

STATE BOARD OF REGENTS
SPECIAL MEETING HELD JANUARY 29, 2008
BY TELECONFERENCE

Minutes

Regents Participating

Jed H. Pitcher, Chair
Bonnie Jean Beesley, Vice Chair
Jerry C. Atkin
Janet A. Canon
Rosanita Cespedes
Katharine B. Garff
James S. Jardine
David J. Jordan
Nolan E. Karras
Anthony W. Morgan
Sara V. Sinclair
Marlon O. Snow
John H. Zenger

Regents Excused

Amy Engh
Patti Harrington
Greg W. Haws
Meghan Holbrook
Josh M. Reid

Office of the Commissioner

David L. Buhler, Interim Commissioner
Joyce Cottrell, Executive Secretary
Amanda Covington, Assistant Commissioner for Public Affairs
Richard Davis, Deputy Executive Director, UHEAA
David A. Feitz, Executive Director, UHEAA
Mark H. Spencer, Associate Commissioner for Finance and Facilities

Representatives of the Media

Wendy Leonard, *Deseret Morning News*
Brian Maffly, *Salt Lake Tribune*

Other Guests

Thomas C. Anderson, Assistant Attorney General
Val Peterson, Vice President for Administration and External Affairs
Blake Wade, Ballard Spahr
Paul Wozniak, Ballard Spahr

Chair Pitcher welcomed the Regents at 1:30 p.m. and thanked them for taking time to call in for this important meeting. He asked Secretary Cottrell to call the roll; a quorum was established.

UHEAA – Approving Resolution for Extension of Student Loan Program Amendments. Regent Atkin, Chair of the Finance and Facilities Committee, summarized the issue. Any bond or debt instrument being traded has been “shaky” as a result of the volatile mortgage issue; this has bled over into our student bonds. Any parameters which do not allow market rate interest could cause additional concern. The resolution

expanded the interest rate at which a bond could be traded. A temporary waiver of the Maximum Auction Rates (MAR) was approved by the rating agencies through May 31, 2008. The Student Loan Finance Subcommittee approved this resolution the previous week. **Regent Atkin moved approval of the Approving Resolution. Upon second by Regent Cespedes, the motion was adopted unanimously.**

Utah Valley State College – Approval to Add a Non-State Funded Capital Development Project. Associate Commissioner Spencer said UVSC officials wished to add to the non-state funding list the expansion of the Ray Noorda Children’s Theatre in the Gunther Trades Building. Although the project will be paid with donated funds, the college would like to request O&M (operations and maintenance) funding of \$45,000 when the structure is completed. This request will be taken to the Legislative Capital Facilities Subcommittee on January 31, because legislative approval is required before construction can begin. Dr. Spencer confirmed that this action does not endanger any other items on the Regents’ priority list. **Regent Snow moved approval to add this project to the Regents’ Non-State Funded Capital Development priority list. Regent Zenger seconded the motion, which was subsequently adopted unanimously.**

Legislative Update. Commissioner Buhler reported legislative priorities are moving forward. He thanked Assistant Commissioner Covington for preparing the weekly legislative report. The SLCC-SLTATC merger and the Regents’ Scholarship bills are being tracked closely.

Regents’ Scholarship Bill. Assistant Commissioner Covington has been lining up co-sponsors in the Senate; there are presently 14 co-sponsors in addition to the bill’s sponsor, Senator Lyle Hillyard. The bill will add a monetary incentive to the State Scholars Program. The bill also includes additional funding for first-generation students. We anticipate strong support in the House; Speaker Curtis has offered to help identify a sponsor. Fiscal impact would be \$7.5 million ongoing and \$50 million one-time funding. Commissioner Buhler said many of the budget decisions will be made in late February, after final revenue projects have been received.

SLCC/SLTATC Merger. Commissioner Buhler reported the UCAT Board of Trustees had taken formal action to oppose the merger. The Commissioner has been working closely with Representative Holdaway, sponsor of the bill; he has also met with a number of other legislators. Commissioner Buhler, Assistant Commissioner Covington, SLCC President Buhler and Vice President Bishop have been meeting with legislators, trustees, and others to respond to questions.

UCAT Governance. Commissioner Buhler said Senator Greg Bell had sponsored a bill dealing with UCAT governance. The bill will make some important changes by involving the Regents in UCAT’s budget discussions, capital facilities needs, etc. Regent Garff encouraged Commissioner Buhler to get input from former Governor Bangerter, who was the original chair of the UCAT Board of Trustees. Commissioner Buhler said he and President Bioteau had scheduled a meeting with Governor Bangerter. Regent Garff encouraged continued discussions.

Other. Commissioner Buhler reported President Young had met with the Higher Education Appropriations Subcommittee the previous day to discuss the administrative salaries issue. The legislators seemed satisfied with President Young’s responses. Commissioner Buhler said we have an excellent Higher Education Subcommittee, whose members are willing to ask hard questions. He noted that a 1998 audit showed that a 6 to 7 percent balance in non-lapsing funds was appropriate.

Higher Education Day Luncheon. Commissioner Buhler reminded the Regents of the Higher Education Day luncheon on February 20 in the Capitol Rotunda. He asked the Regents to let Secretary Cottrell know if they would be available to attend that day. We hope to have a good turnout.

Adjournment

Chair Pitcher again thanked the Regents for their time. **Regent Atkin moved adjournment, seconded by Regent Garff. The motion was adopted unanimously.** The meeting adjourned at 1:55 p.m.

Joyce Cottrell CPS
Executive Secretary

Date Approved