 8th grade math and science teachers, as well as institutional web sites. A marketing campaign will take this message to the residents of the state. **Chair Jensen moved approval of the changes to Policy R604. Regent Snow seconded the motion, which was then adopted by the Board.**

Consent Calendar, Programs Committee (Tab D). Chair Jensen said the committee had added Item C-3 of the Information Calendar to its Consent Calendar. That item was the discontinuance of SUU's automotive technology program, which required action rather than just information. **Chair Jensen moved the addition of this item to the Consent Calendar. Regent Reid seconded the motion, which carried.** Each item on the Consent Calendar was discussed briefly. **On motion by Chair Jensen and second by Regent Sinclair, the following items were approved on the Programs Committee's Consent Calendar:**

- A. University of Utah – Asia Center
- B. Utah State University – Plan C (coursework only), Department of Engineering and Technology Education
- C. Southern Utah University – Discontinuance of Automotive Technology Program

- D. Utah College of Applied Technology – Fast-Track Approval of an Automotive Certificate of Completion (at several campuses)

Information Calendar, Programs Committee (Tab E). Chair Jensen offered to respond to questions about any of the items.

New Century Scholarship – Math and Science Curriculum Delivery (Tab F). Chair Jensen explained this item was a companion item for Tab C. It was for information only; no action was required.

Information Calendar – Graduate Program Reviews (Tab G). Chair Jensen said program reviews are performed by the Board every five years for bachelor's degree programs and every seven years for graduate programs. The committee did not have sufficient time to review these reports, so they will be placed on the next agenda for review.

College of Eastern Utah and Southeast Applied Technology College Collaboration Study (Tab). Dr. Gary Carlston noted Dr. Jill Wakefield, President of South Seattle Community College, had traveled from Seattle to attend this meeting. He expressed the Board's appreciation for her help. Dr. Carlston introduced Judy Mainord, CTE Program Director for the Carbon School District, Dr. Gary Wixom and Kimberly Henrie, both from the Commissioner's staff, who served on the committee with him. He thanked them for their contributions and offered to respond to questions at the conclusion of his report.

The State Board of Regents authorized a study to look at ways to enhance collaborative efforts between CEU and SEATC, including the possibility of a merger of the two institutions. The committee was not charged to do a cost analysis. Dr. Carlston noted the study area was large in geographic location (approximately 17,000 square miles) and small in population. Certain essential functions are required by both institutions. The committee found strong cooperative relationships already exist between the two institutions. The presidents are collaborative; both want to see higher education delivered the best way to the region. CEU provides administrative support services for SEATC, but CEU employees are not paid for those services. No formal or written agreement exists as to the nature of those services. Collaboration and tone are set by the presidents of the institutions, but there is no formal structure nor process for ongoing collaboration between future administrations.

A partnership agreement was proposed by the institutions in August 2004 to formalize the arrangement and create articulation agreements. Both institutions are considered successful at what they do best. There is also much support in the community for the success of their missions.

Commissioner Kendell referred to the Supplement to Tab B, which contained his recommendation that a proposal for a merger of the two institutions be presented to the Regents at the October 26 meeting. The document also outlined the changes that would have to be implemented for such a merger to occur.

Two models were presented in Dr. Carlston's report for a merger of the two institutions. Model I would add a vice president position and a dean responsible for career and technical education, business and

outreach. It would also protect the mission of CTE within the CEU organization. CTE funding would be appropriated as a line item to CEU's budget.

Model II would create a Director of CTE, reporting to the Academic Vice President, as well as a Dean for CTE. Funding in this model would be appropriated as part of the overall community college budget.

Commissioner Kendell asked President Wakefield if her community college used one of these models and performed the same functions. Dr. Wakefield said the opportunities and challenges for Utah are in many ways unique, but in some cases are similar to hers. At SSCC, one college has an entire organization that handles services to the extended community. That individual is called an Executive Vice President but is an equal on the Chancellor's cabinet. Washington's system of vocational/technical institutions changed to a technical college system about ten years ago.

Regent Grant asked if the committee had considered the legislation that would need to be changed. Commissioner Kendell said if a merger is approved, legislation would be required to change the UCAT structure. He would defer to the presidents of CEU and SEATC on the model and organizational structure that would work best in their area.

SEATC President Miles Nelson expressed his appreciation for the committee's work. They did an admirable job of understanding the challenges and efforts in southeast Utah. This area is unique in the nation. Prior to legislation creating UCAT, the SEATC was governed jointly by higher education and public education. Even then, there were collaborative efforts between the two institutions. He listed his concerns: Can we continue to be responsive to Southeast Utah in meeting their needs? Will we receive the resources necessary to do that?

Regent Grant asked President Nelson if he supported the Commissioner's recommendation. President Nelson said he would prefer to see the details before responding to the question. A cost study will need to be made to ensure a streamlined operation.

President Thomas thanked the committee for their excellent report. He said both he and President Nelson were very pragmatic individuals, which will allow them to make the Regents' desired outcome work. ATC services are very important to the area, as are the services provided to the SEATC by CEU. It is important to have the resources available to provide those services. He said it will be necessary to form a structured way for the present relationship and collaboration to continue after both presidents have moved on. He asked for the opportunity for both institutions to continue to do what they already do well.

Dr. Carlston thanked his committee members again. Many miles were traveled, and many people were contacted. It was helpful to learn how Snow College had merged with the former Central ATC in Richfield. President Benson said Snow College has a line item for CTE training in its budget that is protected carefully and reported to several legislative groups. Dr. Carlston pointed out that, in addition to the cost factors, there is a need for balance. The citizens of southeast Utah have asked the committee members to convey to the Regents their need to continue those vital services.

Commissioner Kendell stated the actual building of the institution will take several months. The two existing presidents are capable of implementing a workable governance structure. He said he would like to meet with the UCAT Board of Trustees and travel to the CEU/SEATC area.

Regent Jensen moved approval of the Commissioner's recommendations in concept and defer action until October. Vice Chair Beesley seconded the motion. Regent Grant asked that the October report include a cost analysis. Regent Jensen asked that the option be left open to the collaborative partnership agreement between the two institutions. He asked that his request be included in his motion. Vote was taken, and the motion was adopted.

Chair Pitcher thanked Dr. Carlston and his committee for their report and for the excellent work that went into its preparation.

Report of the Chair

Chair Pitcher said his printed report was in the Regents' folders. A similar report will be printed for every Board meeting. He thanked Amanda Covington for her assistance in preparing the report.

Report of the Commissioner

USTAR legislation allocated \$4 million for outreach centers in five areas of the state. They will be aligned with the USHE institutions in those areas. USTAR is a very positive development for higher education and for the state.

Commissioner Kendell referred to his report of accomplishments at the USHE institutions and asked the Regents to note the outstanding achievements taking places on our campuses.

General Consent Calendar

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

- A. Minutes
 - i. Minutes of the Planning Retreat and Regular Meeting of the Board of Regents on July 27-28 at Southern Utah University (as corrected)
 - ii. Minutes of the Executive Committee Meeting held August 29, 2006
- B. Grant Proposals (on file in the Commissioner's Office)
- C. Grant Awards
 - 1. University of Utah – DOE National Energy Technology; "UT Clean Coal Center;" \$1,749,779. Ronald J. Pugmire, Principal Investigator.
 - 2. University of Utah – DOE National Energy Technology; "UHOC;" \$1,442,377. Philip J. Smith, Principal Investigator.
 - 3. University of Utah – National Institutes of Health/National Cancer Institute; "Natural Anti-cancer Agents;" \$1,120,261. Chris M. Ireland, Principal Investigator.
 - 4. University of Utah – National Institutes of Health/National Library of Medicine; "National Network of Libraries of Medicine (NL/LM) Service;" \$1,199,325. Wayne J. Peay, Principal Investigator.
 - 5. University of Utah – National Institutes of Health/National Institute of General; "Biology of HIV Core;" \$1,242,319. Wesley I. Sundquist, Principal Investigator.

6. Utah State University -- US Department of Defense/US Navy; "Time Critical Sensor Image/ Data Processing;" \$3,087,000. Niel Holt, Principal Investigator.
7. Utah State University -- USDA Cooperative State Research Service; "Functional Genomics in Nature;" \$1,372,467. Bart Weimer, Principal Investigator; Kamal Rashid, Co-Principal Investigator.
8. Utah State University -- University of Utah; "State Funding for the Installation of the Digital Satellite System;" \$1,075,299. Barbara White, Principal Investigator.
9. Utah State University -- Duke University; "Epidemiology of Alzheimer's Dementia in Cache County, Utah;" \$1,331,276. Maria Norton, Principal Investigator; Christopher Corcoran, Ronald Munger, Joann Tschanz, Co-Principal Investigators.

Adjournment

Regent Atkin moved that the Regents move into executive session to discuss pending litigation and personnel issues. The motion was seconded by Regent Jensen. The Regents reconvened in executive session at 1:18 p.m. and adjourned at 2:30 p.m.

Joyce Cottrell CPS
Executive Secretary

Date Approved

