

REGULAR MEETING
UTAH STATE UNIVERSITY BOARD OF TRUSTEES
8 APRIL 2005

Minutes of the Regular Meeting of the Utah State University Board of Trustees held in the Alma Sonne Board Room of the University Inn at 10:10 a.m.

MEMBERS PRESENT

Gayle McKeachnie	Chairman
David P. Cook	
Lester C. Essig	
Linda J. Eyre	
R. Brent Nyman	
Richard L. Shipley	
Randy Watts	

MEMBERS EXCUSED

L.J. Godfrey	Vice Chairman
Lynnette T. Hansen	
Dinesh C. Patel	

UNIVERSITY REPRESENTATIVES PRESENT

Stan L. Albrecht	President
Juan N. Franco	Vice President for Student Services
Ronald S. Godfrey	Vice President for Business and Finance
M. Kay Jeppesen	Interim Vice President and CIO for Information Technology
M. Scott Mietchen	Vice President for University Advancement
Brent C. Miller	Vice President for Research
Jack M. Payne	Vice President and Dean for Extension
Craig J. Simper	General Counsel
Kevin C. Womack	Associate Vice President for Business and Finance
Sydney M. Peterson	Chief of Staff
Donald W. Fiesinger	Dean of the College of Science
H. Scott Hinton	Dean of the College of Engineering
Gary H. Kiger	Dean of the College of HASS
Laurens Smith	Interim Dean of the School of Graduate Studies
Carol J. Strong	Interim Dean of the College of Education

John DeVilbiss	Executive Director of Public Relations and Marketing
Jodi Bailey	Director of Internal Audits
Tiffany M. Evans	Director of the Student Involvement and Leadership Center
Donald L. Snyder	Assistant Director of the Agricultural Experiment Station
Norman L. Jones	Department Head of the Department of History
Michael Sowder	Assistant Professor, Department of English
Janis Boettinger	President of Faculty Senate
Marsha Howell	President of the Professional Employees Association
Milton Johnson	President of the Classified Employees Association
Lee H. Burke	Assistant to the President and Secretary of the Board of Trustees
Mira G. Thatcher	Secretary

OTHERS PRESENT

Quinn Millet	New Student Body President
--------------	----------------------------

MEMBERS OF THE MEDIA PRESENT

Rashae Ophus	<i>The Statesman</i>
Amy Stewart	<i>Ogden Standard Examiner</i>

Chairman McKeachnie conducted the meeting and welcomed those present, including the deans who were in attendance. He excused Trustees Godfrey, Hansen, and Patel.

I. Invocation: Richard L. Shipley.

II Chairman's Report

A. Resolution of Appreciation and Commendation to Lester C. Essig

Chairman McKeachnie read the Resolution of Appreciation and Commendation to Lester C. Essig (Appendix A). He expressed appreciation for his contributions to USU and wished him the best in his future.

Action: Chairman McKeachnie moved approval of Resolution 04-4-1 the Resolution of Appreciation and Commendation to Lester C. Essig (Appendix A), and the voting was unanimous in the affirmative.

Trustee Essig said it was an honor and pleasure to serve with the Trustees and the administration at Utah State University. He said that during his years at USU he has

had incredible opportunities and learned many lessons which he will always remember. He expressed appreciation to all who serve the students at USU.

When asked what his plans are for the future, Trustee Essig said he has interviewed for jobs, but has recently made the decision to join in an entrepreneurial venture importing and exporting emergency supplies. He will also prepare for graduate school.

President Albrecht also expressed his appreciation to Trustee Essig.

B. Report on the Association of Governing Boards (AGB) Conference

Trustees Hansen and Shipley attended the AGB Conference in San Diego, California, on 2-5 April. Trustee Shipley reported that he and Trustee Hansen were the only representatives from a Utah campus at the conference. He said they met with Presidents, Provosts, members of administration, and Trustees from institutions throughout the country. There were outstanding speakers, the sessions were informative, and the materials provided were excellent. He said that AGB is dedicated to improving the quality of trusteeship nationwide

Trustee Shipley said that the two workshops he attended which were most helpful were “Assessing Your Institution’s Financial Help” and “Leadership Strategies for Chairs of Boards.” He said the basic conclusion from those participating was that most boards do not govern very well because of the volunteer component, what it takes to make a meaningful committee, and being in harmony with the strategic plans of the institution. He felt that USU’s board is doing better than the average boards that were represented at the workshop. He indicated that the conference is worthwhile to attend, and especially for new Trustees.

C. Report on Nomination Committee Meeting

Committee Chairman Watts reported that the Nomination Committee compiled a list of capable individuals who could serve as USU Trustees, and the list will be given to Governor Huntsman who will then make the appointments. He pointed out that the terms of four Trustees expire as of June.

The Nomination Committee placed the capital campaign as the number one focus in considering who to recommend as new Trustees.

D. Report on Student Welfare Committee Meeting

Committee Chairman Eyre reported that the Student Welfare Committee had a very

informative meeting. Vice President Franco said several items were discussed including:

- update on the Living/Learning Center and parking structure
- update on the Child Development Center
- update on the student service scholars program
- new student lounge, and
- student elections, with Quinn Millet elected as the new student body president

Chairman McKeachnie congratulated Mr. Millet for winning the election. Mr. Millet said he will officially take office on 22 April.

E. Date of the Next Board of Trustees Meeting

The next Board of Trustees meeting will be held on 20 May 2005.

Action: Trustee Shipley moved that the next meeting of the Board of Trustees be held on 20 May 2005. Trustee Eyre seconded the motion, and the voting was unanimous in the affirmative.

Trustee Nyman will be out-of-town, and Trustee Cook will join the meeting by way of telephone.

III. President's Report

A. Performance Dashboard, March 2005

The performance dashboard for March 2005 (Appendix B) was given to the Trustees for their information.

B. Banner Update

Trustees were given updated information concerning the progress of the Banner software project (Appendix C) for their information.

Interim Vice President Jeppesen reported that Banner is in the process of implementing the student module. The Registration Office will use Banner software for pre-registration beginning today, and will input regular registration next week. He expressed appreciation to the staff in the Registration Office and all who are working to implement the Banner programs for their efforts to make it successful.

President Albrecht complimented Interim Vice President Jeppesen and his colleagues for their good work. He said there have been fewer problems than anticipated.

C. The President's Report, 4/8/05

The President's Report for 4/8/05 (Appendix D) was distributed to the Trustees.

President Albrecht pointed out that an agreement was signed on 14 March in Washington, D.C., between the U.S. Commerce Department's National Institute for Standards and Technology (NIST) and USU which will create a partnership for collaboration in the development and calibration of optical sensors for defense, homeland security, weather prediction, and climate research. This will bring significant opportunities for new grants and contracts to USU. He said that the Space Dynamics Laboratory (SDL) has the necessary technology for this work. NIST is an impressive organization with renowned scientists with whom USU will be allowed to partnership. President Albrecht said that Senator Bennett and Senator Hatch were enormously helpful in moving this agreement forward.

President Albrecht reported that Founders Day, held on 5 March in Salt Lake City, and the Old Main Society Dinner, held on 31 March, were enormously successful. There were twenty-seven new members to the Old Main Society, and a significant number of members moved up a level due to their contributions to USU.

D. Commencement May 2005

Chief of Staff, Sydney Peterson, indicated that the Commencement held in December was successful. There will be approximately 1,500 graduates in May, and there are typically 2,000.

Trustees were given information concerning the 7 May 2005 Commencement. Ms. Peterson briefly reviewed the schedule of events and gave assignments to the Trustees. The Graduate Hooding Ceremony will take place on Friday, 6 May, at the Dee Glen Smith Spectrum. There will be a dinner Friday evening at the President's residence to honor the Commencement speaker and Honorary Degree recipients. There will be a procession across campus on Saturday, 7 May, to the Spectrum beginning at 9:30 a.m., and the ceremony will begin at 10:00 a.m. The name of each student will be read during the ceremony, and they will receive a personalized Certificate of Commencement. The colleges will host celebrations following the ceremony. Ms. Peterson invited the Trustees to also attend the college receptions.

Chairman McKeachnie also encouraged the Trustees to attend the Continuing Education graduations when possible. President Albrecht said the Extension campus graduations are a wonderful experience. Vice President Payne also indicated that the graduates off-campus appreciate the Trustees attending.

E. Update on Athletics

President Albrecht indicated that the men's basketball team this year won the Big

West tournament, and represented USU well in Boise at the NCAA tournament. The women's basketball team made enormous progress this year.

President Albrecht will attend the WAC conference in June.

President Albrecht said that USU has received a great deal of national attention because of the high graduation rate of its student athletes.

The women's gymnastics team has done very well at the regional competition.

F. Update on the Provost Search

President Albrecht stated that Noelle Cockett is doing a great job serving as Interim Provost. He reported that acceptance of applications for the Provost position will close on 1 July. There are already twenty-one candidates, so there will be excellent candidates from which to choose. Dean Hinton, Chairman of the search committee, said that finalists will be brought to campus in September to meet with administration, faculty, and students. They are hoping to make a decision this fall and have the new provost in place by January.

G. Update on Dean's Searches

1. Dean of the College of Education

President Albrecht reported that the two finalists for Dean of the College of Education and Human Services were at USU last week. A recommendation for the new dean will be made next week.

2. Dean of the College of Natural Resources

Strong candidates have applied for the dean of the College of Natural Resources. There will be opportunities for new national leadership in that college. A decision will be made this summer.

3. Dean of the School of Graduate Studies

The finalists for the dean of the School of Graduate Studies will be interviewed next week. An announcement for the new dean will be made soon.

H. Tier II Tuition Hearings

President Albrecht said that few students attended the Tier II Tuition hearings. Students have been pleased with the efforts made by administration and student

leadership to reduce the Tier II tuition increase. He said that Trustee Essig was very helpful in making the presentation to the students.

Trustee Essig said that President Albrecht's efforts to make tuition more affordable for students were greatly appreciated.

IV. Consent Agenda

Trustee Nyman asked to have the proposal for Real Property Disposal removed from the consent agenda so that it could be discussed.

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

Minutes of the Executive Session Held 11 February 2005;

Minutes of the Regular Meeting Held 11 February 2005;

Resolution 04-4-2 Faculty and Staff Adjustments (Appendix E);

Resolution 04-4-3 Proposal from the College of Humanities, Arts and Social Sciences (HASS), to Create a Religious Studies Program with an Undergraduate Major and Minor to Begin Fall of 2006 (Appendix F);

Resolution 04-4-4 Proposal from the College of Humanities, Arts and Social Sciences (HASS) to Establish a School of the Arts as a New Administrative Structure within the College of HASS (Appendix G);

Resolution 04-4-5 Proposal from the Department of English to Establish an Emphasis in Creative Writing in its English Major, to Exist Alongside its Existing Three Emphases—Literary Studies, English Teaching, and Professional and Technical Writing (Appendix H);

Resolution 04-4-6 Proposed Amendment to the Utah State University Policy Manual Section 405, Tenured and Term Appointments: Evaluation, Promotion and Retention (Appendix I);

Resolution 04-4-7 Proposed Amendment to the Utah State University Policy Manual Section 405, Ombudspersons in Tenure, Promotion and Review of Faculty (Appendix J);

Resolution 04-4-8 Resolution of Permanence to Protect and Preserve the Nora Eccles Harrison Museum of Art's Collections which are Held in Public Trust (Appendix K);

Resolution 04-4-9 Tenure and Promotion Decisions for 2005 (Appendix L);

Resolution 04-4-10 Certificate of the Treasurer for the Period 1 July 2004 to 31 December 2004 (Appendix M);

Resolution 04-4-11 Certificate of the Treasurer for the Period 1 July 2004 to 31 January 2005 (Appendix N);

Resolution 04-4-12 Report of Investments for December 2004 (Appendix O);

Resolution 04-4-13 Report of Investments for January 2005 (Appendix P);

Resolution 04-4-14 Real Property Lease Agreement between the United States

Department of Agriculture/Agricultural Research Service (ARS) and Utah State University (USU) (Appendix Q);
 Resolution 04-4-15 Contract/Grant Proposals and Awards for January 2005(Appendix R);
 Resolution 04-4-16 Contract/Grant Proposals and Awards for February 2005 (Appendix S);
 Acceptance of the following written reports:
 Academic Services (Appendix T);
 Faculty and Staff Activities and Achievements (Appendix U);
 Business and Finance (Appendix V);
 Business and Finance Performance Dashboard, April 2005 (Appendix W);
 Extension/Continuing Education (Appendix X);
 Cooperative Extension Performance Dashboard (Appendix Y);
 Continuing Education Performance Dashboard, 2003-04 (Appendix Z);
 Conference Services Performance Dashboard, 2003-04 (Appendix AA);
 Information Technology (Appendix BB);
 Information Technology Services Performance Dashboard for March 2005 (Appendix CC);
 Research (Appendix DD);
 Research Performance Dashboard, FY 2004 (Appendix EE);
 Technology Management Indicators (Appendix FF);
 Innovation Campus (Appendix GG);
 Student Services (Appendix HH);
 University Advancement (Appendix II);
 University Advancement Dashboard, March 2005 (Appendix JJ);
 Development Fund Report for Fiscal Year 2004-2005 (Appendix KK);
 Affirmative Action/Equal Opportunity (Appendix LL);
 USU's Workforce at a Glance (Appendix MM);
 Alumni (Appendix NN);
 ASUSU (Appendix OO);
 Student Involvement and Leadership Performance Dashboard, Fall 2004 (Appendix PP);
 Student Involvement and Leadership Center/ASUSU Dashboard, Fall 2004–Division of Student Services (Appendix QQ);
 Athletics (Appendix RR);
 Graduate Education (Appendix SS);
 Public Relations and Marketing (Appendix TT);
 Public Relations and Marketing Performance Dashboard, March 2005 (Appendix UU);

Faculty Senate (Appendix VV);
Professional Staff (Appendix WW);
Classified Staff (Appendix XX);
Executive Session, to be held on 20 May 2005 to discuss those items which are permitted by law to be discussed in Executive Session.

Action: Trustee Cook moved approval of the Consent Agenda items, and Trustee Watts seconded the motion. The voting was unanimous in the affirmative.

V. Action Agenda

The proposal for Real Property Disposal, which is for adjustments to easement rights on 600 East in North Logan (Appendix YY), was given to the Trustees for their consideration.

Trustee Nyman attended a North Logan Council meeting the previous evening. He was concerned because the Council voted to change the placement of the power line from the south side of the road to the north side of the road. Trustee Nyman asked if that would affect USU's proposed Resolution. It was pointed out that Utah Power must be ready to provide additional power for growth in that area by a specified date.

Vice President Godfrey recommended that no action on the proposal for Real Property Disposal be taken at this time.

VI. Strategic Agenda–The Role of the University in Knowledge Transfer and Economic Development

Trustees were given material titled, *"A Synopsis of Innovation U: New University Roles in a Knowledge Economy"* (Appendix ZZ).

Chairman McKeachnie prefaced his presentation by saying that he was not speaking for the administration or the Board of Trustees. He said he wanted to present ideas which could have a positive impact on the state. He said that funding education is one of the biggest problems in Utah. He said the purpose of the discussion was to encourage higher education to be part of the solution, not part of the problem of funding education.

Chairman McKeachnie said that the Governor Olene Walker administration held two higher education forums, one dealing with job training and the other with knowledge transfer. He said that during last year's elections the ten candidates for Governor were asked the most important issue for the State of Utah, and all agreed that it was the economy. Up to the November election the main issue between the two final candidates was the economy. The discussion concerned whether education should come first which

would stimulate the economy, or whether to stimulate the economy to provide money for education. The problems and opportunities in the state hinge on the economy.

Chairman McKeachnie said that the creation of jobs has been a matter of discussion in the state as an effort to generate new taxes which would help fund education. He pointed out that there have been four or five years of tough budgets in Utah because of the poor economy. Chairman McKeachnie said that he met with the leadership of the Department of Work Force Services. They indicated that there are some jobs in Utah that cannot be filled because the work force has not been trained for the available jobs. They listed several areas of shortages, including nursing, financial advisors, and construction workers. They indicated that more than 50 percent of doctors in the state will retire in the next ten to fifteen years. Work Force Services indicated that except for UCAT, no one in higher education seems to care. Educators have indicated to Work Force Services that they have been educating for years and should not be told how to do their jobs. Work Force Services indicated that higher education has not been responsive to the job needs in the state.

Chairman McKeachnie said that the first forum held was to get the leadership of higher education and the business community together with Work Force Services to determine whether we are training for jobs that do not exist in Utah (so individuals have to leave the state) and whether there are jobs in Utah that could be trained for (so that we can hire Utahns rather than people from outside the state). Chairman McKeachnie stated that some good came from those meetings. Business people said they have been trying to send this message for a long time. Some mechanisms and annual meetings were put into place so that people who can make a difference can exchange information.

Chairman McKeachnie feels that one of Governor Walker's biggest impacts on the state during her administration may be the idea that the contribution to the economic viability of the state is heavily tied to the research universities.

The second forum concerned knowledge transfer—the role of higher education in the state's economy. Revenues have increased this year, but there is still a huge focus on what we can do to increase the standard of living of people in the state by having them better prepared and by having a better economy.

Chairman McKeachnie said the two forums took approximately ten hours. He said that the research part caught on. The U of U and USU are the two research institutions in the state, but we need to remember that the eight institutions can have a huge role in economic development in the state. Some of the non-research institutions have caught the vision and are doing great things.

Chairman McKeachnie recommended the following publications:

- A book titled *Innovation U: New University Roles in a Knowledge Economy*, a thirteen year project studying universities and governments in the southern states. They have documented what universities are doing to promote the local and regional economy. The book studied twelve universities that have been successful in affecting the economy in their region.
- A *Synopsis of Innovation U: New University Roles in a Knowledge Economy*, (Appendix ZZ) which was prepared for the state's forum on knowledge transfer. The synopsis was prepared by an intern who categorized the statistics in the book, *Innovation U: New University Roles in a Knowledge Economy*, by activities rather than by universities.
- *Are the States and Public Higher Education Striking a New Bargain?*, a policy paper in the *Report of the Association of Governing Boards and Universities* in July 2004. This paper reports on different funding mechanisms being tried by different states for public universities. It is driven by the fact that the percentage of tax payer money going to public higher education nationwide is drastically decreasing.
- *The Dangers of Public Higher Education's Unplanned Future*, an article in the August 2004 *Trustee Magazine*. It said a national dialogue is needed to discuss the funding crisis in government and what society expects for public colleges and universities.
- The 2002 *Society for College and University Planning Round Table* which lists six operating principles which should govern how public universities will need to operate in the future.

Chairman McKeachnie said that Governor Walker attended a trade mission to Vancouver, Canada, in 2004 with individuals from universities and business. The purpose was to introduce Utah businesses to Canadian businesses so they can do business with each other and increase business in Utah. She learned that some universities in Canada get more than 50 percent of their revenue from the work of student interns and consultants to businesses around the world.

Chairman McKeachnie said that nationally, higher education is responding by hiking tuition rates and relying more on private funding. The following are innovative ways used in some areas of the country regarding funding:

- Colorado has a Tax Payer Bill of Rights dictating that the government cannot grow any faster than the population indexed with inflation. That affects colleges and universities. Any institutions that receive more than 10 percent of funding from the state are bound by that law.

- Florida has had three different governance structures in the last two years. The State Board of Regents was abolished by the legislature. The state is considering contracting with universities for certain outcomes and performances, and the universities would receive no other tax money.
- In Oregon, as well as other states, universities have indicated that they would spend less money if they did not have to comply with procurement codes, state personnel policies, state retirement, etc. If they can be relieved of regulations they will ask for less state funding.
- In South Carolina the governor proposed a privatization plan under which each public college or university would have the option to become an independent, non-profit institution foregoing any direct state appropriations.
- In Virginia one proposal would limit the state's financial contributions, and the universities would no longer be subject to state regulations.
- Texas and Washington are also exploring new ways to fund higher education.

The tax study in Utah, which is continuing under Governor Huntsman's administration, indicates that unless there are drastic changes in the economy and the tax system, we will not hold our own in the future. If we have the same gross state product, we will get less in sales tax. Corporate income tax is decreasing by 8 percent a year. The only thing that keeps us flat on revenues is growth in the economy.

Chairman McKeachnie said that this was the year of transportation at the Legislature. The funding provided this year was small compared to the needs in the state. State leaders are challenged to find the money to fund the needed projects. The buzz word for the last few years in state and county government has been *economic development*. What was done in the past is no longer working. We need to make drastic changes in Utah to meet the financial problems of the future.

Higher education plays a big role in economic development. Cedar City newspapers carry articles about what it means to the local economy to have Southern Utah University in Cedar City such as hiring people and spending money in the community. Universities need to see themselves as the economic development engine for the economy. The University of Pennsylvania complains that they produce excellent students in engineering and science who then move away. Other institutions have determined how to connect with local businesses. Think what it would be if everyone in Utah had a passion to support USU because it was important to their businesses and communities.

Chairman McKeachnie said the leadership of the rural counties in the state hold a three-day convention in Cedar City. Last year an economist from Kansas said that the U of U and USU brought \$500 million into the state in federal research grants. He then asked if any of the 300 people in attendance at the convention from all twenty-nine counties could name one of the research projects that helped rural Utah. No one could name one. He pointed out that we may be creating jobs in Salt Lake and Logan for researchers, faculty, and expenses, but wondered if we had applied the research to our state. If not we are training people to work in other states.

The book, *Innovation U: New University Roles in a Knowledge Economy*, lists the following markers that make an impact in local or regional economy:

- **Industry Research Partnerships**–Chairman McKeachnie stated that USU receives a lot of federal funds for research, but asked how much USU receives from Utah companies for research. To make a difference in the local economy we might need to do research for Utah companies. If there is a regional economic development intention, institutions will make special efforts to involve state-based companies in research partnerships and will have industry-sponsored research coordinated through an industry liaison office. A distinguishing characteristic in measuring the impact of a college or university may become who they do research for.
- **Technology Transfer**–Chairman McKeachnie asked if USU is doing what it needs to do to help local start-up state-based companies with technology transfer. In some states, local companies donate their patents to the universities, and some universities donate their patents to local companies in order to promote the local economy. Some states allow faculty to keep a share of the revenues generated from their discoveries and research. This allows the university to create and recruit superior faculty.
- **Industrial Extension/Technical Assistance**–According to Chairman McKeachnie, some colleges and universities have economic development officers in every county. USU has the opportunity to create an economic impact in every county, and already does some of that. The Utah Legislature created the Governor’s Rural Partnership Board which is comprised of individuals from industry, economic development, counties, etc. A survey was taken resulting in a list of 800 things that should be done. When asked about specific programs that the state and counties are doing in economic development, only about 5 percent knew anything about that. We have thought that capital is needed most in order to stimulate growth of small business. A survey by the National Federation of Independent Businesses listed seventy-five concerns of small businesses, and the highest priority concerns were health care insurance, liability insurance, red tape, and permits. Funding and long- and short-term capital were listed fifty-six and sixty on the list of seventy-five. Chairman McKeachnie suggested that Extension could focus on technical assistance in those areas.
- **Entrepreneurial Development**–Chairman McKeachnie asked how many students are

trained in starting their own business. He said that the students who get jobs for the Fortune 500 companies will not live in Utah. Statistics show that over the last fifteen years most jobs in the economy are created by small businesses. He pointed out that UVSC prides itself in having a center for entrepreneurs. He wondered if USU should do that. Maybe faculty should be involved in their own entrepreneurial developments.

- Industry Education and Training Partnerships
- Career Services Placement
- Formal Partnerships with Economic Development Organizations
- Industry/University Advisory Boards
- Faculty Culture and Rewards—Chairman McKeachnie stated that at the present time if faculty are involved in start-up companies it is considered a minus in the tenure and promotion process. Maybe this should change and professors and students should be rewarded for being involved in the local economy.

Chairman McKeachnie stated that institutions of learning will not be effective in partnering with business or affecting local economic growth unless relevant behavior of faculty, students, and administrators are supported by the values, norms, and reward systems of the institution. For most institutions that requires a deviation from, or a redefinition of, academic tradition. There are huge disparities between institutions that are recognized as powerful forces in local economic growth and those that are not. Those focused on state and local economic development and helping businesses grow tend to adopt language in mission, vision, and goal statements with that emphasis. Chairman McKeachnie said that UVSC and Dixie State include economic development in their mission statements. Those two institutions received a lot of funding from the Legislature. They have the support of their communities. They see themselves in a different way than other institutions. The two research universities have picked up on economic development in the research area, but probably not in other departments. Chairman McKeachnie said that most change comes from applying already existing knowledge in a new or innovative way. The institutions that are making a huge

difference in their state's economy are those with professors sitting on local boards, commissions, and economic development organizations.

Chairman McKeachnie asked if those present knew anyone at USU who belongs to the major economic development organizations in Utah. He asked how many knew what the economic development organizations are in the state and counties. He asked how many were actively involved in economic development. He said that the institutions that are making a difference have people, including the highest levels of leadership, at the university involved in those kinds of community efforts. In some states the leading organizations for economic development are the universities. They are the leaders of the Chamber of Commerce, etc. The state spends a lot of money funding economic development. Businesses need to tap the resources that are available.

Chairman McKeachnie read the Mission Statements (found in the *Synopsis*, pages 4-5) from Penn State, the University of Wisconsin, Virginia Tech, and Virginia Tech Extension. He said that unless we encourage entrepreneurship, we cannot attract the faculty we need in certain areas and we also run the risk of losing some extremely creative faculty members who are good teachers and researchers.

He read the statement concerning industry research sponsorships (*Synopsis*, page 6) from Penn State, Ohio State, and Wisconsin. He said businesses need help. It should be easily found at universities.

Chairman McKeachnie read the statement concerning technology transfer (*Synopsis*, page 7) from Virginia Tech concerning royalty payments and the quote concerning entrepreneurial development (*Synopsis*, page 9) from Purdue.

Chairman McKeachnie said he knows USU is doing some of these things. These ideas could be helpful because of the continued economic problems in the state. He said he would like Utah to continue the tradition of education as a high priority. He reiterated that we need to become part of the solution instead of part of the problem.

Chairman McKeachnie quoted the following:

- "Every breakthrough is a break with something."
- "It is a lot easier to embrace a new idea than it is to get rid of the old one."
- "Twenty years' experience is more valuable than one years' experience repeated twenty times."
- "We are out of money so we are going to have to think." (Winston Churchill during World War II)

- “You should have more dreams than memories. If you don’t you are in trouble.”
(O. C. Tanner)

President Albrecht said USU is moving in this direction and will do so even more aggressively. He pointed out that next month the Trustees will receive a proposal to make changes to the Tenure and Promotion policy which will recognize patents, intellectual property, development, etc. He said that many areas in the University are developing better technology transfer. He agreed that there is a lot to do, but many people at USU believe that we need to go in a new direction. He said USU looks forward to working with the Board to make these things happen.

Vice President Miller said that articles this week in the *Salt Lake Tribune* and the *Ogden Standard Examiner* reported on the proposed changes in USU’s Tenure and Promotion policy. Vice President Miller said that these changes were approved previously by the Faculty Senate, and will be brought to the Trustees for action at its next meeting. He quoted from the *Salt Lake Tribune* article: “.... a proposed addition to the promotion policy at Utah State University is a sign of changing times. It is a “sign” in that we’re wanting to see recognized and valued the kinds of research activities that would lead to intellectual property and economic development.” He said that the proposed change to the Tenure and Promotion policy is to add intellectual contributions such as patents, inventions, and other intellectual property to the list of documentation such as publications, etc. for which faculty have historically been rewarded. He said these changes are supported by the Faculty Senate, the Executive Committee, and the Research Council. He said that the culture of the University is changing so that intellectual property will be better recognized and protected, and can be used to drive economic development.

Vice President Miller added that the vice presidents and selected deans were meeting that afternoon with Jack Brittain, U of U’s new Vice President for Technology Venture Development/Dean of David Eccles School of Business to discuss technology commercialization and the joint economic development initiative. Vice President Miller also spent three hours on Wednesday with Governor Huntsman’s new economic development person, Martin Frey. He said we have to think more about what the university does that can become economically beneficial to the state. USU is working with the Salt Lake Chamber of Commerce, the Utah Life Sciences Association, and the Utah Information Technology Alliance. He said a lot is happening with USU in the area of economic development, which probably has not been adequately communicated to the Trustees.

Chairman McKeachnie said that historically there has been a perception at the University and with the public that the role of Extension is to interface. That is the role of Extension, but it is also the role of every college and every department in the

University—to determine how it can interconnect.

Vice President Payne pointed out that of the twelve universities listed in the *Synopsis*, nine were land-grant universities. He said there needs to be engagement, not just with Extension, but across the University with the citizens of our state. He said that the three years' of budget cuts have put this on hold. We are on the edge of incorporating the things Chairman McKeachnie presented into Extension. He said that USU's Extension has to be agriculture and more.

Vice President Payne congratulated Vice President Miller on the proposed changes to the Tenure and Promotion Policy. He said we can also recognize the tremendous value in rewarding faculty in the tenure and promotion process for Outreach and Extension activities. Distance Education is growing, and the Tenure and Promotion process does not give credit for faculty members developing on-line courses.

Dean Hinton said there are several colleges that have included patents and intellectual property in their annual achievement reports. Faculty in the College of Engineering have reported that for the last three years. Part of the culture change has started, but we still have a long way to go.

Chairman McKeachnie pointed out that during the Trustees retreat it was noted that the number one problem at USU was money. He said that change can be part of the solution. The National Planning Round Table suggests an operating principle for the future is that public universities must think and act as “publically-assisted” rather than “publically-supported” universities. Thinking and acting like a “publically-assisted” institution begins with being more attentive to the primary stakeholders in the community, region, and state. If the stakeholder is the National Science Foundation in Washington, D.C., they are not going to generate a lot of votes in the Utah Legislature. There will be plenty of support if the stakeholders are the regional business community, the agricultural community, and other businesses in the state.

Chairman McKeachnie reported that community colleges fared better than universities in a recent poll showing the level of support for different sectors of higher education. He said we have not done a good enough job connecting with the community. They do not feel that we are their university. One campus noted that a genuine responsiveness to the local community is the key to support and the ability to generate alternative sources of funding. They receive far more support from the business community than any other stakeholder. Building that relationship has brought partnerships, more grants and contracts, and huge increases in philanthropy.

Chairman McKeachnie said that John A. Widtsoe ran the Experiment Station before he became President of USU. President Widtsoe said, “Knowledge hidden is of no value to anyone.” He hired the first Extension agent in Utah to go to the Uintah Basin. USU has a rich tradition and is better able to impact the entire state than any other institution.

Vice President Godfrey said that it takes most people six or seven times to hear something to internalize it. This is a great beginning. USU has wonderfully educated people. In some ways the word entrepreneur is an oxymoron on university campuses. We tend to be focused on curriculum and individualized research. We can get that infused into our system.

President Albrecht thanked Chairman McKeachnie for his excellent presentation.

The Regular Meeting adjourned at 11:55 a.m.

Gayle McKeachnie, Chairman

Lee H. Burke, Secretary
(Minutes Taken by Mira G. Thatcher)

Date Approved