

REGULAR MEETING
UTAH STATE UNIVERSITY BOARD OF TRUSTEES
Utah State University, University Inn, Logan, Utah
March 6, 2015

Minutes of the Regular Meeting of the Utah State University Board of Trustees held in the Alma Sonne Board Room of the University Inn commencing at 10:02 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
Jodi Bailey Chief Audit Executive
Scott Barnes Vice President and Director of Athletics
Robert Behunin Vice President for Advancement and Commercialization
Carolyn Brittain Staff Assistant
Ronda Callister President-Elect, Faculty Senate
David T. Cowley Vice President for Business and Finance
Amanda Davis Legislative Liaison, Professional Employees Association
Christine Hailey Dean, College of Engineering
Mark McLellan Vice President for Research and Dean of Graduate Studies
Deb McGill Past-President, Scholarship Chair, Classified Employees Association
James Morales Vice President for Student Services
David Patel Associate Dean of Student and External Affairs, Huntsman School of Business
Craig J. Simper General Counsel
Robert Wagner Vice Provost of Regional Campuses and Distance Education
Ken White Vice President of Agriculture and Education, and Dean, College of Agriculture and Applied Science Director, Utah Agricultural Experiment Station

Tim Vitale Director, Public Relations and Marketing

OTHERS PRESENT

Kevin Opsahl *The Herald Journal*
Teresa Theurer Utah State Board of Regents

Chair Jibson conducted the meeting: he welcomed the Trustees, members of the Administration, faculty and staff representatives, and thanked Regent Theurer for her attendance.

Chair Jibson noted that the Trustees' blue folders contain the meeting schedule for next year (Appendix A), as well as an additional handout on the Huntsman School of Business differential tuition request. The schedule for the Founders Day celebration was mentioned.

I. CHAIR'S REPORT

A. Alumni Association Report

Trustee Noel began the Alumni Association report noting that the Hall of Honor celebration last month was a success. The Alumni Association has partnered with Advancement to support the new student recreation center and to have a suite in the new stadium. They are looking forward to the expanded golf tournament in the Ogden area. The alumni professional networks, particularly in the legal, veterinary, and business areas are growing. In April the leadership will be working with Advancement and USU Blanding on their STEM/Innovation Fair.

B. USUSA Report

Trustee Fiefia presented the USUSA report. The Utah State University Government Relations Council received a trophy and congratulations from Utah's Lieutenant Governor Spencer J. Cox for being the campus with the largest voter registration last Fall. Trustee Fiefia introduced the newly elected Student Body President—Trevor Olsen.

C. Report on Audit Committee Meetings held on January 9, 2015 and March 6, 2015

Trustee Nixon reported on the Audit Committee Meetings held on January 9, 2015, following the last Board meeting and on the meeting held earlier today.

The main agenda item for the January 9, 2015 was discussion of the annual report presented to the Audit Committee of the State Board of Regents. This comprehensive report summarizes all of the work done by USU's Internal Audit Services during the past year. The report was well done and accepted by the Regent's Audit Committee. Additionally, the Extra Service Compensation Policy on the consent agenda was approved by the Audit Committee. Trustee Nixon expressed appreciation to Vice President McLellan and Provost Cockett for leading the process to get this policy approved. The main objective of today's meeting was to approve the annual NCAA audit report, which is done by the Utah State Auditor. Trustee Nixon recommended the acceptance of the report by the full Board.

Action: Trustee Noel moved for approval of Resolution 15-03-17 approve the Athletics Department Agreed-upon Procedures for the year ended 30 June 2014 (Appendix FF). Trustee Holland seconded the motion. The voting was unanimous in the affirmative.

D. Date of Next Meeting

The next meeting will be held on April 3, 2015, via conference call to approve promotion and tenure decisions.

II. PRESIDENT'S REPORT

A. Information Items

1. Resolution of Commendation

Trustee Fiefa introduced Shelby Fitzpatrick, a junior studying marketing. She serves with the USUSA as well as with the President's Cabinet. Shelby is highly regarded in her sorority and always finds to time to brighten others' days. (Appendix B)

2. Founders Day

3. Coach Stew Morrill's last home game tomorrow

Athletic Director, Scott Barnes said that the March 7th game marks the end of Coach Morrill's 17 years as head basketball coach. Coach Morrill will speak at commencement and receive an honorary degree. At half time the 50th anniversary of Wayne Estes' passing will be recognized.

President Albrecht mentioned that the current legislative session has focused a great deal on some major issues. He noted that our priorities are compensation, graduate funding, and a new building on campus.

III. CONSENT AGENDA

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

Minutes of the Executive Session held on January 9, 2015

Minutes of the Regular Meeting held on January 9, 2015

Resolution 15-03-1 – Certificate of Treasurer – October 2014 (Appendix C)

Resolution 15-03-2 – Certificate of Treasurer – November 2014 (Appendix D)

Resolution 15-03-3 – Contract/Grant Proposals and Awards – December 2014 (Appendix E)

Resolution 15-03-4 – Contract/Grant Proposals and Awards – January 2015 (Appendix F)

Resolution 15-03-5 – Delegation of Administrative Reports – 11/24/14 to 12/29/14 (Appendix G)

Resolution 15-03-6 – Faculty and Staff Adjustments (Appendix H)
Resolution 15-03-7 – Report of Investments – October 2014 (Appendix I)
Resolution 15-03-8 – Report of Investments – November 2014 (Appendix J)
Resolution 15-03-9 – USU Policy Manual – Proposal to Combine Four Leave Policies (Appendix K)
Resolution 15-03-10 – USU Policy Manual – Section 376 – Extra-Service Compensation (Appendix L)
Resolution 15-03-11 – USU Policy Manual – Section 377 – Consulting Leave (Appendix M)
Resolution 15-03-12 – USU Policy Manual – Section 385 – Appointments of Opportunity (Appendix N)

Acceptance of the following Written Reports:

- Advancement and Alumni (Appendix O)
- Business and Finance (Appendix P)
- Classified Employees Association (Appendix Q)
- Commercialization (Appendix R)
- Cooperative Extension, Utah Agricultural Experiment Station, and College of Agriculture (Appendix S)
- Executive Vice President and Provost (Appendix T)
- Faculty Senate (Appendix U)
- Professional Employees Association (Appendix V)
- Public Relations and Marketing (Appendix W)
- Research and Graduate Studies (Appendix X)
- Student Services (Appendix Y)
- USU Eastern (Appendix Z)
- USU/SA (Appendix AA)

Chair Jibson asked if any items on the Consent Agenda needed to be moved to the Action Agenda for discussion. No requests were made.

Action: Trustee Johnson the motion. Trustee Watterson seconded the motion. The voting was unanimous in the affirmative.

IV. ACTION AGENDA

1. The Department of Applied Sciences, Technology and Education proposes restructuring the Agricultural Systems Technology Master of Science degree into two degrees: Agricultural Extension and Education, and Family and Consumer Science Education and Extension

Dean Ken White explained that this request stems from when family life majors were brought into the College of Agriculture. They propose to collapse two specializations into a specific master's program and then have the remaining component consumer

science be its own degree. These program titles are reflective of the type of employment graduates are prepared for upon graduation. This change does not result in any additional costs nor does it affect faculty time commitments.

Action: Trustee Pierce-Moore moved the approval of Resolution 15-03-13 the proposal to restructure the Agricultural Systems Technology Master of Science degree into two degrees: Agricultural Extension and Education, and Family and Consumer Science Education and Extension (Appendix BB). Trustee Gillmor seconded the motion. The voting was unanimous in the affirmative.

2. The Department of Engineering Education proposes discontinuing the Associate of Pre-Engineering (APE)

College of Engineering Dean Chris Hailey explained the Associate of Pre-Engineering has been offered through the regional campuses with its home on the Logan campus. The request to discontinue came from USU Eastern and the regional campuses due to low enrollment. They feel the resources would be better used to offer two year associate technology degrees. Two-year associate technology degree students in those areas would be able to move right into the workforce while also allowing them to use these “stackable” degrees to continue their studies on the Logan campus.

Action: Trustee Johnson moved the approval of Resolution 15-03-14, the proposal to discontinue the Associates of Pre-Engineering (APE) degree at the Regional and USU Eastern campuses (Appendix CC). Trustee Peczuh seconded the motion. The voting was unanimous in the affirmative.

3. Proposal refunding of Research Revenue Bonds – Series 2009A

Vice President Cowley explained that the current interest rates option to refinance a portion of bonds from 2009 would make sense with current percentage rates. The proposed approval to refinance bonds would go to Regents for approval on March 26 and proceed if rates make sense. All expenses, including administrative costs, have been considered. Items on the action agenda related to facilities or real property require approval from the Board of Regents.

Action: Trustee Holland moved the approval of Resolution 15-03-15 the proposed request to refund all eligible Research Revenue Bonds, Series 2009A (Appendix DD) Trustee Nixon seconded the motion. The voting was unanimous in the affirmative.

4. Real Proposed Ground Lease for Mixed-Use Development – USUCU/GW

Vice President Cowley presented the proposal for a ground lease with the USU Community Credit Union/Golden West (USUCU/GW) on the site of the Barn on the Logan campus. The Barn is not a useable building. USUCU/GW would construct the proposed 10,000 sq. ft. building and occupy a portion of the main floor. The rest of the building would be available to USU for a Welcome Center and space for USU Advancement and Alumni Relations, freeing space in Old Main. The lease is a no-cost lease with USUCU/GW with no cost to USU to construct, occupy, maintain and use the building. The proposed lease is for 40 years with two additional five-year renewals if both parties agree. At the end of the lease all building/improvements revert back to USU. A ground lease with a private entity will go to the Board of Regents for approval. The agreement will include that USU will maintain control regarding appearance, signage and usage.

Action: Trustee Burnett moved the approval of Resolution 15-03-16 the proposal for a Ground Lease for Mixed-Use Development with USUCU/GW (Appendix EE). Trustee Johnson seconded the motion. The voting was unanimous in the affirmative.

5. Review and Approval of the Athletics Department Agreed-Upon Procedures for the Year Ended 30 June 2014

Trustee Nixon addressed this item during his Audit Committee report giving the Audit Committee's recommendation to accept the report; the Board voted to approve.

Action: Trustee Noel moved the approval of Resolution 15-03-17 the proposal to review and approve the Athletic Department Agreed-upon Procedures for the year ended 30 June 2014 (Appendix FF). Trustee Holland seconded the motion. The voting was unanimous in the affirmative.

6. Proposal to Modify and/or Implement New Student Fees at Utah State University

Vice President Morales reported that the Logan Campus Student Fee Board approved the recommendation for per-semester increases totaling \$8.29 (\$6.44 for Campus Recreation and \$1.05 for the Music and Theatre fee—which will help out the marching band and theatre group), an overall 1.78% increase in general student body fees. Trustee Fiefia noted that these fees were approved after robust discussion of the Student Board. Vice President Morales explained that the increase for Campus Recreation stems from increased pricing for building materials and some costs not originally considered. The Chancellor of USU Eastern has proposed a \$15 fee increase, representing a 6.4% change for both the Price and Blanding campuses.

Action: Trustee Fiefia moved the approval of Resolution 15-03-18 the proposal to modify and/or implement new student fees at Utah State University (Appendix GG).

Trustee Holland seconded the motion. The voting was unanimous in the affirmative.

7. Proposal to Implement Differential Tuition for the College of Engineering

Chris Hailey, Dean of the College of Engineering, noted that there is already a \$2 per credit fee in place. The fees were used to buy new computers for the third floor. Students have been involved in these discussions since last Fall giving input as to whether they would be willing to pay more to improve the quality of their educational experience. Over the last five years undergraduate enrollment has increased by over 500 students (30%) and funding has not kept pace. The proposal calls for differential tuition to increase over a three year period. Differential tuition for upper-division, undergraduate courses (3000-5999) differential will increase to \$19 per credit hour in 2015-2016, to \$34 per credit hour in 2016-2017, and \$48 per credit hour in 2017-2018. For graduate levels courses (6000-7999), tuition will increase to \$28 per credit hour in 2015-2016, and to \$48 per credit hour in 2016-2017, and to \$69 per credit hour in 2017-2018. Thereafter, both undergraduate differential tuition and graduate differential tuition will increase at the same percentages as Tier 1 tuition. Thesis and dissertation hours would not be charged differential tuition. The goal is to improve class sizes, to update lab equipment, and to hire teachers with real world experience. This will hopefully reduce teaching loads for research professors who engage graduate students in their work. In turn, research faculty will be able to bring in more research dollars. USU students will continue to pay lower tuition than students at the University of Utah.

When approved the Dean will work with student leadership and faculty to appoint an oversight committee which will review the annual disposition of the funds. Members of this committee, as well as the annual allocation of funds, will be posted to the college website. Twenty percent of the funds will be used to support college-wide student experiences with 80% being used by departments to support different programs.

President Albrecht said Provost said Provost Cockett will supply administrative oversight. Chair Jibson agreed and asked for an annual update on differential tuition. President Albrecht stated that in the last eight years the percentage of the cost of higher education covered by state has declined making it necessary to find new sources of revenues.

Action: Trustee Burnett moved the approval of Resolution 15-03-19, the proposal to increase the differential tuition for the College of Engineering (Appendix HH), for the first two years, 2015-2016 and 2016-2017. The College will report how those funds were used and present more details to the Board in October of 2016 followed by a vote from the Board in March of 2017 on additional proposed future increases. Trustee Noel seconded the motion. The motion passed; Trustee Nixon abstained.

8. Proposal to Implement Differential Tuition for the Department of Landscape Architecture and Environmental Planning

Dean Ken White, Department Head Sean Michael and a number of faculty and students were present. The student-focused proposal would add a \$39 per credit increase with an additional increase of \$10 over the next two years reaching \$59 per credit. The differential tuition will only be on classes that matriculated students in their junior and senior years take and not on general education classes.

An advisory board will consist of faculty, students and an alumni practitioner. The College plans to see additional gifts to increase funding.

President Albrecht stated that with no increase in operating costs for departments and decreases in state funding it is essential to find ways to make improvements without overwhelming the students. The President and Provost both support differential tuition. The Trustees requested to see these proposals earlier in the approval process.

Action: Trustee Watterson moved the approval of Resolution 15-03-20 the proposal to establish differential tuition for the Department of Landscape Architecture and Environmental Planning (Appendix II). Trustee Holland seconded the motion. The voting was unanimous in the affirmative.

9. Proposal to increase the differential tuition for the Jon M. Huntsman School of Business

Associate Dean Dave Patel who is responsible for oversight of this proposal explained that the first increase in differential tuition had a dramatic, positive impact on the Huntsman School of Business including 46% of faculty and staff supported through differential tuition and overall enrollment up 16 percent. With enrollment growth comes the need to hire more professors. There will be a differential tuition advisory board comprised of faculty and staff who will produce an annual report.

Associate Dean Patel referred the Trustees to the handout for more information on the Huntsman School's plan to spend the increase. The first line will go to fill faculty positions and address accreditation issues. For their next accreditation in two years they need to have 50% of classes taught by full-time faculty and not rely on adjuncts. The school is working on a revised ACUMEN which will include the creation of five new classes.

Action: Trustee Burnett moved the approval of Resolution 15-03-21, the proposal to increase the differential tuition for the Huntsman College of Business (Appendix JJ) for the school year 2015-2016 at the undergraduate and graduate level. The College will come back to the Board in the Fall of 2015 with more details on how those funds are being used and to present more details to the Board before action is taken on any proposed future increases. Trustee Fiebia seconded the motion. The voting was

unanimous in the affirmative.

V. STRATEGIC AGENDA

At the recommendation of the President the Strategic Agenda – Vice President for Business and Finance Risk Assessment by Vice President David T. Cowley will be presented in an upcoming meeting.

Action: Trustee Johnson made a motion to adjourn the meeting. Trustee Watterson seconded the motion; the voting was unanimous in the affirmative.

The meeting adjourned at 4:43 p.m.

Ronald W. Jibson, Chair

Sydney M. Peterson, Secretary
(Minutes taken by Carolyn Brittain)

Date Approved