

REGULAR MEETING
UTAH STATE UNIVERSITY BOARD OF TRUSTEES
QUESTAR GAS
SALT LAKE CITY, UTAH
NOVEMBER 1, 2013

Minutes of the Regular Meeting of the Utah State University Board of Trustees, 10:08 a.m.

MEMBERS PRESENT

Ronald W. Jibson	Chair
Scott R. Watterson	Vice-chair
Jody K. Burnett	
Douglas K. Fiefia	
Linda Clark Gillmor	
Mark K. Holland	
Susan D. Johnson	
J. Scott Nixon	
Stephen F. Noel	
Frank Peczuh, Jr.	
Suzanne Pierce-Moore	

UNIVERSITY REPRESENTATIVES PRESENT

Stan L. Albrecht	President
Noelle E. Cockett	Executive Vice President and Provost
Scott Barnes	Vice President and Director of Athletics
Robert T. Behunin	Vice President for Advancement and Commercialization
David T. Cowley	Vice President for Business and Finance
Mark R. McLellan	Vice President for Research and Dean of Graduate Studies
James D. Morales	Vice President for Student Services
Kenneth L. White	Vice President for Extension and Dean of the College of Agriculture
Neil Abercrombie	Director of Federal and State Relations
Joe Peterson	Chancellor, USU Eastern
Sydney M. Peterson	Chief of Staff and Board of Trustees Secretary
Teri Rasmussen	Staff Assistant
Kent Stanley	Development Officer for Athletics
Tim Vitale	Executive Director of Public Relations and Marketing

Chair Jibson conducted the meeting and welcomed those present including members of USU's administration, with a special welcome to Provost Noelle Cockett, Vice President Ken White and new Trustees Noel and Gillmor. The Trustees were given a copy of the Resolutions of

Commendation for Provost Raymond T. Coward (Appendix VV) and Trustee Robert L. Foley (Appendix WW) that were read at previous events.

I. Chairman's Report

A. Oath of Office for Linda Clark Gillmor and Stephen F. Noel

Chair Jibson welcomed new Trustees, Linda Clark Gillmor and Stephen F. Noel and administered the oath of office to the USU Board of Trustees. He expressed appreciation for their willingness to serve.

B. Election of Executive Committee Members

Chair Jibson indicated that every two years there is an election for members of the Trustees Executive Committee. The election for Chair and Vice-chair were held previously so this election was for the remaining three seats. Trustee Pierce-Moore nominated Trustee Johnson and Trustee Watterson nominated Trustees Holland and Pierce-Moore. No other nominations were received. Chair Jibson asked for a vote and the voting was unanimous in the affirmative for the approval of Trustees Johnson, Pierce-Moore and Holland as members of the Executive Committee.

C. Updated Meeting Schedule

Chair Jibson mentioned there were a couple of scheduled meetings that needed to be moved. The new proposed meeting schedule (Appendix A) is in the agenda.

D. Report by ASUSU President, Douglas K. Fiefia

Trustee Fiefia reported on the following (see Appendix OO):

- ASUSU name change to Utah State University Student Association (USUSA). A special election was held with 71% voting for the change. The change was made so USU was at the beginning of the name and it will be more recognizable to students for internal and external branding. The name change reflects a national trend for universities across the nation. It is also a way to unify the student body.
- myVoice: a new online platform where students are able to post concerns, suggestions, questions, and comments. This will help bridge the gap between faculty, staff, administration and student leaders with the student body.
- President's Award: a new award for students who have gone above and beyond in their involvement and service to the university and the community.
- There were 2,200 students that camped out on the Quad for early entrance tickets to the BYU game.

- The HOWL was a sold out event with more than 6,000 students in attendance.

Chair Jibson commended Trustee Fiefia for his leadership with the students.

E. Report by Alumni Association President, Stephen F. Noel

Trustee Noel reported on the following (see Appendix OO):

- Reminder that last year the Alumni Association moved away from its county chapter model and moved to a representative model. So far there are 61 people acting as representatives and 240 more people who have been identified to be representatives.
- There has been an increase in followers in all areas of social marketing.
- Event participation has been great. There were 673 people that attended the pregame event before the UofU game, 200 at the Air Force pregame and they are expecting 200 for the UNLV pregame.
- Aggie license plates continue to grow. Last August there were 5,400 Aggie license plates and currently there 5,900 plates. The money raised from the plates is given out in scholarships. Trustee Noel indicated he puts a card on other cars that have an Aggie license plate to make a connection with fellow Aggies.

F. Report on Athletics Committee Meeting held March 8, 2013

Trustee Nixon indicated that at the last meeting, the committee received a report on the budget for Athletics. They were presented with information on where the university and students athletes ended up academically in comparison to other schools in the conference. He said that if USU was not at the top, they were very close to the top in all of the measures. They also reviewed initiatives with the new facilities.

G. Committee Assignments

Chair Jibson indicated that if there are any questions with the new committee assignments (Appendix XX) to talk with him.

H. Date of next Board of Trustees Meeting, January 3, 2014

The next Board of Trustees meeting will be held on Friday, January 3, 2014, on the USU Campus.

II. President's Report

President Albrecht asked Chancellor Joe Peterson to report on the 75th Anniversary Founders Day event that was held at USU Eastern. Chancellor Peterson said it was a week-long celebration with many events, including a rock concert from an Eagles tribute band. There were approximately 1,200 people in attendance. The week ended with a banquet on Friday. President Albrecht added that the number of people attending the events is an indication the community is embracing the change.

A. NWCCU Three-Year Report

President Albrecht said that the University just completed their Northwest Commission on Colleges and Universities (NWCCU) accreditation three-year review. He said the review went well, but he expects there to be a few recommendations which he will respond to at the Commissioner's meeting in January. President Albrecht expressed appreciation to all who were involved in the process.

B. Enrollment Management Update

Vice President Morales discussed enrollment trends over the last seven years (Appendix YY). There has been an overall increase in first-time higher education students, transfer students, total undergraduate students, graduate students and minority students. Some of the increase is due to a change in demographics in the state, but it is also due to some very intentional recruitment actions where they strategically reached out to different communities. There have been outstanding results in the numbers, and it has not come at the expense of quality. The average enrolled ACT score and admissions index continue to go up and are higher than our peer institutions.

Vice President Morales said that there have also been increases in the number of students attending at the regional campuses. Even though USU Eastern has seen four percent decrease in the overall number of students since Fall 2006, they have seen a fifteen percent increase from Fall 2012, so the trend is pointing upward.

When the missionary age change was announced, Student Services assumed a proactive stance to mitigate any of the negative effects that would occur. An enrollment taskforce was formed with the best enrollment management minds across campus. They created an action plan to address the issues as well as project an estimate for the decrease in the number of students. The decrease in the number of students was estimated to be 1,250, 650 students from the incoming freshman class and 600 current students. In the end, there was an actual decrease of 1400 students. Because of the successful strategies that were put into place, they were able to mitigate all but 556 students on the Logan campus. Vice President Morales reviewed some other enrollment statistics for the Logan campus, regional campuses and USU Eastern.

Vice President Morales discussed two of the things that helped decrease the number of students lost: leveraging of the non-resident tuition waivers and expanding the legacy waiver to grandchildren of alumni. In increasing the number of non-resident waivers given, the Legislature required that the students be above average and have an admissions index of 113 or higher. The average index of students under the tuition waiver was actually 122 and they had an average of ACT score of 25.1 instead of the normal 24.1. Both waivers have been very beneficial and have helped tremendously in recruiting efforts. The Legislature did not put an expiration date on the waivers, but it may be revisited in the future. Vice President Morales believes that USU has a very bright future and that campus is prepared for an increase in enrollment in the future.

Vice President Morales talked about the trend in the number of students graduating from high school. In most states across the country, there will be a decrease in the number of students graduating over the next 10-20 years, but in Utah there will be a significant increase. Enrollment managers across the country pay close attention to these kinds of trends. Because Utah will see an increase in the number of students graduating from high school, many universities across the nation will be recruiting in Utah. USU will continue to be aggressively competitive in recruiting efforts both in-state and out-of-state.

The question was asked about what happens in two years when the missionaries return home. Vice President Morales responded that there is still a lot of work to do. Many of the missionaries did not attend USU before they left on their missions and it is still unknown how many that have been accepted into USU will actually come when they return. Vice President Morales said they have worked with LDS Church leaders who have responded favorably to contacting missionaries in appropriate ways prior to their returning home.

Vice-chair Watterson commented that the rate of improvement in recruiting graduate students is lower than other areas and asked if that is to be expected or if this an area that can be focused on. Vice President McLellan responded that it is a keen area of focus. He said the expanded non-resident waivers are critical. Now the entire country and world is the pool of possible graduate student candidates. This should dramatically change the quality and quantity of graduate students that come to USU. Vice President McLellan said that the one-time dollars from the Legislature is allowing them to invest in new recruitment efforts and basic facility changes.

Vice President McLellan also talked about recruiting international graduate students. If they receive on-going funding from the Legislature, they will leverage those funds for international recruiting.

C. Aggie Legacy Fields Update

Vice President Morales indicated that the Division of Student Services is all about student success. Student success is multi-dimensional and so are the students. The students have intellectual, social, physical, and emotional needs and USU has many

amenities to help support the success of the students in these areas. One of the amenities is the Aggie Legacy fields. It is a beautiful artificial turf complex that has contributed to the vibrancy and overall well-being of students. He showed some statistics on the usage of the fields (Appendix ZZ).

D. USU Student Recreation & Wellness Center Update

Vice President Morales said one of the latest amenities in progress for the students is the new Student Recreation and Wellness Center. He handed out a rendering of the new building (Appendix AAA). They are working closely with the architects and construction contacts and have received great feedback. They have also received input from students. The architects want to capture many of the elements that are near the Logan campus. The blueprints should be ready by the end of the year, with construction beginning in March and completion expected in Fall 2015.

E. Athletics Update

Vice President Barnes dispelled the rumors of a \$30 million gift and a new press box going into Romney Stadium next year. He mentioned the success the volleyball, soccer and football teams are having in their inaugural season in the Mountain West. Vice President Barnes said that with the near completion of the Estes Center and the volleyball/basketball competitive practice facility, along with the completion of one of the best weight rooms in the west that opened last fall, student athletes now have the facilities they need. It is time to move to the facilities that fund athletic programs and the competitive venues for the fans.

Vice President Barnes indicated that Athletics has formed a small steering committee to work with CSL, the company contracted to do a market analysis on a possible Romney Stadium renovation. CSL is one of the big six firms and has worked on major projects across the country, including the stadium at Boise State (Appendix BBB). The feasibility study will focus on the fan experience. Vice President Barnes said that USU sits at the bottom of the Mountain West in seating capacity at Romney stadium and near the bottom with amenities in the stadium. He also said that there are only eight FBS schools that have smaller stadiums than USU. In the market analysis, CSL will provide the following: historical analysis, comparable and competitive facility benchmarking, market surveys, focus groups, estimated demands and building program. The market survey will be sent out electronically to season ticket holders, donors, friends and alumni within 150 mile radius of Romney Stadium.

Vice President Barnes also said they are working with a design team that previously put together a proposal in 2004 for a stadium renovation that included a press box with club seating. They will update their plans and help determine the potential cost to move a phase I renovation forward. The results of the market analysis along with the financial analysis are expected to be complete in mid-December.

F. Legislative Priorities

Neil Abercrombie indicated that the issues for this next legislative session are not new. He handed out some information from the Legislative Fiscal Analysts office (Appendix CCC) that was presented to the Legislature. Neil expects this to be a very competitive legislative session, but he feels good about where USU is in the process. He commented that the Executive Appropriations Committee has been impressed with higher education and their being innovative, efficient and lean during the recession and budget cuts. He suggested the Trustees thank legislators they see for their support of higher education and reconfirm that USU has tried hard to be lean and efficient during this time.

There are a few key priorities for this session: on-going funding for graduate education and funding for the second phase of the veterinary medicine program. USU is in a good position with regard to capital facilities. Neil said that the State Building Board prioritized their list and USU's combined project for Brigham City and Tooele moved up from where the Board of Regents placed the project, so USU should be able to be competitive with the resources the state has.

President Albrecht commented about the press on USU graduate, Lars Hansen, who recently received the Nobel Prize. In all of his public comments, Dr. Hansen has mentioned Utah State University. It is a great honor for USU.

G. Recent Events

1. Ground Breaking for Wayne Estes Center – June 24, 2013
2. Governor's Education Excellence Commission – Salt Lake City, June 24, 2013
3. Salt Lake Chamber Board of Governors Retreat – Lehi, June 25, 2013
4. Northwest Commission on Colleges and Universities (NWCCU) Retreat – Seattle, Washington, June 25-28, 2013
5. Council of Presidents – Salt Lake City, July 2, 2013
6. Board of Regents Presidential Resource and Review of President Albrecht – July 11, 2013
7. Commission on International Programs Summer Meetings – Park City, July 14-17, 2013
8. Board of Regents – Cedar City, July 18-19, 2013
9. K-16 Alliance – August 5, 2013
10. Sunrise Session, Presenter Maria Norton – Salt Lake City, August 9, 2013
11. Remarks at Department Heads Retreat – August 12, 2013
12. Department Head Reception and Dinner – August 12, 2013
13. Council of Presidents – Salt Lake City, August 13, 2013
14. Remarks at New Faculty Orientation Reception at the Home – August 13, 2013
15. Remarks at RCDE and USU Eastern Faculty Dinner and Award Ceremony at the Home, August 14, 2013
16. Remarks at Caine College of the Arts Retreat and Lunch – August 15, 2013
17. Remarks at College of Science Retreat – August 15, 2013
18. Board of Trustees Dinner – Salt Lake City, August 15, 2013

19. USU Board of Trustees Workshop – Salt Lake City, August 16, 2013
20. Touchdown Club BBQ – August 16, 2013
21. Remarks at Aggie Blue BBQ – August 20, 2013
22. Higher Ed Appropriations Subcommittee – Salt Lake City, August 21, 2013
23. State Building Board – Salt Lake City, August 21, 2013
24. USU Research Foundation Board Dinner – August 22, 2013
25. Remarks at Huntsman Hall Groundbreaking and Luncheon – August 26, 2013
26. Governor’s Education in Excellence Commission – Salt Lake City, August 27, 2013
27. Council of Presidents – Salt Lake City, August 27, 2013
28. Football – USU at University of Utah, August 29, 2013
29. Honors Opening BBQ and Social – September 3, 2013
30. Football – USU at Air Force – September 7, 2013
31. Welcome Remarks at Greater Western Library Alliance – September 9, 2013
32. Salt Lake Chamber Board of Governors – Salt Lake City, September 10, 2013
33. President’s Faculty Luncheon – September 10, 2013
34. Board of Regents at USU – September 12-13, 2013
35. Board of Regents, Trustees and Spouses Dinner at the Home – September 12, 2013
36. Remarks at Athletic Hall of Fame – September 13, 2013
37. Remarks at Homecoming Breakfast – September 14, 2013
38. Homecoming Parade – September 14, 2013
39. Legislative Intern Reunion – September 14, 2013
40. Football – Weber State at USU, September 14, 2013
41. Blanding Ribbon Cutting for Student Housing – Blanding, September 16, 2013
42. Speak at Cache Chamber of Commerce Luncheon – September 17, 2013
43. Rural Legislators Breakfast – Salt Lake City, September 18, 2013
44. Leonard J. Arrington Dinner and Lecture – September 19, 2013
45. Football – USU at University of Southern California, September 21, 2013
46. President’s Faculty Luncheon – September 26, 2013
47. Football – USU at San Jose State, September 27, 2013
48. Regence BlueCross BlueShield Western Conference – San Francisco, September 29-October 2, 2013
49. Remarks at Bio-Products Scale-Up Facility Groundbreaking – October 2, 2013
50. Remarks at Unveiling of new Jeffrey D. Clark Center for Entrepreneurship in Huntsman School of Business – October 2, 2013
51. Football – BYU at USU, October 4, 2013
52. President’s Faculty Luncheon – October 8, 2013
53. Legislative Working Group – October 8, 2013
54. Capital Development Hearings – Salt Lake City, October 9, 2013
55. Inaugural Professor Lecture, Heng Ban, at the Home – October 9, 2013
56. Remarks and Honorary Chair at Common Ground 20th Anniversary Celebration – October 10, 2013
57. USU Foundation Board Meetings – October 11-12, 2013
58. Remarks at Old Main Society Program – October 22, 2013
59. Remarks at Ag Day BBQ – October 12, 2013

60. Football – Boise at USU, October 12, 2013
61. Inaugural Professor Lecture, Dennis Hassan, at the Home – October 14, 2013
62. Reception for Lt. Governors Bell and Cox – Salt Lake City, October 16, 2013
63. Remarks at USTAR Governing Authority Board and Zions Bank Lunch and Legislative Update Meeting – October 17, 2013
64. Football – USU at New Mexico, October 18, 2013
65. President’s Faculty Luncheon – October 21, 2013
66. Salt Lake Chamber Board of Governors – Salt Lake City, October 22, 2013
67. Inauguration of President Wight, Weber State University – Ogden, October 22, 2013
68. Northwest Commission on Colleges and Universities, Year 3 Evaluation Site Visit – October 23-24, 2013
69. LDS Stake Presidents Lunch at the Home – October 24, 2013
70. Utah State University Eastern Founder’s Day Celebration – Price, October 25, 2013
71. Basketball – Central Methodist at USU, October 25, 2013
72. Inaugural Professor Lecture, Scot Allgood, at the Home – October 28, 2013
73. Governor’s Education Excellence Commission – Salt Lake City, October 29, 2013
74. Council of Presidents – Salt Lake City, October 29, 2013
75. Remarks at Naming of Agricultural Atrium – October 30, 2013
76. Legislative Fiscal Analyst Campus Visit with Spencer Pratt – October 31, 2013
77. Sunrise Session, Presenters Cathy Hartman and Ed Stafford – Salt Lake City, November 1, 2013
78. Basketball – Adams State at USU, November 1, 2013

H. Upcoming Events

1. Football – Hawaii at USU, November 2, 2013
2. TEDx Conference – November 5, 2013
3. President’s Faculty Luncheon – November 5, 2013
4. Regents Legislative Preview Lunch – November 6, 2013
5. Board of Regents Presidential Resource and Review of President Albrecht – November 6, 2013
6. Inaugural Professor Lecture, Tom Chang, at the Home – November 7, 2013
7. Religion in Life – October 8, 2013
8. Basketball – University of Southern California at USU – November 8, 2013
9. Football – USU at University of Nevada Las Vegas, November 9, 2013
10. Association of Public Land-Grant Universities (APLU) Annual Meetings – Washington, D.C., November 10-11, 2013
11. Basketball – Southern Utah at USU, November 12, 2013
12. Board of Regents at Snow College – Ephraim, November 15, 2013
13. Basketball – USU at UC Santa Barbara California, November 16, 2013
14. President’s Faculty Luncheon – November 18, 2013
15. NCAA Compliance Review – November 19, 2013
16. Pizza with President’s Ambassadors at the Home – November 19, 2013
17. Football – Colorado State at USU, November 23, 2013

18. Basketball – Mississippi State at USU, November 23, 2013
19. Salt Lake Chamber Board of Governors – Salt Lake City, November 26, 2013
20. Governor’s Education Excellence Commission – Salt Lake City, November 26, 2013
21. Basketball – USU at Weber State, November 26, 2013
22. Football – Wyoming at USU, November 30, 2013
23. Basketball – USU at BYU, Salt Lake City, November 30, 2013
24. President’s Faculty Luncheon – December 3, 2013
25. Basketball – Pacific at USU, December 7, 2013
26. Hold: Mountain West Championship Game, December 7, 2013
27. Basketball – Utah Valley at USU, December 14, 2013
28. Mountain West Conference Board of Directors Meetings – Phoenix, December 15-16, 2013
29. President’s Faculty Luncheon – December 17, 2013
30. Basketball – Travelers Classic, December 19-21, 2013
31. Basketball – San Diego Christian at USU, December 28, 2013
32. Basketball – USU at Air Force, January 1, 2014
33. Basketball – San Jose State at USU, January 4, 2014
34. Council of Presidents – Salt Lake City, January 7, 2014
35. Inaugural Professor Lecture, Melanie Domenech Rodriquez, at the Home – January 9, 2014
36. Board of Trustees – January 3, 2014

III. Consent Agenda

Trustees were given the following consent agenda materials for their consideration:

- Minutes of the Executive Session held June 21, 2013
- Minutes of the Regular Meeting held on June 21, 2013
- Resolution 13-11-1 Faculty and Staff Adjustments (Appendix B)
- Resolution 13-11-2 Approval of the Appointment of Utah State University Research Foundation Trustee – Christine E. Hailey (Appendix C)
- Resolution 13-11-3 USU is an Excluded Parent (Appendix D)
- Resolution 13-11-4 Certificate of the Treasurer for April 2013(Appendix E)
- Resolution 13-11-5 Certificate of the Treasurer for May 2013 (Appendix F)
- Resolution 13-11-6 Certificate of the Treasurer for June 2013 (Appendix G)
- Resolution 13-11-7 Certificate of the Treasurer for July 2013 (Appendix H)
- Resolution 13-11-8 Certificate of the Treasurer for August 2013 (Appendix I)
- Resolution 13-11-9 Report of Investments for April 2013 (Appendix J)
- Resolution 13-11-10 Report of Investments for May 2013 (Appendix K)
- Resolution 13-11-11 Report of Investments for June 2013 (Appendix L)
- Resolution 13-11-12 Report of Investments for July 2013 (Appendix M)
- Resolution 13-11-13 Report of Investments for August 2013 Appendix N)
- Resolution 13-11-14 Delegation/Administrative Reports for May 20, 2013 to June 24, 2013 (Appendix O)
- Resolution 13-11-15 Delegation/Administrative Reports for June 24, 2013 to August 19, 2013

(Appendix P)
 Resolution 13-11-16 Delegation/Administrative Reports for August 19, 2013 to October 14, 2013 (Appendix Q)
 Resolution 13-11-17 USU Auxiliary and Service Enterprises Annual Report for FY 2012-13 (Appendix R)
 Resolution 13-11-18 USU Eastern Auxiliary and Service Enterprises Annual Report for FY 2012-13 (Appendix S)
 Resolution 13-11-19 Bad Debt Write-off Recommendation for Fiscal Year Ending 30 June 2013 (Appendix T)
 Resolution 13-11-20 Report of Institutional Discretionary Funds (Appendix U)
 Capital Improvement Priority List for FY 2014-15 (Appendix V)
 Leased Facilities Report (Appendix W)
 Resolution 13-11-21 Contract/Grant Proposals and Awards for May 2013 (Appendix X)
 Resolution 13-11-22 Contract/Grant Proposals and Awards for June 2013 (Appendix Y)
 Resolution 13-11-23 Contract/Grant Proposals and Awards for July 2013 (Appendix Z)
 Resolution 13-11-24 Contract/Grant Proposals and Awards for August 2013 (Appendix AA)
 Resolution 13-11-25 Contract/Grant Proposals and Awards for September 2013 (Appendix BB)
 Acceptance of Written Reports
 Academic/Provost (Appendix GG)
 Business and Finance (Appendix HH)
 Controller's Office
 Facilities
 Information Technology
 Extension/Continuing Education (Appendix II)
 Research and Graduate Studies (Appendix JJ)
 Commercialization and Regional Development (Appendix KK)
 Student Services (Appendix LL)
 University Advancement (Appendix MM)
 USU Eastern (Appendix NN)
 Alumni Association (Appendix OO)
 ASUSU (Appendix PP)
 Athletics (Appendix QQ)
 Public Relations and Marketing (Appendix RR)
 Faculty Senate (Appendix SS)
 Professional Employees Association (Appendix TT)
 Classified Employees Association (Appendix UU)

Action: Trustee Burnett moved the approval the Consent Agenda items. Trustee Nixon seconded the motion and the voting was unanimous in the affirmative. Trustee Pierce-Moore congratulated the endowment pool on its return of 12%, and commented that the true endowment now exceeds the quasi endowments, a great accomplishment.

IV. Action Agenda

A. Proposal to Discontinue the Teaching Emphasis within the Sociology Major in the College of Humanities and Social Sciences, Department of Sociology, Social Work and Anthropology

Provost Cockett indicated that very few students have been enrolled in the teaching emphasis over the last few years, primarily because there are very few positions available for sociology teachers in K-12 education (Appendix CC).

Action: Trustee Pierce-Moore moved the approval of Resolution 13-11-26, the proposal to discontinue the teaching emphasis within the Sociology Major in the Department of Sociology, Social Work and Anthropology. Trustee Burnett seconded the motion and the voting was unanimous in the affirmative.

B. Proposal to Discontinue Plan C (coursework only) option for the Master of Science in Human Resources (MSHR) offered by the Department of Management in the Jon M. Huntsman School of Business and Restructure is to a Master of Human Resources Degree

Provost Cockett indicated this change is a continuation of the changes made in response to the review of all graduate degree programs. The Department of Management would like to discontinue the Plan C option and restructure it to a Master of Human Resources (Appendix DD). This change will prepare students to take professional positions in human resources and organizational leadership. Provost Cockett said it is possible for some students to conduct a research project, but it would not be required by all students.

Action: Trustee Holland moved the approval of Resolution 13-11-27, the proposal to discontinue the plan C option for the Master of Science in Human Resources and restructure it to a Master of Human Resources Degree. Trustee Gillmor seconded the motion and the voting was unanimous in the affirmative.

C. Proposal to add a Teaching Minor in Literacy in the Department of Teacher Education and Leadership in the Emma Eccles Jones College of Education and Human Services

Provost Cockett said the Department of Teacher Education and Leadership would like to create a new teaching minor in Literacy (Appendix EE). This is different from a minor in English in that it does not enhance teaching in literature, but instead graduates will have training in pedagogical approaches to improve reading. It will be very beneficial for schools that want to address struggling readers and increase reading skills. USU will be the only institution in the state to offer this minor. Several school districts have showed a lot of enthusiasm at the prospect of hiring graduates with training in this area. The minor will be 22 credits and will be offered online.

Action: Trustee moved the approval of Resolution 13-11-28, the proposal to add a teaching minor in Literacy in the Department of Teacher Education and Leadership. Trustee Fiefia seconded the motion and the voting was unanimous in the affirmative.

D. Proposal to Approve the Tooele Science and Technology Classroom Building, a Non-State Funded Project

Vice President Cowley indicated this project was brought to the Trustees a year ago, but the size, scope and cost has changed enough that it needs to receive Trustee approval again. The project on the Tooele Campus is a classroom building, specifically oriented toward science and technology (Appendix FF). It was originally approved as a 28,000 square foot, \$8 million project. During the programming and design phase of the process, it was determined that they need more class laboratory space and less classroom space. The infrastructure costs for a laboratory are significantly higher than a classroom, driving up the cost. The new revised project will cost \$9.8 million and will be about 33,000 square feet.

The question was asked why there is a need for more labs instead of classrooms. Provost Cockett said that over the last 18 months, RCDE and USU Eastern have focused on building 4-year biology degrees. The lecture can be broadcast very effectively, but students need a lab on-site. One of the costs of the lab is to add full IVC capabilities so the instructors can view the students. There will be a biology lab, chemistry lab, and a cadaver lab for the nursing program that will begin in Tooele in a few years. Provost Cockett also said that the big classrooms on the regional campuses have not been fully utilized. Smaller classrooms allow more classes to be broadcast at the same time.

Action: Trustee Pierce-Moore moved the approval of Resolution 13-11-29, the proposal to approve the Tooele Science and Technology Classroom Building, a non-state funded project. Trustee Peczuh seconded the motion and the voting was unanimous in the affirmative.

E. Addendum to Faculty and Staff Adjustments

Provost Cockett requests Trustee approval in naming Dr. Christine Hailey as dean of the College of Engineering (Appendix DDD).

Action: Vice-chair Watterson moved the approval of Resolution 13-11-30, the approval of Dr. Christine Hailey as dean of the College of Engineering. Trustee Holland seconded the motion and the voting was unanimous in the affirmative.

The regular meeting adjourned for a short break at 11:48 a.m. and resumed at 12:08 p.m.

V. Strategic Agenda

Vice President Cowley provided the Trustees with information on revenue sources for the University, how those funds are budgeted, and if those amounts can be influenced (Appendix EEE). A non-profit organization is set up much differently than the private sector. The goal is to obtain as many funds as possible and then spend them all to support the mission of the organization. The total revenue for the University is just under \$600 million, 27.3% from state funds, 27.7% from contracts and grants, 17.7% from tuition and fees and 27.2% from other sources (auxiliaries, financial aid, investment income, sales and service, USTAR and private gifts). There are some state universities that are in the single digits for revenue from state funds. At one point in history, USU received 100% from the state. Vice President Cowley said that USU is fortunate to have diversity in our revenue sources.

Contracts and grants are a reimbursement of money that is already spent. Faculty members propose to do research, the proposal gets accepted, USU spends the money, and then USU is reimbursed for the expenses. The direct expenses are charged directly to the contract or grant. The agency the research is being done for understands the University already has facilities and administrative costs that allow the principal investigator to perform the research, so they are willing to pay an overhead rate along with the direct expenses. The reimbursement of overhead expenses are used to fund start up packages for new faculty members, new research equipment, provide training on writing grants, and other activities that keep research going.

Tuition and fees are given to the university as appropriated dollars. This works as a benefit anytime there is a salary or benefit increase. The increase would be much smaller if only applied to state funds. Approximately 66% of state-appropriated funds are used for the Logan campus. The remaining funds go to RCDE, USU Eastern, Cooperative Extension, Agricultural Experiment Station and the Water Lab. Vice President Cowley said that 75% of state appropriated funds are used for compensation and 25 % for operating expenses. There has not been an increase in the operating budget for 20 years. Any additional operating expenses have been paid for by other revenue sources. Requests for additional state appropriations are made by the Utah System of Higher Education, not the individual institutions.

Auxiliary and Service Enterprises are comprised of Housing, Dining, Bookstore, Information Technology, Taggart Student Center, Student Health Center, Parking, Motor Pool, Printing and the University Inn. The auxiliary units are supposed to operate in a self-sufficient manor. They can put away funds for capital improvements and a 60-day reserve, but their focus should be to the benefit of the students. Financial aid awards function similar to contracts and grants. The University gives the students their awards and then receives reimbursement for those funds. This model can present cash flow problems, but electronic payment methods do help.

Investment income is a small part of the revenue, but it is very important. There is a large commitment against investment income every year. Some of the investment funds are required to be invested under the state of Utah's money management act and have

restrictions on those funds. The money generated in these investment funds are the President's discretionary dollars, used primarily for scholarships. Endowment funds have more flexibility. Only a percentage of the funds earned are used so that if there is a year when the endowments do not earn money, we are still able to pay out scholarships. The endowment funds are managed by an investment committee that includes people from the USU Foundation Board, a member from the Board of Trustees, and a few outside members and are advised by an outside investment consultant, Meketa Investment Group.

Sales and services of educational departments include many units like Aggie Ice Cream, the preschool, cheese sales, and meat sales. Revenue is used to help off-set expenses or provide a small amount of extra funds to operate with. The funds that come into USTAR do not come as appropriated funds, but are pre-budgeted for very specific purposes.

Private gifts is another small part, but very important. The amount fluctuates from year to year. Most of those funds are used in areas the donor designates, but there are some dollars given to the area of greatest need. In this case the funds become discretionary dollars for the President to decide where they are used.

The question was asked about how to diversify the revenue streams even more. Vice President Cowley expects that in the future the University will see a revenue stream from Commercialization. Contracts and grants have tremendous potential, but are also extremely competitive. Provost Cockett indicated that online education is an area that is rapidly growing and does produce a revenue stream. Vice President Cowley also mentioned that increasing enrollments brings in new revenue that can be used as discretionary funds. The Trustees were encouraged to help in any way they are able, especially in lobbying the Legislature.

Chair Jibson concluded the meeting and thanked those who participated.

Action: Trustee Holland made a motion to adjourn the meeting. Trustee Pierce-Moore seconded the motion and the voting was unanimous in the affirmative.

The regular meeting adjourned at 1:08 p.m.

Ronald W. Jibson, Chair

Sydney M. Peterson, Secretary
(Minutes taken by Teri Rasmussen)

Date Approved