

EXECUTIVE SESSION  
UTAH STATE UNIVERSITY BOARD OF TRUSTEES  
DECEMBER 7, 2007

Minutes of the Executive Session of the Utah State University Board of Trustees held as a telephone conference call in the Champ Hall Conference Room, Old Main, Room 136, at 9:30 a.m.

MEMBERS PRESENT

Richard L. Shipley	Chair
Suzanne Pierce-Moore	Vice Chair (By telephone)
David P. Cook	(By telephone)
Robert L. Foley	(By telephone)
David Johnson III	(By telephone)
Peter A. McChesney	
Richard L. Nelson	(By telephone)
Paul D. Parkinson	
Scott R. Watterson	(By telephone)

MEMBER EXCUSED

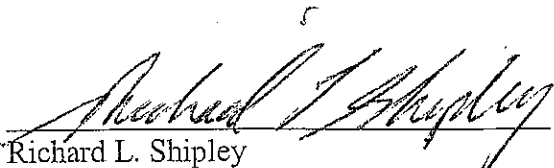
Douglas S. Foxley


UNIVERSITY REPRESENTATIVES PRESENT

Stan L. Albrecht	President
Fred R. Hunsaker	Interim Vice President for Business and Finance (for part of the meeting)
Sydney M. Peterson	Chief of Staff and Board of Trustees Secretary
Robert D. Barclay	Assistant Attorney General (for part of the meeting)
Jodi Bailey	Chief Audit Executive (for part of the meeting)

Personnel, property, and legal issues were discussed.

The meeting adjourned at 10:05 a.m.

  
Richard L. Shipley  
Chairman

  
Sydney M. Peterson  
Board of Trustees Secretary

January 11, 2008  
Date Approved

REGULAR MEETING  
UTAH STATE UNIVERSITY BOARD OF TRUSTEES  
DECEMBER 7, 2007

Minutes of the Regular Meeting of the Utah State University Board of Trustees held as a telephone conference call in the Champ Hall Conference Room, Old Main, Room 136, at 10:15 a.m.

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MEMBER EXCUSED

Douglas S. Foxley

UNIVERSITY REPRESENTATIVES PRESENT

Stan L. Albrecht	President
Gary A. Chambers	Vice President for Student Services
Noelle E. Cockett	Vice President and Dean for Extension and Agriculture
Fred R. Hunsaker	Interim Vice President for Business and Finance
Brent C. Miller	Vice President for Research
F. Ross Peterson	Vice President for University Advancement
Ned M. Weinshenker	Vice President for Strategic Ventures and Economic Development
David T. Cowley	Associate Vice President for Business and Finance
Steven H. Hanks	Vice Provost
Sydney M. Peterson	Chief of Staff and Board of Trustees Secretary
John DeVilbiss	Executive Director of Public Relations and Marketing
Jodi Bailey	Chief Audit Executive
H. Scott Hinton	Dean of the College of Engineering
R. Douglas Ramsey	President of Faculty Senate

Karen Hoffman  
Mira G. Thatcher

President of the Classified Employees Association  
Secretary

MEMBERS OF THE MEDIA PRESENT

Kim Burgess            *The Herald Journal*

Chairman Shipley conducted the meeting and welcomed those present. He excused Trustee Foxley, Provost Coward, and Vice President Jeppesen.

I. Chairman's Report

A. ASUSU Report

Trustee McChesney reported on the following:

- Students are meeting with Logan City officials to discuss bringing off-campus housing up to standard.
- Final exams for Fall Semester are next week. Students are looking forward to Christmas break.
- A special election will be held in January to determine whether or not the student body would like to change the election process.

B. Alumni Relations Report

Trustee Parkinson reported that most alumni chapter presidents were on campus in November for meetings. He stated that the goal is to strengthen the chapters in order to increase scholarship dollars to the alumni chapters.

Chapter presidents were given the following charges:

- Choose individuals in their area to receive a merit citation from the USU Alumni Association for personal achievement.
- Hold two events in 2008.

C. Student Affairs and Enrollment Committee Meeting Report

Vice Chair Pierce-Moore reported that the Student Affairs and Enrollment Committee met on November 8, 2007. She said the committee received information about admissions, met with the registrar, and discussed student leadership involvement in the retention of students. There was discussion about how to increase enrollment and keep students happy. She said they are doing a good job.

Vice Chair Pierce-Moore congratulated Trustee McChesney for his well-written article in *The Statesman* concerning his experience at USU.

D. Date of the Next Board of Trustees Meetings

The next Board of Trustees meeting will be held on Friday, January 11, 2008, as a telephone conference call.

II. President's Report

A. Jon M. Huntsman \$26 Million Gift to USU

President Albrecht expressed appreciation to the Trustees for their support at the Jon M. Huntsman gift announcement which was held on December 3. Jon M. Huntsman donated \$25 million to the College of Business, and nearly \$1 million for scholarships for students from Armenia.

President Albrecht said this event has been covered in the media nationwide, and he has received e-mails of congratulations from presidents of institutions of higher education from around the country. He said this gift brings visibility, credibility, and an enhanced reputation to USU. President Albrecht read a letter sent to him from Mr. Huntsman expressing his deep appreciation for the outstanding event that was held to make the announcement of the gift.

John DeVilbiss, Executive Director of Public Relations and Marketing, reported that the Huntsman donation generated coverage from local and state media and television stations. He reported that there have been approximately forty major media coverages of the event to date, including publications in *Business Week*, *Associated Press Financial*, *cnnmoney.com*, *The Boston Globe*, *MSN*, *The Houston Chronicle*, *MSNBC*, and *Forbes*. Mr. DeVilbiss stated that any Huntsman related gifts will be emphasized in the media. This coverage creates a sense of pride and gives a vote of confidence to USU. He said that the broadcast of the event and nationwide news coverage is on the USU web page. Vice President Miller added that this was also the headline story on the electronic daily news service for higher education. President Albrecht said USU is hopeful that it will also be covered in *The Chronicle of Higher Education* and *The Chronicle of Philanthropy*.

President Albrecht stated that this gift will generate other gifts. For example, Scott Anderson, Zion's Bank in Salt Lake, has already agreed to endow scholarships in the Huntsman name.

Vice Chair Pierce-Moore asked if the Huntsman donation could be used in recruiting. Mr. DeVilbiss said the message will be incorporated in the marketing material.

B. Request to Change the Name of the College of Business to the Jon M. Huntsman School of Business

Trustees were given a proposal to change the name of the College of Business to the Jon M. Huntsman School of Business (Appendix A) for their consideration.

Chairman Shipley stated that until the day of the announcement he did not recognize the commitment Jon Huntsman was making to USU.

Trustee Foley said the ceremony held to make the announcement was impressive. The commitment made by Mr. Huntsman and his family is beyond the dollars donated.

Trustee Watterson said he was impressed with the event which was held, as well as the Huntsman family and all they will do for USU. He suggested that personally and as a group the Trustees recognize Jon Huntsman for his donation. President Albrecht suggested that a letter to the Huntsman family signed by all of the Trustees would be appropriate. Trustee Watterson also congratulated President Albrecht for his leadership.

Action: Trustee Foley moved approval of Resolution 07-12-1 the request to change the name of the College of Business to the Jon M. Huntsman School of Business (Appendix A). Trustees McChesney, Pierce-Moore, and Watterson seconded the motion, and the voting was unanimous in the affirmative.

President Albrecht said this request will be on the Regents agenda on December 14.

C. Enrollment Update

Vice President Chambers reported that eleven recruiting open houses had been held and 2,200 people attended. He said that is fewer people than in previous years, but applications for Fall Semester 2008 increased by 207, or 10% more than last year at this time. This is the highest number of applications ever received by this time of year.

Vice President Chambers indicated that the Huntsman donation will be incorporated in recruiting literature as part of the USU story.

Vice President Chambers suggested that it would help in recruiting for the alumni chapters to sponsor recruiting activities throughout the country. He said that the Alumni Association can be a key player in recruitment of students.

D. USTAR Report

Vice President Weinshenker reported that the programming process has been completed on the USTAR building, and the final report will be submitted in approximately a week. The Department of Facilities Construction Management (DFCM) will hire a construction manager, the design phase will then begin, and an architect will be selected in January. There will be approximately 133,000 square feet of USTAR buildings, which is more than originally anticipated.

Vice President Weinshenker reported that the USTAR Governing Board will request an additional \$10 million per year on-going from the state legislature. That would bring the total to \$25 million, which was the original request.

An RFP is out for new proposals. Vice President Weinshenker said good proposals accepted by the Governing Board indicate that there is more activity available. USU will probably submit two or three proposals.

Vice President Weinshenker indicated that the technology used in the replacement of the bridge at Interstate 215 was developed through USU and USTAR. Much of the preliminary planning for the bridge was done by a company using our technology. The Utah Department of Transportation (UDOT) is planning seventeen other bridge replacements in Utah, and hopefully will use the same technology. This should be publicized. Mr. DeVilbiss said they are working on that story now.

The Center for Active Sensing and Imaging (CASI) has developed mapping in the Bear Lake area with developers and others. That will increase significantly.

The Innovation Campus is moving forward in partnership with Woodbury Corporation. They will break ground for three buildings in 2008, each approximately 20,000 square feet. Two of the buildings will be in the existing part of the Innovation Campus, and one building will be in the new section. He said they are working with Woodbury Corporation to change from a ground lease in order to receive more income because of the valuable location.

E. Flight Training Program

Trustees received a letter in November from David Brailsford, a student in the flight training program, stating his concerns about the program. Dean Hinton reported that David Brailsford started the aviation program at USU in 2003, but did not start his flight training for a year. Mr. Brailsford did a great job of actively flying once he started. He knew of our Certified Flight Instructor (CFI) situation after he finished his commercial certification and moved promptly into his multiengine training. According to his records, he finished his training at the end of June 2007. At this point, he spoke with the Chief Flight Instructor about pursuing the training for a CFI rating. He was then forced to wait 3 months until a qualified instructor was available. Since then, due to his instructor's availability and student load, he has only been able to fly infrequently. Dean Hinton indicated that graduates of USU's flight program are typically hired as flight instructors, but airlines have been hiring the graduates so we have had a shortage of flight instructors. This is a national problem, not just USU.

Dean Hinton stated that Mr. Brailsford did not discuss his concerns with the chief flight instructor, the aviation program director, the department head, or the dean. Instead, he sent letters to the President, Trustees, and Regents. The aviation director has met with Mr. Brailsford and developed a schedule so that he can complete his flight training. The instructors are helping to meet his schedule.

Dean Hinton said that the flight program has been reviewed, problems identified, and more flight instructors have been hired. Trustee Watterson suggested that Mr. Brailsford indicate in writing that he is satisfied with the current schedule.

F. Comprehensive Campaign Report

Vice President Peterson reported that the campaign will meet the goal set in March. Donations are near \$150 million. Colleges and departments are working to get chairs, professorships, and scholarships. We received a \$100,000 gift last week and anticipate more significant gifts before March.

Vice President Peterson emphasized the significance of teamwork for a successful comprehensive campaign. He noted the importance of Trustees, Foundation Board members, and others who help, not only on large gifts, but other contributions as well.

According to Vice President Peterson, successful events, such as the one held to announce the Huntsman donation, involve many people working as a team. He said he was with the Huntsman family before and after the announcement event, and said they were truly happy. He said his staff members work hard and are mindful of the needs of donors. They try to create an atmosphere of caring.



G. Commencement

Commencement will be held on December 14 and 15. Trustees received information about events in conjunction with Commencement.

H. Search Updates

President Albrecht reported on the following searches:

1. Dean of Libraries

Richard W. Clement has accepted the position of Dean of Libraries.

2. Dean of the College of HASS

The search for the Dean of the College of HASS is well underway.

3. Dean and Executive Director of the Uintah Basin Regional Campus

Interviews for Dean and Executive Director of the Uintah Basin Regional Campus are taking place. There are nine well-qualified semifinalists. That number will be narrowed to four or five candidates who will visit the Uintah Basin before a decision is made.

I. NWCCU Accreditation Evaluation Committee Visit and Report

President Albrecht stated that he and Provost Coward will meet with the Northwest Commission on Colleges and Universities in Seattle in January to address issues concerning USU's accreditation. He said that a document has been drafted responding to NWCCU's accreditation summary, and will be sent to members of the Commission. The accreditation team has made some changes to the original document, including eliminating one of the recommendations and adding to the commendation section.

President Albrecht felt concern that the accreditation team did not report enough of the positive things happening at USU. The chair of the Evaluation Committee, President Dennison, will be present at the meeting with the Commission.

## J. Recent Events

1. Campaign National Roll-out Events
  - a. Washington DC (September 18, 2007)
  - b. New York City (September 19, 2007)
2. Homecoming (September 21-22, 2007)
3. Café Sabor Scholarship Night (Sept 25, 2007)
4. NCAA Certification Site Visit (September 26-28, 2007)
5. Café Sabor Aggie and Friends Brunch (September 30, 2007)
6. Performance Hall Art Installation and Reception (October 4, 2007)
7. Sunrise Sessions, SLC (October 5, 2007)
8. Aggie-to-Aggie Business Connections, SLC (October 9, 2007)
9. Recruitment Open Houses
  - a. October 16 – Boise, ID
  - b. October 17 – Pocatello, ID
  - c. October 18 – Idaho Falls, ID
10. North End Zone Donor Recognition Dinner (October 18, 2007)
11. Foundation Board Meeting (October 19-20, 2007)
12. Old Main Weekend (October 19-20, 2007)

## III. Consent Agenda

Trustees asked that the Auxiliary and Service Enterprises Annual Report (Appendix J) be moved from the Consent Agenda. Trustees were given the following consent agenda material for their consideration:

Minutes of the Executive Session Held on October 19, 2007

Minutes of the Regular Meeting Held on October 19, 2007

Resolution 07-12-2 Faculty and Staff Adjustments (Appendix B)

Resolution 07-12-3 Certificate of the Treasurer for the Period 1 July 2007 to 31 August 2007 (Appendix C)

Resolution 07-12-4 Certificate of the Treasurer for the Period 1 July 2007 to 30 September 2007 (Appendix D)

Resolution 07-12-5 Report of Investments for August 2007 (Appendix E)

Resolution 07-12-6 Report of Investments for September 2007 (Appendix F)

Resolution 07-12-7 Contract/Grant Proposals and Awards for September 2007 (Appendix G)

Resolution 07-12-8 Contract/Grant Proposals and Awards for October 2007 (Appendix H)

Resolution 07-12-9 Capital Facility Acquisition (Appendix I);

Executive Session to be held on January 11, 2008, to discuss those items which are permitted by law to be discussed in Executive Session.

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

#### IV. Auxiliary and Service Enterprises Annual Report

Trustees were given the Auxiliary and Service Enterprises Annual Report (Appendix J) for their consideration.

Vice President Hunsaker explained that in the Executive Summary of the report it states, "Sufficient revenue was available to meet debt service payments of \$46,695,290." He clarified that this figure represents a combination of \$2,510,346 in debt service with the remainder going to pay off housing system bonds that were refunded during the year.

Chairman Shipley and Trustee Foley asked about the negative net operating income of the branch campus Bookstore. Vice President Hunsaker stated that much of the expense was one-time to establish the new Bookstore locations. He said the Auxiliary Director feels that the negative is being turned around. The 2007-2008 budget reflects a net operating income of \$791,000.

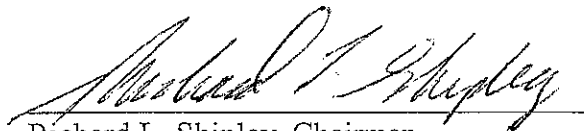
Trustee Cook said the revenue line for 2006-2007 was \$11.8 million budgeted and came in at \$11.3 million. The forecast for the 2008 budget is \$12.8 million. He asked what caused the projected increase. Vice President Hunsaker said one area is the regional campus Bookstores, which will increase revenue. One large expense is the cost of goods, which has not increased as much as expected. Those involved are confident in the projection.

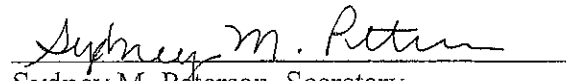
Trustee Cook asked if there is a way to monitor debt covenant compliance. He suggested that reports be given to the Audit Committee. Vice President Hunsaker indicated that there is a detailed breakdown of the debt service ratio listed in the University annual financial report. Associate Vice President Cowley said that a bond disclosure document is prepared annually for all of the bond stake holders. That report could be included in the report to the Audit Committee.

Action: Trustee Foley moved approval of Resolution 07-12-10 the Auxiliary and Service Enterprises Annual Report (Appendix J), and Trustee Cook seconded the motion. The voting was unanimous in the affirmative.

Action: Trustee Parkinson moved that the Regular Meeting of the Board of Trustees adjourn, and Trustee McChesney seconded the motion. The voting was unanimous in the affirmative.

The Regular Meeting adjourned at 10:15 a.m.

  
Richard L. Shipley, Chairman

  
Sydney M. Peterson, Secretary  
(Minutes Taken by Mira G. Thatcher)

January 11, 2008  
Date Approved