

REGULAR MEETING
UTAH STATE UNIVERSITY BOARD OF TRUSTEES
APRIL 7, 2006

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 10:15 a.m.

MEMBERS PRESENT

Richard L. Shipley	Chairman
Douglas D. Anderson	Vice Chairman
David P. Cook	
Robert L. Foley	
Douglas S. Foxley	(By telephone)
Quinn W. Millet	
R. Brent Nyman	
Suzanne Pierce-Moore	
Kellie S. Wood	

TRUSTEE EXCUSED

Lynnette T. Hansen

UNIVERSITY REPRESENTATIVES PRESENT

Stan L. Albrecht	President
Raymond T. Coward	Executive Vice President and Provost
Noelle E. Cockett	Vice President and Dean for Extension and Agriculture
Glenn W. Ford	Vice President for Business and Finance
Juan N. Franco	Vice President for Student Services
M. Kay Jeppesen	Vice President and CIO for Information Technology
M. Scott Mietchen	Vice President for University Advancement
Brent C. Miller	Vice President for Research
Steven J. Kubisen	Vice President for the Technology Commercialization Office
Ann E. Aust	Associate Vice President for Research
Clinton G. Moffitt	Associate Vice President for Finance/Chief Investment Officer
David T. Cowley	Executive Director of Administration/Controller
Sydney M. Peterson	Chief of Staff
John DeVilbiss	Executive Director of Public Relations and Marketing

Jodi Bailey	Director of Internal Audits
Nat B. Frazer	Dean of the College of Natural Resources
Mary Jo Blahna	Director of Business Graduate Program
Henry Nowak	Manager, Technology Commercialization Office
Marsha Howell	President of the Professional Employees Association
Jill J. Ballard	President of the Classified Employees Association
Lee H. Burke	Assistant to the President and Board of Trustees Secretary
Mira G. Thatcher	Secretary

OTHERS PRESENT

Jed H. Pitcher	Utah State Board of Regents
Noah A. Riley	New Student Body President

Chairman Shipley conducted the meeting and welcomed those present. He excused Trustee Hansen.

I. Chairman's Report

A. Oath of Office for Suzanne Pierce-Moore

Chairman Shipley administered the Oath of Office to new Trustee, Suzanne Pierce-Moore, and welcomed her to the USU Board of Trustees.

B. Resolution of Appreciation and Commendation to Quinn W. Millet

Chairman Shipley presented Trustee Millet with a Resolution of Appreciation and Commendation (Appendix A) for his service on the Board of Trustees.

President Albrecht presented Trustee Millet with a gift as an expression of appreciation. He stated that Trustee Millet has done an exceptional job and has outstanding leadership skills. He said it was a privilege and honor to work with him, and wished him the best in his future.

C. Introduction of Noah A. Riley, New Student Body President

Trustee Millet introduced Noah A. Riley, the new student body president. He said Mr. Riley is well known and respected. He has held leadership positions at USU, is the manager of the Quick Stop in the Taggart Student Center, and is involved with LDSSA. Trustee Millet said that Mr. Riley won the election by a large margin.

Vice President Franco said they are delighted that Mr. Riley will serve as student body president. He distributed a list of the new ASUSU Executive Council for 2006-2007 (Appendix B).

D. Committee Assignments

Chairman Shipley assigned Trustee Pierce-Moore to serve on the Advancement Committee and the Enrollment Committee.

Chairman Shipley asked Mr. Riley to be on the Athletics Committee and the Enrollment Committee.

He indicated that two Trustees will be invited to serve on the USU Investment Committee.

E. Audit Committee Report

1. Meeting with Board of Regents held March 20, 2006

Audit Committee Chairman Cook, Chairman Shipley, and Internal Audit Director Jodi Bailey, met with the Board of Regents Audit Committee on March 20.

2. Audit Committee Meeting held on April 7, 2006

Trustee Cook reported that the Audit Committee met the morning of April 7 and received the Internal Audit report from Internal Audit Director Bailey and also reviewed the current audit plan. He praised Director Bailey and those who work with her for their outstanding work. The Audit Committee recommended approval of the Internal Audit Services' projects to the full Board (see Appendix N).

F. Merrill-Cazier Library Dedication

Trustees were invited to attend the dedication of the Merrill-Cazier Library on Friday, April 14. Public Relations Director DeVilbiss stated that television news station Fox 13 will cover the dedication.

G. Board of Trustees Participation in USU Commencement and Branch Campus Graduation Ceremonies

Chief of Staff Peterson reviewed the schedule of events for dignitaries for USU's Commencement which will be held on May 5-6 (Appendix C). Trustees were asked to also attend the college ceremonies following Commencement. President Albrecht

stated that USU will again hold College Convocations. Diplomas will not be distributed to graduates at the Commencement ceremony, but will be distributed at the individual College Convocations.

Trustees received the schedule for branch campus graduations (Appendix D) for their information, and Chairman Shipley was hopeful that at least two or three of the Trustees could attend each of the branch campus graduations as well as the campus Commencement.

H. Date of the Next Board of Trustees Meeting

The next Board of Trustees meeting will be held on Friday, June 2, 2006, as a telephone conference call. Chairman Shipley asked Trustees to review the article in *AGB Priorities*, "New Competition From For-Profit Education Providers," and an article in the *Utah Foundation Research Report*, "What is a Utah College Degree Worth?" which will be discussed at an upcoming meeting. (Note: The date of the next meeting was subsequently changed to May 26.)

II. President's Report

President Albrecht reported on the following:

A. Accomplishments

1. *US News and World Report* ranked USU's College of Education and Human Services as number three in the country in research dollars generated. The college received \$30.6 million last year in research grants. Columbia and UCLA were the two institutions that ranked higher.
2. USU's overall federal research expenditures ranked eightieth among all universities, fifty-first among public universities, and twelfth among land-grant universities without medical schools.
3. Student athletes at USU have a 74 percent overall institutional graduation rate which is number one in the Western Athletic Conference (WAC), a 62 percent four-year average graduation rate which ranks us number one in the WAC, and we have forty-three All-WAC athletes, which is number one in the WAC.

B. Introduction of Nat B. Frazer, Dean of the College of Natural Resources

President Albrecht introduced Nat B. Frazer, the new Dean of the College of Natural Resources, who came to USU from the University of Florida. Dean Frazer said he

is delighted to be at USU and looks forward to working with the Trustees and administration.

C. Performance Dashboard for March 2006

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

D. Banner Report

Trustees were given information concerning the Banner software project (Appendix F).

Interim Vice President Jeppesen reported that the Banner software system for the University is now fully implemented. Some changes will need to be made, and an update is scheduled for July, so work is ongoing. He expressed appreciation for the cooperation shown across campus. He said a total University effort made Banner implementation happen with a limited amount of resources. He said that people went beyond what might be expected of them.

E. M. Kay Jeppesen Title Change to Vice President for Information Technology and Chief Information Officer

President Albrecht announced that he is recommending that the "Interim" be removed from Vice President Jeppesen's title and that it be changed to Vice President for Information Technology and Chief Information Officer to show our great appreciation for the leadership he has provided in implementing Banner software University-wide. Vice President Jeppesen expressed his appreciation.

F. University Advancement Update

The University Advancement update (Appendix G) was given to the Trustees for their information.

Vice President Mietchen reported that this will be a record year for Advancement. There will be an Aggie-to-Aggie Business Connection reception held after business hours in Salt Lake City on April 26, and there will be an Aggie-to-Aggie Business Connection breakfast with corporations and foundations held in Salt Lake on April 27 which will showcase USU research. He said that expenses for the two events in Salt Lake City will be paid by sponsors.

G. Scott Mietchen Awarded The Patti N. Choate Distinguished Service Award

Chairman Shipley congratulated Vice President Mietchen who received the "The Patti N. Choate Distinguished Service Award" from the Utah Society of Fund Raisers on April 5 in Salt Lake City.

H. The President's Report, 4/7/06

The President's Report for 4/7/06 (Appendix H) was distributed to the Trustees.

President Albrecht expressed appreciation for the \$5.3 million donation of land by Uintah Basin resident Bob Williams. A wonderful event was held at the Basin to recognize Mr. Williams. He said this gift will greatly benefit the program there.

Utah's Poet Laureate, Ken Brewer, passed away on March 15. He was a prominent USU emeritus faculty member and a wonderful part of campus for many years. There will be a memorial service on April 29 on campus to recognize his many contributions.

President Albrecht reported that two USU students received Goldwater Scholarships, Logan McKenna and Heidi Wheelwright. This is a national scholarship awarded to outstanding students.

I. Recruitment/Enrollment Update

Provost Coward reported that the enrollment numbers continue to look good. The goal was 5,000 applications, and they have received 4,106 applications, which is a 13 percent increase from last year. Applications have increased 11 percent for in-state students and 19 percent for out-of-state students. He said the focus is now on getting those students who have applied to actually enroll. Provost Coward reported that two weeks ago 500 prospective students visited campus, and on April 21 another 400 students will visit campus. It is felt that these visits will yield a higher enrollment.

J. Events

1. Washington, D.C.

There was a highly successful series of events in Washington, D.C., on March 24-25 with USU alumni and potential donors. Trustee Foxley has been in Washington, D.C., and said he visited with several who attended, and they said it was a first-class event. They would like this to be an annual event for the Aggie community in Washington, D.C.

2. Diversity Retreat

Vice President Franco reported that a successful Diversity Retreat was held on campus on March 29. It was limited primarily to the President's Executive Committee, including Vice Presidents, Deans, Directors, and selected individuals. The feedback received has been positive. A report produced by NASULGC was used. The facilitator was Larry Roper, Vice President at Oregon State University. The report is a guide for discussion about diversity issues on university campuses and allows for flexibility. Some individuals have asked what the next step will be, and we are working on that. We hope to include a larger audience.

President Albrecht expressed appreciation to Vice President Franco for his leadership in organizing the Diversity Retreat.

3. Chicago Development Trip

President Albrecht will be in Chicago for an event on April 8. Trustee Anderson will also attend some of those activities. President Albrecht said they are making connections with very good alumni who will play an important role in the capital development campaign.

4. China

Several will travel to China in May to formalize agreements with China's Minister of Science and Technology as well with a number of major universities to establish collaborations, joint research projects, and student exchanges.

5. Switzerland

A trip to Switzerland is scheduled in May to meet with USU alum Ardeshir Zahedi, the Ambassador to the United States. President Albrecht said the Ambassador will present USU with a gift for an endowed professorship in the College of Agriculture, and it is hoped that he will also present us with a gift of his papers. He is the former Iranian Foreign Minister and son-in-law of the Shaw prior to the revolution and has valuable documents and papers not available anywhere else. Stanford University has negotiated with him for the papers, but USU may receive them.

6. Old Main Society Weekend

Events will be held in connection with the Old Main Society on September 15-16.

K. Search Updates

President Albrecht reported that the replacement for the Director of Alumni Relations will be announced next week. Provost Coward reported that there are three finalist candidates for the Dean of Graduate Studies and he will meet next week with the Search Committee to get their feedback. A committee will be appointed for the search for Vice President of Student Services.

III. Consent Agenda

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

Minutes of the Executive Session Held on March 3, 2006;
Minutes of the Regular Meeting Held on March 3, 2006;
Minutes of the Special Meeting Held on March 8, 2006;
Resolution 06-4-1 Faculty and Staff Adjustments (Appendix I);
Resolution 06-4-2 Certificate of the Treasurer for the Period 1 July 2006 to 31 January 2006 (Appendix J);
Resolution 06-4-3 Report of Investments for January 2006 (Appendix K);
Resolution 06-4-4 Report of Institutional Discretionary Funds for 2004-2005 (Actual), 2005-2006 (Estimate), and 2006-2007 (Estimate) and Institutional Discretionary Funds Supplemental Report of Budget Variances for the Fiscal Year Ended 30 June 2005 (Appendix L);
Resolution 06-4-5 Contract/Grant Proposals and Awards for February 2006 (Appendix M);
Resolution 06-4-6 Review and Approval of the Internal Audit Services' Projects (Appendix N);
Acceptance of the following written reports:
 Academic/Provost (Appendix O);
 Faculty and Staff Activities and Achievements (Appendix P);
 Business and Finance (Appendix Q);
 Business and Finance Performance Dashboard, February 2006 (Appendix R);
 Extension/Continuing Education (Appendix S);
 Cooperative Extension Performance Dashboard, November 2005 (Appendix T);
 Continuing Education Performance Dashboard, October 2005 (Appendix U);
 Conference Services Performance Dashboard, FY 2003-04 (Appendix V);
 Information Technology (Appendix W);
 Research (Appendix X);
 Research Performance Dashboard, FY 2005 (Appendix Y);
 Technology Management Indicators (Appendix Z);

Student Services (Appendix AA);

University Advancement (Appendix BB);

Development Fund Report for Fiscal Year 2005-06 (Appendix CC);

Alumni (Appendix DD);

ASUSU (Appendix EE);

Athletics (Appendix FF);

Public Relations and Marketing (Appendix GG);

Professional Staff (Appendix HH);

Classified Staff (Appendix II);

Executive Session, to be held on June 2, 2006, to discuss those items which are permitted by law to be discussed in Executive Session.

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

IV. Action Agenda

A. Tenure and Promotion Decisions for 2006

Trustees were given the tenure and promotion decisions for 2006 (Appendix JJ) for their consideration.

Provost Coward said the tenure and promotion process is extensive and begins with a review at the departmental level. The process includes the department chair, the dean, the central committee, the Provost, and the President.

Action: Trustee Nyman moved approval of Resolution 06-4-7 Tenure and Promotion Decisions for 2006 (Appendix JJ), and Trustee Cook seconded the motion. The voting was unanimous in the affirmative.

B. Proposal from the Department of Business Administration to Remove the Business Analysis and Decision Making Specialization within the Master of Business Administration

Trustees received the proposal from the Department of Business Administration to remove the Business Analysis and Decision Making Specialization within the Master of Business Administration (Appendix KK) for their consideration. (See action below.)

C. Proposal from the Department of Business Administration to Remove the Business Information Systems Specialization within the Master of Business Administration Degree

Trustees were given the proposal from the Department of Business Administration to remove the Business Information Systems Specialization within the Master of Business Administration Degree (Appendix LL) for their consideration. (See action below.)

D. Proposal from the Department of Business Administration to Remove the International Economics Specialization within the Master of Business Administration Degree

Trustees were given the proposal from the Department of Business Administration to remove the International Economics Specialization within the Master of Business Administration Degree (Appendix MM) for their consideration. (See action below.)

E. Proposal from the Department of Business Administration to Remove the Quantitative Economic Analysis Specialization within the Master of Business Administration Degree

Trustees received the proposal from the Department of Business Administration to remove the Quantitative Economic Analysis Specialization within the Master of Business Administration Degree (Appendix NN) for their consideration. (See action below.)

Trustee Foley asked what specializations remain in the Department of Business Administration. Mary Jo Blahna, Director of Business Graduate Program, stated that remaining specializations are Accounting, Entrepreneurship, Human Resources, and Manufacturing Management.

Director Blahna stated that this is not a trend with other colleges of business. USU offers a one-year MBA, and it is difficult for students to take the three additional classes needed for specializations.

Trustee Nyman asked about the budgetary impact. Director Blahna said that classes offered through specializations are offered only because they are part of another degree program. Those specializations eliminated were not part of another degree program, so there could be somewhat of a savings, but there will not be a major budget impact.

Trustee Wood asked if students will be able to get the other specialized degrees in a one-year program, and Director Blahna said they will not.

Trustee Cook asked if it would take two additional years for a student with a bachelor's degree in Accounting to get a master's degree. Director Blahna said if they have an undergraduate degree they can finish in one year.

Action: Trustee Foley made a motion to approve Resolution 06-4-8 the proposal from the Department of Business Administration to remove the Business Analysis and Decision Making Specialization within the Master of Business Administration (Appendix KK); Resolution 06-4-9 the proposal from the Department of Business Administration to remove the Business Information Systems Specialization within the Master of Business Administration Degree (Appendix LL) ; Resolution 06-4-10 proposal from the Department of Business Administration to remove the International Economics Specialization within the Master of Business Administration Degree (Appendix MM) ; and Resolution 06-4-11 proposal from the Department of Business Administration to remove the Quantitative Economic Analysis Specialization within the Master of Business Administration Degree (Appendix NN). Trustee Nyman seconded the motion, and the voting was unanimous in the affirmative.

V. Strategic Agenda- "Strategy for Implementation of USTAR"

A. USTAR Background Information

Vice President Miller distributed a "USTAR Thank You" page about the receptions held in Salt Lake City and Logan to thank those who worked on USTAR (Appendix OO). The receptions were to show appreciation for all the work done by so many in order to get USTAR (Senate Bill 75) passed by the Legislature.

Vice President Miller reviewed some of the things USU accomplished in advance in order to prepare for USTAR (Appendix PP) including: (1) a track record of successful companies that had their beginnings at USU; (2) becoming more enterprising and entrepreneurial by counting patents towards faculty tenure and promotion, and increasing the royalty shares to inventors; (3) increasing the capacity of the Technology Commercialization Office by hiring senior managers from large companies resulting in more than doubling the number of licenses, revenues, and startups in each of the last two years; and (4) getting new USU-related companies started.

Trustees were given information about the largest successful companies that have ties to USU through faculty or alumni (Appendix QQ), and information about seven new startup companies (Appendix RR). Vice President Miller stated that some of these new companies are growing rapidly.

An outline of USU's focus areas that will be emphasized for the USTAR Initiative (Appendix SS) was given to the Trustees. Research focus areas include "Microbe Biotechnology;" "Intelligent Systems" (Engineering and Science); "Advanced Nutrition" (Agriculture, Science, Engineering); "Infectious Diseases;" and "Water, Watershed, and Weather."

Vice President Miller said research teams who are established and have a focus on intellectual property are being sought to hire at USU. He announced the first two USTAR faculty hires: (1) Dr. David York, Chief of Basic Science Research and Head of the Experimental Obesity Research Group, Pennington Biomedical Research Center in Baton Rouge, Louisiana, who will begin in July; and (2) Dr. Krishna Shenai, from the University of Illinois in Chicago. His expertise is designing low energy chips for computer applications that are smaller and faster. This research has industrial, military, and commercial uses. He has spent most of his career at corporate research centers, but has also held faculty positions. He will begin in May.

Trustees were given a summary of the USTAR bill, Senate Bill 75 (Appendix TT) which becomes law on July 1. He said a Governing Authority Board will be created, and asked for Trustee suggestions concerning the selection of members to help ensure that the Governing Authority Board be effective in managing USTAR. It will be a Board of eight people who will (1) ensure that funds are used appropriately, (2) set objectives and rules, and (3) monitor the programs and success of USTAR activities. (Senate Bill 75 is Appendix UU.)

Senate Bill 75 allows for construction of two research buildings, one at USU and the other at the U of U. The Authority Board will hold title to the two research buildings. Vice President Miller stated that USU's building will be the Bio-Innovations Research Institute. It will provide state-of-the-art facilities for researchers in Life Sciences. We are responsible for a \$10 million match for the \$70 million building. The \$15 million ongoing funding to hire research teams will be shared by USU and the U of U. We will make requests to the Authority Board for all funding allocations.

There is also a technology outreach dimension of the USTAR initiative. In up to five locations throughout the state \$4 million ongoing will be used to help extend the USTAR concept. One area of particular interest to USU is the Uintah Basin.

Revenues that come from commercialization of the research will be split. The first \$10 million stays with the two universities proportional to the share that each generates. The next \$5 million goes to the Governor's Office of Economic Development for Centers of Excellence. Revenues from royalties in excess of \$15 million from the USTAR Initiative will be divided 50/50 with the USTAR Authority Board and 50 percent to USU and the U of U, proportional to the amount of revenue each university generated.

B. Trustee Discussion and Direction

1. \$10 million Matching Funds

Trustee Foxley asked Vice President Miller if he is confident that the \$10 million match can be raised by USU. Vice President Miller said there are alternative ways to raise the money. It can be from private funding, but not necessarily from donors. It could be from a private partnership, for example a commercial business entity that is part of the USTAR facility that would furnish the \$10 million. This is being seriously explored. There are several possible businesses interested in USU's Technology Commercialization. Technology Commercialization Office Director Steven Kubisen said that there are currently two companies in the microbial area interested in bringing their businesses to USU. They are owned by two successful USU alumni. He said the funding would not be donated, but would come from business deals. Vice President Miller said it is realistic to expect a potential business opportunity that will provide the \$10 million match.

Vice President Miller said there is no time line given, but the design of the building cannot begin until we have the \$10 million match.

Trustee Foxley said Senator Mansel indicated to him that he wanted a stringent "No Conflict of Interest" provision so that anyone who helped on the USTAR Board could not have a financial interest in anything pursued by this initiative. He asked if that type of restriction was a problem. Vice President Miller said it is possible that persons recommended for the Authority Board would be venture capitalists interested and knowledgeable in investing. There would need to be a partition between their private business and what they do for USTAR. Director Kubisen added that conflict of interest could be good if there is a funding source that wants to move that technology forward. He said we need to be careful of the "Conflict of Interest" provision because the venture capitalists can make the initiative grow.

Trustee Cook asked who owns intellectual property. Technology Commercialization Office Accelerator Director Henry Nowak said that it is owned by the University. Trustee Cook asked how companies get a return on their investment. Associate Vice President Nowak said there are options such as first right of refusal. Part may be that they want access to researchers in these areas. Vice President Miller said the intellectual property issue is a difficult one for industry-sponsored research and will be carefully addressed. If there is industry-sponsored work, an agreement would have to be clear about intellectual property. Trustee Cook said if the University owns the intellectual property, it will be a huge issue. Director Kubisen said they deal with this all the time with

corporate-sponsored research. Typically, in exchange for businesses funding research, they are given first rights of refusal in the field of use in a particular area. They do not get all fields of use. He said it is a complicated process because federal laws require an open market, but we want to encourage corporate investment and businesses want a return

Trustee Nyman suggested that in the microbe area the national cheese industry might be interested, and, if so, money could be available here. In the infectious disease area, because of the bird flu pandemic, it may be possible to work with Secretary Michael Leavitt on a specialized research program where funding would be available. Vice President Miller said both of these ideas have been discussed, and Secretary Leavitt's office has been approached.

Henry Nowak said that in the area of microbial biotechnology, the Utah Natural Products Association, which is involved with food supplements, vitamins, etc., is interested because these are products that require microbial processing. They are interested in building a link with USU. International Fragrance and Flavors is also interested in a partnership with USU; talks are preliminary but positive so far.

Trustee Cook asked that information and talking points be given to the Trustees so they can better understand and promote the idea to businesses. He said right now he would not be able to articulate to a company how it would get a return for its investment. He asked that different scenarios be furnished to the Trustees showing commercial return on \$10 million so Trustees can explain it. Vice President Miller said he will forward information to the Trustees.

President Albrecht said that an investor will see the opportunity to spin off a new company that would hopefully generate significant income opportunities.

2. Authority Board

Regent Pitcher asked if it is anticipated that Ed Alter would be the Chair of the Authority Board. Vice President Miller said probably not. The bill specifies that the chairman would be selected from those who are members of the Board. Regent Pitcher suggested that a USU Trustee should be a member on the Authority Board. Vice President Miller said the Governor or the Legislature would have to appoint one of the Trustees, and he felt it was unlikely. There is only one position on the Board appointed by higher education.

President Albrecht said we need to work to get adequate representation on the Authority Board. He said we need people who understand not just the research universities, but understand Utah State University.

Trustee Foxley said there is good cooperation between the U of U's President Young and President Albrecht, which will be beneficial to both of the institutions. The initial Authority Board is critical to the long-term success of the USTAR Initiative. He said there are individuals who have close association with USU and a good relationship with the Governor who could represent USU, and we must be involved in the process. Vice President Miller said they have had some preliminary discussions with the Governor's Office about individuals who would do a good job.

3. Staffing to Implement USTAR at USU

Vice President Miller said USU is currently staffed too thin to implement USTAR. He asked for advice for staffing and related considerations. He said that communications and having the right business-minded people in place are important.

Vice President Cockett asked if staffing could be funded through USTAR money rather than University money. President Albrecht asked about our ability to use a modest amount of money to help us fund infrastructure kinds of issues. Vice President Miller said there is nothing in the Senate Bill to suggest using the funds in that way, but it does not say we cannot. The Bill mentions building facilities and hiring researchers who will develop technology commercialization. Vice President Miller stated that the Research Office has been conservative in spending the funds in order to have funds available to hire the researchers needed. There have been a number of requests around campus for various things that would enhance the research environment generally, but he felt we should concentrate the funds on USTAR recruitment.

Regent Pitcher asked if the staff for USTAR would be housed in the Salt Lake City office or at the Logan campus. Vice President Miller said this has been discussed, and we would like to have a more continuous presence in Salt Lake City. He asked for Trustees' advice about the kinds of people we might want there. He said individuals are needed with political insight and talents and others with economic development expertise. Chairman Shipley added that there is also a need for a public relations person. He said we have to get our message out. We are competing. We need the entrepreneurial side--the best the University has.

Dr. Burke said the Senate Bill provided money to hire an Executive Director -- a staff person to work with the Authority Board. That will come from money allocated by the bill. It did not indicate anything about the individual university staffs. Vice President Miller said this is a good point and the support we need for the infrastructure will be discussed with the Authority Board. Henry Nowak said

the wording in the bill does not specify that the money is to be used to recruit research faculty, it is to enhance research activity. It is not clear either way.

Trustee Anderson asked how the U of U infrastructure is set up. Vice President Miller said that the U of U appointed Jack Brittain, Dean of the School of Business, to also serve as the Vice President for Technology Venture Development. Kim Wirthlin has been appointed Vice President of Government Relations covering federal and state relations/Associate Vice President for Marketing and Communication. Dr. Burke added that she is still over Health Sciences. Vice President Miller said the U of U's team includes Jack Brittain; Lorris Betz, Sr. Vice President for Health Sciences; Kim Wirthlin; David Pershing, Provost; and Ray Gesteland, Vice President for Research.

Trustee Foxley said President Albrecht and Vice President Miller were important to the success of USTAR being funded. He said that Vice President Miller needs the team necessary to make USU successful as we move forward, and this should be done quickly.

4. USTAR Expectations

Vice President Miller said that many legislators do not have a clear understanding of the USTAR initiative and have unreasonable expectations about how quickly new businesses will be created. He asked Trustees for suggestions about how to help legislators understand that this will take time to develop. Trustee Foxley said Vice President Miller has a critical job of outreach to the legislators and the governor to keep them informed about progress. He suggested that this is a great opportunity to use USU's outreach throughout the state to discuss what is being done and to create realistic expectations.

Trustee Millet said this is an area where students could help in a public relations campaign. He said it would be free labor and would generate ideas. Students have been effective in public relations in the past and have worked with companies throughout the country. Vice President Miller appreciated the idea and said that even on campus we need to educate students and faculty to help them understand what USTAR is about and why it is good for USU.

Trustee Foley suggested that some of the projects in process could possibly produce more quickly with help from USTAR. Vice President Miller said that if the start-up companies underway become characterized as USTAR they would fall under the new technology commercialization distribution of USTAR, which would result in giving up half or more of expected revenues. We would like to be able to tie successes that are underway right now to what we are starting now with USTAR.

Trustee Foxley mentioned that Sorenson Communications, which sold for several hundred million dollars, took ten years to develop and millions of dollars of investment. Stories like that would help people understand that this does not happen over night.

Trustee Cook asked if there will be an annual report to the legislature. Vice President Miller said the USTAR Authority Board is required by the Senate Bill to meet monthly and are required to report annually to the legislature. Trustee Cook said it would be useful to report on a plan of what we intend to accomplish next year.

Chairman Shipley asked the Trustees to communicate to Vice President Miller names of individuals for staffing. He said this is a critical first step and staff needs to be able to articulate with alumni as well as legislators and others.

Trustee Foxely said USU needs to develop its own team which will give Vice President Miller the support to move forward.

Trustee Wood stated that Vice President Miller should be the one to indicate exactly what and who he needs, and he would have the support of the Trustees.

5. Expression of Appreciation

Vice President Miller expressed appreciation to the Trustees for their support and ideas, and to all who have been involved with USTAR including Provost Coward, Stephen Kubisen, Henry Nowak, Ann Aust, and others.

VI. Appointment of Douglas D. Anderson as Dean of the College of Business

Chairman Shipley announced that since Douglas D. Anderson has been named the new Dean of the College of Business, effective July 1, he will submit his resignation from the Board of Trustees to the Governor. He said hiring Dr. Anderson as Dean is a winning situation for the University.

Action: Trustee Nyman moved that the meeting adjourn, and Kellie Wood seconded the motion. The voting was unanimous in the affirmative.

The Regular Meeting adjourned at 12:10 p.m.

Richard L. Shipley, Chairman

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

Date Approved