

STATE BOARD OF REGENTS MEETING  
DIXIE STATE COLLEGE, ST. GEORGE, UTAH  
MARCH 26-27, 2009

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STATE BOARD OF REGENTS MEETING  
DIXIE STATE COLLEGE, ST. GEORGE, UTAH  
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Minutes

Regents Present

Jed H. Pitcher, Chair  
Bonnie Jean Beesley, Vice Chair  
Jerry C. Atkin  
Rosanita Cespedes  
France A. Davis  
Katharine B. Garff  
David J. Jordan  
Nolan E. Karras  
Robert S. Marquardt  
Basim Motiwala  
Anthony W. Morgan  
Carol Murphy  
Teresa Theurer  
Marlon O. Snow  
John H. Zenger

Regents Excused

Greg W. Haws  
Meghan Holbrook

Office of the Commissioner

William A. Sederburg, Commissioner of Higher Education  
David L. Buhler, Associate Commissioner for Public Affairs  
Joyce Cottrell, Executive Secretary  
Carrie Beckman, Policy and Special Projects Coordinator  
Troy Caserta, Accounting Officer  
Joseph Curtin, Director of Institutional Research  
Richard O. Davis, Deputy Executive Director, UHEAA  
David A. Feitz, Associate Commissioner for Student Financial Aid and Director of UHEAA  
Spencer Jenkins, Assistant Commissioner for Public Affairs  
Melissa Miller Kincart, Assistant Director, State Scholars Initiative  
Cameron Martin, Assistant Commissioner for Administration and Planning  
Darren Marshall, Manager of Audit and Financial Services  
Paul Morris, Assistant Commissioner for Budget and Planning  
Phyllis C. Safman, Assistant Commissioner for Academic Affairs  
Gregory Stauffer, Associate Commissioner for Finance and Facilities  
Lucille T. Stoddard, Associate Commissioner for Academic Affairs  
Gary S. Wixom, Assistant Commissioner for Academic Affairs  
Lynne S. Ward, Director, Utah Educational Savings Plan

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  
Stephen H. Hess, Chief Information Officer  
Laura Snow, Special Assistant to the President and Secretary of the University  
Chuck Wight, Associate Vice President for Academic Affairs and Undergraduate Studies  
Suzan Young, First Lady

Utah State University

Stan L. Albrecht, President  
Raymond T. Coward, Provost  
David Cowley, Associate Vice President for Financial Services  
Michelle B. Larson, Assistant Provost  
Sydney Peterson, Chief of Staff  
Whitney J. Pugh, Executive Director, Budget and Planning

Weber State University

F. Ann Millner, President  
Brad Mortensen, Vice President for Institutional Advancement  
Norm Tarbox, Vice President for Administration  
Michael Vaughan, Provost

Southern Utah University

Michael T. Benson, President  
Rodney D. Decker, Interim Provost  
Donna Eddleman, Vice President for Student Services  
Dorian Page, Vice President for Finance and Facilities

Snow College

Scott L. Wyatt, President  
Marvin Dodge, Vice President for Administrative Services  
Craig Mathie, Dean of Students and Academic Affairs, Richfield Campus  
Rick Wheeler, Vice President for Academic Affairs

Dixie State College

Stephen D. Nadauld, Interim President  
William Christensen, Dean, School of Business  
Donna Dillingham-Evans, Vice President of Academic Services  
Victor Hasfurther, Dean, School of Science and Allied Health  
Don Hinton, Dean, School of Education, Humanities, Arts and Social Sciences  
Jeannine Holt, Friend of the College and former Vice Chair of the Board of Trustees  
Steve Johnson, Director of Public Relations  
Gary Koeven, Dean of Information Services  
Frank B. Lojko, Vice President of Student Services/Director of Government Relations  
Stanley J. Plewe, Vice President of College Services

Sherry Ruesch, Executive Director of Campus Services  
Christina Schultz, Vice President of Institutional Advancement  
Scott Talbot, Executive Director of Business Services  
George F. Whitehead, Associate Vice President of Institutional Advancement and Cultural Affairs

College of Eastern Utah

Mike King, Interim President  
Michelle Fleck, Interim Vice President of Academic Affairs

Utah Valley University

Elizabeth J. Hitch, Interim President  
Ernest Carey, Dean, College of Technology and Computing  
Jack R. Christianson, Executive Director, Center for Engaged Learning  
Mohammed El-Saidi, Associate Vice President for Academic Affairs  
Vincent Fordiani, Special Assistant to the President for Constituent Relations  
Linda Makin, Executive Director of Budgets  
Loretta Palmer, Associate Vice President for Undergraduate Research  
Nick Parmley, Student  
Val Peterson, Vice President for Administrative and Legislative Affairs  
Kyle Reyes, Program Director, Student Success/Retention  
Joseph Watkins, Student Body President

Salt Lake Community College

Joe Peterson, Vice President of Instruction  
Clifton Sanders, Dean of Science, Mathematics and Engineering

Utah College of Applied Technology

Richard L. White, President  
Jared Haines, Vice President of Student and Academic Services

Representatives of the Media

Tiffany DeMasters, *Spectrum*

Other Guests

Matthew S. Holland  
Steve Hunter, Friends of Utah Higher Education  
Spencer Pratt, Office of the Legislative Fiscal Analyst

The Board of Regents met in the Russell C. Taylor Health Sciences Center of Dixie State College in St. George, Utah. Chair Jed Pitcher welcomed everyone and called the meeting to order at 9:00 a.m. He excused Regents Meg Holbrook and Greg Haws and announced that Brent Brown had been appointed by the Governor and confirmed by the Senate to fill the vacancy in the Board created by Joel Wright's resignation. Regent Brown was unable to attend this meeting.

Chair Pitcher reviewed the schedule for the Strategic Planning meeting. President Nadauld invited the Regents to go through the facility before the conclusion of the two-day Board meeting.

#### Review of 2009 Legislative General Session

Commissioner Sederburg invited the presidents to comment on the outcome of the Legislative Session and lessons learned. It was noted that this year the Legislature had been able to "back fill" most of the cut; however, next year's budget will start at 17½ percent below this year's base budget. Several presidents thanked Regent Marquardt for his efforts at organizing the business community to advocate for higher education. Commissioner Sederburg pointed out Regent Marquardt had organized a higher education caucus meeting at 7 o'clock every Wednesday morning during the Session.

Budget. Commissioner Sederburg referred to Tab A and briefly reviewed the actions taken at the recent Legislative General Session. When the session began, the budget had already been reduced by 4 percent as a result of a Special Session. During the session, an additional 7½ percent was cut; however, one-time funds were used to "back-fill" 4 percent of that reduction, so the final net cut for fiscal year 2009 was 7½ percent. The budget for fiscal year 2010 will be reduced an additional 7½ percent, for a total reduction of 19 percent from what had been appropriated a year earlier (4+7½+7½).

On the positive side, USTAR received some federal funding, the presidents retained their flexibility to administer their own budgets, and some of the building projects are back on the table. Commissioner Sederburg thanked the Legislature for providing flexibility for the presidents to make the most appropriate choices for their respective institutions. He noted permanent ongoing funding of \$2 million had been appropriated for the Regents' Scholarship program, including \$1.9 million that was shifted from the UCOPE program, plus \$500,000 in one-time funding. Other programs received appreciable one-time funding.

One item that was not funded was compensation. In addition, O&M, enrollment growth, utility rate increases and other mandatory cost increases were not funded. Those expenses will have to be absorbed by the institutions.

Associate Commissioner Buhler noted the Commissioner's Office had 11 line items in the state budget. Higher education officials worked with the legislative committee to reduce the number of budget categories to five. "Jobs Now" money will go toward economic development, with UCAT receiving most of the funding. Funding was increased for the Regents' Scholarship program by shifting part of the UCOPE funding and with some additional ongoing appropriations for student financial aid.

Capital Facilities. Associate Commissioner Buhler thanked the legislative liaisons and the business advocates for helping higher education get the Legislature's approval for bonding for needed capital facilities. Five higher education projects were funded with a General Obligation bond, receiving \$104.5 million of the \$115 million bond. Those projects were the Eccles School of Business at the University of Utah, Salt Lake Community College's Digital Art and Design Building, the Gibson Science Center for Southern Utah University, and design for Dixie State College's Centennial Commons and Utah Valley University's Science and Health Design Building. Some UCAT

facilities also received design money. In addition, the Legislature approved \$55.6 million for capital improvements and \$255.6 million for one-time state- funded capital projects on USHE campuses.

Legislation. Associate Commissioner Buhler referred to the list of key bills of interest to the Utah System of Higher Education and briefly commented on a specific bills. Regent Jordan asked about the impact of HB 287, Utah Education Network Amendments, which authorized UEN to provide services to local governments as well as public and higher education. Dr. Hess explained that the bill made it possible for UEN to join the State of Utah in network connections.

Commissioner Sederburg referred to the Friends of Utah Higher Education advocacy group and asked Regent Marquardt to comment on this effort. Regent Marquardt said Steve Hunter represented this group every day at the Legislature. The group started with approximately 40 business leaders and ended with approximately 100. He encouraged everyone connected with higher education to take the message from the strategic planning discussion into the community and help the local citizenry to realize how important higher education is for the good of the state and the economy. The Regents can take the leadership role in articulating that message. Chair Pitcher asked Regent Marquardt if he would continue to lead this effort.

#### Strategic Planning

Commissioner Sederburg said the object of the strategic planning session was to define the three or four top priorities for higher education and then to advocate that message. He noted that an online effort led by students called "Save Higher Education" involved over 100 participants.

President Young thanked Commissioner Sederburg for giving the University of Utah faculty the opportunity to present valuable data at this meeting. He also thanked the UofU faculty members for their participation and preparation.

Regent Zenger reviewed the strategic planning process to date. The immediate objective was to adopt strategic goals and objectives around the issues of preparation, completion, and economic development. This work will help shape the work of the Commissioner's Office and will also help shape the Regents' focus during the coming year. He referred to the draft document and encouraged everyone's input. The strategic goals proposed in the document were:

1. Increase higher education participation rates for all Utahns.
2. Increase degree completions for those enrolling in higher education.
3. Substantially enhance Utah's colleges and universities as engines of state economic development.

Regent Morgan noted the document was fluid and may need to be adjusted in the years. The Regents were asked to address the following questions in their group discussions: What are the appropriate state policy methods to achieve these goals? Which of these goals are important to the various institutions? The goal of this meeting was not to adopt the objectives under each goal, but to adopt the general goals; a vote to adopt the goals did not mean a vote to adopt the objectives of those goals. The goals may need to be differentiated by type of institution.

**Regent Morgan moved to adopt the three strategic goals (listed above) in the draft document entitled, "The Future of Higher Education in Utah: Strategic Issues for 2015 and Beyond." Regent Atkin seconded the motion, and the goals in the document were adopted unanimously.** Regent Morgan noted that the presentations made in this meeting related primarily to the goal of participation.

#### Utah's Demographic Transformation: A View Into the Future

Chair Pitcher introduced Dr. Pam Perlich, Senior Research Economist at the University of Utah. Dr. Perlich's presentation focused on Utah's demographic trends that are transforming and state and the nation: (1) We are becoming much more diverse in various dimensions. (2) Life expectancy is increasing and there is greater diversity in age. In 20 years, Utah's population will be primarily what are now minorities. Dr. Perlich predicted that higher education could expect a large enrollment growth in another seven or eight years. Utah is in a long-term growth rate in the United States.

Although Utah has lost jobs, people continue to migrate here. Many people are moving here from the East and Midwest because of the stability of our economy. Generally speaking, most smaller states, such as Utah, export people who are highly educated. As we create more jobs for well educated persons through research, more people will remain in Utah. Dr. Perlich noted that half of the medical scientists in Utah were immigrants. New jobs are being created, particularly in or as a result of higher education. In addition, people who identified themselves as "White" now represent a much more diverse population than ever before.

Research shows that by 2050, more than 50 percent of the citizens of the United States will be non-Caucasian. At that time, Utah's population will be approximately 30 percent minority, and Salt Lake County will be at about 40 percent minority population. One of three preschoolers and one in four grade school students are from a minority background. Many of their parents do not have education and do not vote. Today's students are in schools where they hear many different languages. In the Fall of 2008, 117 languages were spoken in the home. This is an incredible challenge for educators, but it is also a great opportunity for Utah. Most immigrants are of prime working age.

Regent Cespedes pointed out that although the minority population is increasing, participation rates for minorities are not increasing. Dr. Perlich agreed and noted that two-thirds of the enrollment growth is in minority students. Immigrants, their children and grandchildren will represent 80 percent of the population by 2050. Half of the foreign-born males in Utah who are 25 years old and older do not have a high school diploma. Education is not only an investment in the future; it is an intergenerational transfer.

Regent Morgan recommended that Dr. Perlich present this information to the Legislature. Chair Pitcher thanked Dr. Perlich for her presentation.

#### USHE Trends

Dr. Joseph Curtin, USHE Director of Institutional Research, presented data on trends in Utah higher education by race, ethnicity, and gender. He pointed out that ethnicity identification is always self-reported, and a student may identify with more than one ethnicity. Regent Cespedes asked if nonresident (international) students were included as minorities. Dr. Curtin said they were not.



It was noted that Utahns marry earlier and begin their families earlier than in most states. This puts increasing pressure on those students to support their families and may delay or prolong the time it takes them to complete a college degree. Many couples live together without being married and have the same familial obligations. Another factor is the amount of financial support provided by the parents. Students may also have military obligations.

#### Latina/Latino Educational Pathways

Dr. Octavio Villalpando, Associate Vice President for Equity and Diversity at the University of Utah, discussed career pathways for Latina/Latino students. He expressed his appreciation to the Regents for its efforts in trying to ensure that education remains available to all Utah's citizens. He made the following observations, based on national research:

1. Nearly 65 percent of Latinos are of Mexican descent. The majority were born and raised in the United States.
2. Approximately 70 percent are monolingual English speakers, and only 20 percent are bilingual.
3. The vast majority grow up in racially segregated neighborhoods and attend public schools.
4. Latinos are strongly influenced by family, spiritual, cultural, and educational values.
5. Job demands prohibit greater parental involvement in their children's education.
6. One-fourth of all persons living in poverty are Latinos/as.
7. Latino youth have the highest labor participation rates in the United States.
8. High school students have ranked teaching as their first career choice, followed by business.
9. The Latino/a spending power in Utah is \$6 billion.

Dr. Villalpando said families should have an academic and financial plan for college by the time their students reach 8<sup>th</sup> grade. It has also been proven that if parents are continuously involved, students are more likely to pursue and complete a four-year degree. It is critical that sufficient opportunities for financial aid are made available, before and during the college years. Regent Jordan pointed out that lending rates of Hispanics through UHEAA were lower than the average lending rates. Many Hispanic students receive their postsecondary education through a private institution.

Chair Pitcher thanked Dr. Villalpando for his presentation.

Regent Davis requested that the Regents receive similar reports from other minority groups.

Legislative Report. Commissioner Sederburg recognized Speaker Dave Clark and thanked him for his advocacy of higher education and for his leadership in the Utah Legislature. Speaker Clark said he had enjoyed the preceding discussion. The Legislature trusts the presidents' ability to manage their institutions. He commended the presidents for their very competent management and apologized for making that task so difficult. He anticipated that the economy would not rebound quickly enough to replace what had been taken away in the 2009 Legislative Session.

### Group Reports

Following lunch and group discussions, the Regents reconvened at 2:50 p.m.

#### Research Universities.

**Participation:** Regent Jordan reported that neither the University of Utah nor Utah State University is looking to grow. Their role is not to absorb a lot of new students but to gradually shift the mix of their students to a higher percentage of graduate students. In the past, institutions were funded based on enrollment growth. There needs to be another solution. Both institutions recognized the need to increase the number of students from under-represented minorities but indicated they did not know how to do this. Although they accept a percentage of the prepared students who apply, those students are not representative of the population of that under-served minority. One factor is the lack of need-based funding and affordability of an education at either the University of Utah or Utah State University. The group acknowledged that it was easier to identify issues than to come up with solutions.

**Increase Completion Rates:** Affordability is a key factor in completion. Many students are admitted to the USHE institutions who lack the financial resources to complete their education. Some demographic factors cause students to make hard decisions about delaying or abandoning an education. Debt (student loan obligations) was another factor. More need-based financial aid is vital. We must do a better job of reaching out to people in their real circumstances (part-time students who must work, students with parenting obligations, etc.).

**Enhance institutions as engines for economic development:** USTAR has been instrumental in bringing economic development opportunities to this state. The presidents confirmed their commitment to work collaboratively with the other institutions to turn intellectual property into applicable areas. The institutions will continue to work collaboratively with public education, to encourage more students to be prepared, particularly to participate in the STEM (science, technology, engineering and math) programs. Regent Jordan suggested that this could be a topic for future strategic planning discussions.

Regional Universities and State Colleges. Melissa Kincart reported the group agreed the goals need to be more achievable, especially financially. Suggestions to improve participation included expanding the participation rate age from 24 to 26 and a closer alignment of the goal statements. Additional topics recommended for strategic planning discussions were K-16 and USTAR.

**Participation:** There was agreement in the collective completion of the goal. Everyone is responsible for helping civic and church leaders understand what higher education actually contributes to the state. Outreach in the communities needs to look different to serve the under-represented communities. Higher education should develop better partnerships with other groups to reinforce the institutions' comprehensive mission. Differential tuition may be a possibility, while being mindful of institutional fit and helping under-represented groups fit into a successful field.

**Completion:** President Benson committed to hire more academic advisors to help high school students formulate educational plans. Need-based financial aid must be increased. The Regents can take the lead on setting benchmarks regarding graduation plans, but allowance must be made for flexibility and institutional type.

**Economic Development:** The Dennis Jones report was discussed. The group suggested that a comprehensive communication plan be developed to work with key constituents to promote higher education as the economic engine it really is and to point out how participation and completion will impact economic development in this state. It will take funding to reach these goals. The group encouraged the Regents and presidents to think about funding strategies. How can the percentage of funding appropriated for higher education be increased? What about a property tax or income tax to help fund community colleges? If tuition could be reduced, it might not be necessary to increase financial aid.

Community Colleges. Regent Theurer reported.

**Participation:** This group raised several questions. Who should be counted – just USHE institutions? UCAT? Private institutions? The top five states average a 44 percent participation rate. What percentage of those students are enrolled at state institutions? Is it possible to get higher education back to the previous allotment of the state budget? Mention was made of the K-16 Alliance. A common goal with the State Board of Regents is “closing the gap” between Caucasian students and minority students. Public education is important in improving high school graduation rates. Should a higher education goal include a percentage of high school students? Where does teacher preparation fit in? What about counseling issues? What about transferring community college credits to four-year degrees? What happens to UCAT? Barriers to transferring credits should be eliminated. The group requested additional focus on financial aid: What is available? What is the cost of attendance at community colleges? There is a vital need for more need-based financial aid and scholarships. Who is getting the New Century and Regents’ Scholarships? Are we using this money wisely?

**Completion/Retention:** The group requested a common definition of retention and suggested that the Institutional Resources office come up with this definition. Retention among two-year schools is a separate issue than at four-year schools.

**Economic Development:** Is the recommended completion rate of 61 percent too high? What is a realistic goal? Those goals are hard for two-year institutions to track. The K-16 Alliance is key to the increasing enrollment in STEM courses. Higher education must work with public education on the issue of teacher preparation. Also, we need to provide classes for non-traditional students. Are classes in the STEM area available to the evening students?

#### Conclusion

Regents Morgan and Zenger summarized the discussion. Chair Pitcher thanked them for their many hours of preparation. He thanked the speakers for their presentations.

Chair Pitcher encouraged the Regents to stay for the training on tuition policy and process, since important decisions would be made the following day about tuition levels.

### Understanding the Tuition Policy and Process

Associate Commissioner Stauffer distributed a handout to help the Regents better understand the policy and process of determining tuition for the USHE institutions. He pointed out that tuition is often not the price a student pays for a college education. First-tier tuition is set by the Regents for the entire System to cover one-fourth of the compensation increase appropriated by the State Legislature. Sometimes a financial aid component is also included. Second-tier tuition is institution-specific, with the funding staying at the respective institution. The Regents grant exceptions by policy. Typically, research institutions are the first to charge tuition differentials. The University of Utah is on a linear tuition model; most other institutions have a plateau model. Both models were described on page 5 of the handout.

Dr. Stauffer asked Assistant Commissioner Paul Morris to explain tuition discounting and tuition waivers (page 3). Mr. Morris explained that resident waivers are limited by statute. The second-tier tuition increases requested in the agenda represent net tuition (full tuition less waivers). It was noted that increases in tuition decrease the amount of financial aid available.

Dr. Paul Brinkman explained the process for setting tuition. Regent Morgan pointed out that money from grants and gifts is limited in its use; the funding sources are not interchangeable. Dr. Stauffer offered to respond to questions.

Chair Pitcher thanked Vice Chair Beesley for hosting the Regents and Presidents for dinner at Entrada.

The strategic planning session recessed at 4:02 p.m.

### REGULAR BOARD MEETING April 27, 2009

Following a breakfast meeting with the Dixie State College Board of Trustees, and meetings of the Board committees, the Regents reconvened at 10:45 a.m. Vice Chair Beesley called the meeting to order. She excused Regents Haws and Holbrook and President Bioteau and asked President Nadauld to thank his wife, Margaret, for baking the small loaves of bread at each place around the table.

President Young proudly announced that Patrick Reimherr, the University of Utah's student body president, had been chosen as a winner of the Harry S. Truman Scholarship Award. This is the third consecutive year that a University of Utah student was selected as a Truman Scholar.

### State of the College Report

President Nadauld welcomed the Regents and others to the Dixie State College campus. He announced that the college had launched a series of television advertisements with the theme of "Discover Your Destiny at Dixie State College." That will be Dixie's "brand." Enrollment grew by 12 percent (FTE) higher overall – 35 percent (FTE) in upper division – over last fall. As of Spring Semester, those numbers were up 17 percent and 46 percent,

respectively. The strategic emphasis is on health care, education, business and technology, and academic core curriculum. Dixie State College has retained its community college mission. Partnerships have been developed with IHC and Dixie Applied Technology College. In addition, Dixie is developing a four-year campus culture, centered on engaged participative learning.

President Nadauld noted a significant change to the campus master plan was a replacement for the Whitehead Building. The new facility will be the Jeffrey R. Holland Centennial Commons, which will house a library, classrooms, and student services functions. It will be modeled after the Utah Valley University library and will be named for Elder Jeffrey R. Holland, an alumnus of Dixie State College.

Vice Chair Beesley thanked President Nadauld for his presentation and for the excellent job he had done at Dixie State College during the past year. She welcomed Dr. Matthew S. Holland, who will become the president of Utah Valley University on July 1.

Dr. Holland thanked the Regents for their confidence and support and said he was looking forward to the opportunity of being UVU President. He announced that the BYU administration had been very supportive of that opportunity, to the point of releasing him from his contract in order to begin at UVU on June 1. Tentative plans are to have his inaugural on October 9.

#### Report of the Commissioner

Commissioner Sederburg reported on the strategic planning meeting held the previous day. He and his staff will work with the campuses to align the OCHE and USHE agenda around the strategic goals adopted by the Board. Regents Zenger and Morgan will continue to lead the strategic planning effort. Next steps include continuing a small working group to develop a plan.

Participation. Commissioner Sederburg announced that his office had received an \$830,000 College Access Competitiveness Grant. This is a two-year grant to increase academic and financial preparation. Work will be centered around what students need in order to be competitive at USHE institutions. It will involve the colleges and universities and will help the Commissioner's office continue to get into the public schools to reach underserved populations. We will be working with civic engagement and student learning centers. The grant was made in partnership with UHEAA and will incorporate the Voluntary System of Accountability.

K-16 Alliance. Currently the Alliance has 12 task forces, each of whom is making very good progress. The Alliance is helping the state move forward progressively.

UHEAA. Associate Commissioner Feitz reported that Utah has one of the best student loan organizations in the country. UHEAA has been able to fully fund all of the student loans. The number of student loans UHEAA has processed is up 22% over last year, while the dollar volume of loans is up 27%. He noted that UHEAA loans for Dixie students had increased by 64%. To assure access to student loans, UHEAA is originating loans since many lenders have either curtailed or ceased making student loans. UHEAA's largest volume lenders are U.S. Bank and America First Credit Union. UHEAA currently has a default rate of 2.1 percent – the lowest in the agency's history and one of the lowest in the country. Associate Commissioner Feitz said UHEAA had initiated

a new "Ray of Hope" campaign to help borrowers by offering a streamlined forbearance for students who are having difficulty repaying their loans.

Regent Jordan, who chairs the UHEAA Board of Directors, alerted the Regents that the current administration was moving toward eliminating all state loan programs and moving to a direct federal loan program exclusively. We are fighting this because UHEAA does a better job locally than could be done nationally. If President Obama's budget is approved by Congress, it could drastically change the face of student lending and UHEAA.

UESP. Lynne Ward, Director of the Utah Educational Savings Plan, reported that UESP is set up to encourage completion and completion. Last fall, UESP administrators completed an RFP process to establish an FDIC-insured savings account. The balance on that account is at \$18 million. A brochure will be put into every Zions Bank location.

Completion (and Quality). The Majors Meetings are a remarkable success story for quality. Another important component of completion is a Lumina Grant of \$150,000 to align course content to international standards and facilitate transfer of credit. Commissioner Sederburg thanked Assistant Commissioner Safman for coordinating the grant proposal and Dr. Bill Evenson, who will serve as a special consultant for this project.

Economic Development. Commissioner Sederburg expressed his appreciation to the Utah Legislature for appropriating some of the federal stimulus (one-time) funding for a USTAR building. This is a very successful initiative that has brought highly talented researchers into our state and reaped great economic dividends for the State of Utah. The Engineering Initiative also received one-time funding. Providing quality programs in STEM (science, technology, engineering and math) areas will enable Utah's students to be competitive in a global economy.

Weber State University President Ann Millner is the key person behind the Utah Business Roundtable, which was organized with the full support of Governor Huntsman. This group will be able to better leverage institutions and assets, encourage innovation and collaboration, and build a STEM pipeline (K-16). The Commissioner thanked President Millner for her excellent work with this effort.

Administrative Services. Commissioner Sederburg briefly reviewed some administrative changes in his office structure, including elimination of the Utah Electronic College and offering OCHE employees the opportunity to participate in a Voluntary Separation Plan. The resulting changes will enable the Commissioner's Office to function more efficiently, to better manage the office budget, and to align the OCHE goals with the Regents' strategic objectives. The Commissioner said he would be presenting an outline of the OCHE budget to the Board for approval in May.

College of Eastern Utah. Commissioner Sederburg said the allocation of federal stimulus funds to Utah higher education meant CEU would not have to declare financial exigency at this time. There is still a need to resolve longer-term issues. Former CEU President Mike Petersen is in the process of having discussions with stake holders regarding cost savings and possible partnerships with Snow College or Utah State University.

Governance. The Commissioner reported his staff was working on a plan to identify the powers of the Regents, Presidents, Trustees and Commissioner. That plan will be brought to the Regents for approval at a later date.

Tuition Increases for 2009-2010 (1<sup>st</sup> and 2<sup>nd</sup> Tier)

Commissioner Sederburg referred to Replacement Tab BB. Regent Jerry Atkin, Chair of the Finance and Facilities Committee, asked Associate Commissioner Stauffer to explain the supplemental information. Dr. Stauffer explained that the original agenda material dated March 18 provided trends and historical data. The Supplement to Tab BB, dated March 23, provided the final recommendations for first- and second-tier tuition increases for the USHE-9 institutions. The proposed first-tier tuition increase was 1 percent for the entire System, half of which will go to financial aid and half for institutional critical needs. The proposed second-tier tuition increases were institution-specific, with the money staying with the respective institution.

Regent Morgan asked for a brief overview of the changes to the availability of student financial aid. Mr. Morris reported an increase in Pell grants from federal money. Commissioner Sederburg said the \$500 increase allowed by federal law for each student would be a great help to the students.

Regent Atkin asked the Regents to consider the proposed fee increases along with the tuition increases. He pointed out that USU's second-tier tuition increase was lower than most institutions, which offset the larger increase in student fees. Commissioner Sederburg thanked the presidents for their leadership on the tuition issue and commended them for their efforts to keep education affordable. Regent Theurer remarked that she had received several e-mail messages and phone calls from USU students. She appreciated the opportunity to talk with the students.

Regent Jordan asked the presidents to explain how their administrations decided how much to increase tuition and how much to increase student fees. President Albrecht explained that fee increases are generally very minor and are directed for the purpose(s) indicated by the students. The reason USU increased its fees more than the other institutions this year is that the proposed athletic fee increase was taken to the students as a referendum so the students could decide if they wanted to support it. Had the referendum not passed, USU would have requested a higher second-tier tuition increase.

Joseph Watkins, UVU student body president, said students understand the circumstances and the current economic climate. The students appreciated keeping the tuition increase as low as possible. Regent Motiwala thanked the Regents for listening to the students. While students do not like to see tuition or fees increase, they understand why it is necessary. He asked President Albrecht how the vote was taken on USU's referendum. President Albrecht said the recommendation was made to a student fee board. Administration took no position. The student fee board determined to hold a referendum to allow the students to vote on the issue. Numerous efforts were made by the student officers, the Athletic Director and others to educate and inform the students. The result was the highest turnout for any referendum in the history of the university. Approximately 4600 students voted, with 53 percent voting in favor of the increase.

**Regent Atkin moved adoption of the tuition increases as proposed. Regent Davis seconded the motion. The proposed first- and second-tier tuition increases were adopted as proposed.**

#### Reports of Board Committees

##### Programs Committee

Policy R411, Cyclical Institutional Program Reviews (Tab E). Chair Katharine Garff said the changes to the policy, formerly entitled "Review of Existing Programs," were designed to make the policy more coherent and easily understandable. No concerns were mentioned in the committee discussion. Chair Garff thanked Associate Commissioner Stoddard and her staff for the great amount of work this entailed. **Chair Garff moved that the Board adopt revised policy R411. Regent Zenger seconded the motion, and the revised policy was adopted unanimously.** Regent Jordan pointed out that, given the challenging budget problems facing the presidents, the Chief Academic Officers (CAOs) had asked the committee if the policy could be amended to give campuses the ability to suspend programs temporarily so they would not have to be re-approved at a later date. The CAOs will draft their proposed changes to this policy.

Utah Valley University – Bachelor of Science Degree in Construction Management (Tab F). Chair Garff said the committee was informed that construction managers are still needed, even in the present economy. UVU received a generous donation from the Clyde Companies to assist in funding this degree. The program was designed for managers of heavy civil and commercial construction projects. **Chair Garff moved approval of UVU's Bachelor of Science Degree in Construction Management. The motion was seconded by Regent Snow and carried unanimously.**

Dixie State College – Bachelor of Arts and Bachelor of Science Degrees in Music (Tab G). Chair Garff reported the Board had given the college conceptual approval a few months ago, pending the college's ability to meet accreditation standards. This liberal arts program will prepare graduates to work in music and other non-related areas because of the teamwork, problem-solving, critical-thinking, and communication preparation they will receive. The Utah Legislature appropriated \$500,000 in 2007 for the establishment of a music baccalaureate program at Dixie. **Chair Garff moved approval of B.A. and B.S. Degrees in Music at Dixie State College. Regent Atkin seconded the motion, which was adopted unanimously.**

Consent Calendar, Programs Committee (Tab H). **On motion by Chair Garff and second by Regent Snow, the following items were approved on the Programs Committee's Consent Calendar:**

1. University of Utah – New Minor in Religious Studies
2. Weber State University
  - A. Fast-Track Approval of a Certificate in Network Technologies
  - B. Bachelor of Fine Arts (BFA) with Art Education Emphasis
3. Southern Utah University
  - A. Library Media Emphasis in the Master of Education Degree
  - B. Elementary Integrated Studies Specialization
4. College of Eastern Utah – Reinstatement of Cultural Resource Technician Program Pathways



5. Utah Valley University – Discontinued Programs
  - A. AAS Degree in Air Conditioning and Refrigeration Technology
  - B. AAS Degree and Diploma in Welding
6. Salt Lake Community College – Discontinued Programs
  - A. Certificate in Medical Administrative Assistant
  - B. AAS Degree in Telecommunications Technology; Certificate of Completion in Telecommunications Cable Installer; Certificate of Completion in Telecommunications Network Technology
7. Utah College of Applied Technology (Davis Applied Technology College) – Fast-Track Approval
  - A. Paralegal Certificate of Completion
  - B. Law Office File Clerk Certificate of Proficiency

Third Annual Utah Conference on Undergraduate Research (Tab I). Chair Garff referred to the report in the agenda and encouraged the other Regents to read it.

Information Calendar, Programs Committee (Tab J). Chair Garff expressed her appreciation for the amount of time the institutions had taken with their three-year reports and program reviews. She thanked the presidents and CAOs for their efforts.

#### Finance and Facilities Committee

Proposed Fee Increases for 2009-2010 (Tab K). Chair Jerry Atkin said the proposal was to increase first-tier tuition by 1 percent at all institutions. Second-tier tuition was institution-specific and the increase varied by institution. The Supplement to Tab K contained the proposed fee schedule from Utah State University. Since the fees were discussed at some length earlier in the day, no additional questions were raised. **Chair Atkin moved approval of the proposed fee increases. Regents Theurer and Davis seconded the motion, which was adopted unanimously.**

Utah State University – Approval to Pursue Issuance of Revenue Bonds (Tab L). Associate Commissioner Stauffer explained that the bonds would finance the construction of the Emma Eccles Jones Early Childhood Education and Research Center and a portion of the cost of constructing the Bingham Entrepreneurship and Energy Research Center. Both construction projects had been approved previously by the Board of Regents, the State Building Board, and the Utah Legislature, and were compatible with the university's current master plan. The request also sought approval to refund a portion of USU's currently outstanding Research and Refunding Revenue Bonds, Series 2002A, if sufficient debt service savings could be generated. The estimated amount of the bonds was approximately \$30 million, with an expected \$10 million to be refunded. It was noted that when the final decision is made on pricing, the savings may be even greater. **Upon motion by Chair Atkin and second by Vice Chair Karras, the motion was adopted unanimously.**

Dixie State College – Campus Master Plan (Tab M). Vice President Stan Plewe reviewed Dixie's master plan, which was last approved in June 2006. President Nadauld pointed out the location of the new facilities and briefly explained the changes to be made. Vice President Plewe noted that the college is becoming more "green." Regent Jordan asked about long-range plans for student housing. President Nadauld responded that Dixie had 220 beds on campus, plus apartment complexes in the area. The college is looking at this as an opportunity for entrepreneurs to make additions to the housing situation. College officials are also looking at private partnerships

and at replacing the existing housing with new housing that would accommodate many more beds. Vice President Plewe noted the plan would also allow easier access to the facility under the freeway. **Chair Atkin moved approval of Dixie State College's Campus Master Plan. Regent Davis seconded the motion, which was adopted unanimously.**

Approval of UHEAA Financial Advisor (Tab N). Chair Atkin explained that the UHEAA Board and the Student Finance Subcommittee had worked through an election process for selecting an independent third-party financial advisor to assist the Regents in working through the current problems associated with the student loan program's outstanding bonds. First Southwest Company was chosen unanimously. Biographies for the primary and secondary consultants were provided in Attachment 2 to Tab N.

UHEAA Board Composition: Proposed Revisions to Policy R601, Board of Directors of the Utah Higher Education Assistance Authority (Tab O). Executive Director David Feitz explained that the changes to the board structure meant that employees of the Financial Aid office would no longer serve on the board, and the student member would be retained, but without a vote in case of a conflict of interest. He pointed out that the changes were not made in response to an existing problem, but rather as a precaution to comply with recently enacted federal legislation.

Utah Educational Savings Plan (UESP) Line of Credit (Tab P). Chair Atkin reported the cost of a \$1 million line of credit would be \$6,000 per year. This will allow UESP to become more competitive and not have to wait two days for checks to clear before the funds can be invested. The Line of Credit will cover that two-day gap.

**Regent Davis moved approval of the UHEAA Financial Advisor, the proposed revisions to Policy R601, and the UESP Line of Credit. Regent Zenger seconded the motion, and all three items were approved unanimously.**

USHE – Annual Money Management Report for the Fiscal Year Ending June 30, 2008 (Tab Q). Chair Atkin said this report was presented for information only and required no action. Institutional investment reports are reviewed monthly and annually by each institution's Board of Trustees and are audited by the internal auditor of the respective institution to verify compliance with Utah statute. Now that the report has been reviewed by the Regents, it will be submitted to the Governor and to the Legislature.

USHE – Spring 2009 Enrollment Report (Tab R). Chair Atkin said every institution had reported an increase in enrollment (head count), and all but CEU had increased in FTE enrollment over last year. USHE institutions are educating approximately 4700 more students this year than they did last spring.

Update on Institutional Audit Reports to the Regents' Audit Committee (Tab S). Chair Atkin offered to respond to questions, but none were raised.

#### Strategic Planning Committee

Budget Summary (Tab T). The higher education budget was discussed the previous day.

USHE – Organizational Collaborations (Tab U). Acting Chair Tony Morgan said this report demonstrated efforts being made to respond to Regents' previous suggestions for ways to improve services or create greater operational efficiencies.

USHE – Capital Facilities Update (Tab V). This report listed the capital projects funded by the 2009 Legislative General Session. UVU and Dixie were granted funds for building design, and all non-state funding building projects were approved.

Campus Retention Reports (Tab W). All of the USHE institutions reported on their retention efforts during the past several months. Regent Morgan said the report summarized institutional "best practices" on campus retention.

Recap of 2009 Legislative General Session (Tab X). Associate Commissioner Buhler noted the report on legislative advocacy. He thanked the institutions and legislative liaisons, who worked closely with the Commissioner's staff throughout the Session. He expressed his special appreciation to Regent Marquardt for his efforts with the Friends of Utah Higher Education. He reported that after a very robust discussion, the committee had decided to begin immediately to prepare for the 2010 Legislative Session. In addition, at least one special session is anticipated in the interim. The committee also determined to discuss the Regents' strategic goals with key legislators. Associate Commissioner Buhler announced that the Higher Education Day luncheon next year would be on February 19, 2010 at the State Capitol.

Regent Marquardt said appreciation breakfasts had been planned for the Governor and Legislative Leadership. During those meetings, the Regents will discuss what can be done in the interim in anticipation of the 2010 Legislative Session. The discussion will focus on the strategic goals adopted by the Board. He also endorsed Regent Karras's suggestion of identifying other funding resources. It is critical that the Presidents, Regents, and others carry the same message. Regent Marquardt said he was eager to move forward with his advocacy efforts.

Regent Karras suggested that the business leaders have an opportunity to see the presentation made at the strategic planning session the previous day. Regent Marquardt said he would start with the Salt Lake Chamber and get agreement from the Governor and legislative leadership. Ultimately, all chambers and industrial associations will be contacted. Associate Commissioner Buhler said he would be working on a plan for advocacy and incorporating the Regents' strategic goals into the higher education messaging.

#### General Consent Calendar

**On motion by Regent Theurer and a second by Regent Atkin, the following items were approved on the Regents' General Consent Calendar:**

A. Minutes

1. Minutes of the Regular Board Meeting held January 16, 2009, at the Salt Lake Community College Larry H. Miller Campus in Sandy, Utah

2. Minutes of the Special Board Meeting held March 6, 2009, at Utah Valley University in Orem, Utah
- B. Grant Proposals (on file in the Commissioner's office)
- C. Grant Awards
1. University of Utah – National Institutes of Health/National Cancer Institute; "Telephone Linked Care"; \$1,118,143. B. Kathleen Mooney, Principal Investigator.
  2. University of Utah – Chevron Energy Technology; "Structure of Kerogen"; \$1,100,000. Ronald J. Pugmire, Principal Investigator.
  3. University of Utah – National Institutes of Health/National Institute of Child Health and Human Development; "EAGR Trial"; \$1,194,394. Robert M. Silver, Principal Investigator.
  4. Utah State University – U.S. Department of Defense Missile Defense Agency; "Multiple Kill Vehicle Independent Testing and Evaluation GFY 08-09"; \$1,471,000. Thomas Humphreys, Principal Investigator; Steve Brown, Co-Principal Investigator.
  5. Utah State University – U.S. Naval Research Laboratory; "Naval Research Laboratory (NRL) Advanced Ground, Air, Space, Systems Integration (AGASSI) Task Order 0001;" \$1,300,000. Niel Holt, Principal Investigator.
  6. Utah State University – U.S. Naval Research Laboratory; "Naval Research Laboratory (NRL) Advanced Ground, Air, Space, Systems Integration (AGASSI) Task Order 0001;" \$1,300,000. Niel Holt, Principal Investigator.

#### Resolutions of Appreciation

Janet Cannon. Chair Pitcher said he appreciated Janet's service to the Board. Serving on both the State Board of Education and the State Board of Regents requires participation in a lot of meetings. **Regent Atkin moved that the Board adopt the Resolution of Appreciation for former Regent Cannon. Regent Morgan seconded the motion, and the resolution was adopted unanimously.**

Harden Eyring. Associate Commissioner Buhler said Harden had been working in the Commissioner's Office since 1970. He started UHEAA, wrote and compiled the Regents' Policies and Procedures Manual, and has been our institutional memory. He has been a dedicated servant of higher education in Utah for most of the System's history. **Regent Morgan moved that the Board adopt the Resolution of Appreciation for Harden Eyring. The motion was seconded by Regent Atkin and adopted unanimously.**

Vice Chair Beesley invited the Regents and Presidents to attend an open house for Harden and other employees on the Commissioner's staff on April 10, from 3:30 to 5:00 p.m.

Announcements

Chair Pitcher noted that the next Board meeting would be held on May 29 at Weber State University. It will not be necessary to hold a Board of Regents meeting in April.

Commencement. Chair Pitcher encouraged the Regents to attend as many commencement ceremonies as possible and to let Secretary Cottrell know which institutions they would visit.

Agenda Distribution. Vice Chair Beesley asked the Regents to let Secretary Cottrell know if they preferred to continue to receive their Board agendas by mail. The agenda is available on the Regents' web site ([www.utahsbr.edu](http://www.utahsbr.edu)) a week prior to all Board meetings. It would be a great cost savings if the Commissioner's staff did not have to mail all of the agenda books.

Hospitality. Vice Chair Beesley thanked President Nadauld and his staff for their hospitality. She also thanked the Food Service staff for the excellent food served during the past two days.

Adjournment

The meeting adjourned at 12:25 p.m.

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Joyce Cottrell CPS, Executive Secretary

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Date Approved