I. INFORMATION

A. President's Report

1) Legislative Update. Trustees were given a copy of the 2012 election report as a response to their request for more information on legislature, including the senators and representatives that represent their individual districts. The state legislature is changing this year, with many new members. Summary of legislative priorities was also distributed:
   -Classroom Building. Information includes square footage per student relative to other institutions, and scheme and design of the building. This building was originally #1 recommendation from the building board after staff analysis, but was moved to #5 at the final vote. It appears the Governor will add to his budget.
   -Equity funding. In 2008 the breakdown of tuition vs. state funding was 50/50. In the past five years it has dramatically changed. We are educating a UVU student for less than we were five years ago, but tuition has increased $800 per semester. The problem is with declining state support, in order to maintain growth and quality, tuition has had to increase. This highlights the vital need for equity funding. Trustees were encouraged to contact their legislators as agendas are being prepared for the upcoming session.
   -Enrollment issues. We are down a fair amount this semester in number of out of state students. It was noted out of state tuition has not increased as quickly as in-state. Senator Urquhart is proposing a reduction in out of state tuition to compensate for enrollment decline with the change in LDS missionary age.

2) Board of Regents. Recent meeting with Trustees and Regents was very successful, and Trustee support was appreciated. Regents and university have responded positively to the unique education mission, and the work that is being done to make it happen.
3) University Project. We have received positive press coverage on the University Project. We wanted to pick one project that cut across the university with a pressing community issue. United Way’s focus has been on literacy and numeracy to ensure all students are on level by third grade. If this doesn’t happen, the social consequences are profound. We felt we could offer faculty resources, thousands of students and service hour potential. We have adopted the Franklin Center in southwest Provo as a beginning.

4) PBA process. PBA reports from two Colleges were highlighted:
- College of Humanities and Social Sciences has a very large faculty and staff. The Bachelor of Social Work was created to fill a community need, and is a great program offered through the department of Behavioral Sciences. A recent joint project with Clear Horizons Academy has focused on autism, providing a very successful autism conference that looked at responses to autism, with a nationally renowned autism expert providing keynote. Students in the College are winning national awards, and we had three students accepted in the #1 MPA program in the nation. Students have presented research at ten conferences nationally and internationally.
- College of Computing and Technology. They have eight departments. The BS in Computer Engineering was a recent addition. They have received a $3 million cyber security grant. They have the first 4-year Geomatics program in the state. Students received an Oscar nomination for a digital media film. We continue to remain top in the nation in the SkillsUSA competition. College has a very successful Mechatronics program. Students have designed mobile apps. 5) UVU has worked hard to respond to the business community, who has indicated one challenge they face is finding graduates who have broad skills and are able to work across functional areas with different skill sets. An Academy for Creativity and Technology was instituted to create partnerships with business. Formal analysis was done and pilot program was created to provide real work experience in developing a project from beginning to end to find solutions to a specific problem. Students and faculty were selected from three areas—Arts, Business, and Technology and Computing. They came together to work with a client from the private sector—an engineering firm that specializes in micro-welding technology. Students did branding, market analysis and developed an app to remotely control the welders. Students introduced themselves and talked about this very successful engaged learning experience. Team leaders were Britton Broderick, business; Mike Young and Tyler Wall, computer science; Drew Mitton, graphic design; and faculty advisors Tim Fisher and Jim Godfrey. The MBA cohort was be doing similar projects, working on 6-7 different areas. They are recruiting client companies that have meaningful projects that could provide a service to the company and engaged learning for the students.

B. Honorary Degree Guiding Principles.
President Holland and Chair Butterfield have worked on guiding principles in choosing honorary degree recipients. Suggestion was to identify more categories of disciplines, but it was pointed out it would be better to have broader categories with more breadth. Purpose was to cover the areas of the schools and colleges with broadly defined disciplines. Another suggestion was to add under Institutional/Regional Contribution—“long term community service and/or outstanding career.”

C. Foundation Report
Trustee Bingham reported since our last meeting they have received 219 gifts valued at $176,901. Year to date from January to November, total cash gifts were up 12% and total new pledges were up 83%. Cash and pledges increased 33% overall including a $200,000 stock gift in November. $180,000 was cash following the sale of a company. The first issue of the Foundation magazine was published. Trustee Champion suggested adding a page highlighting alumni from the past four years and what they are doing, letting others know of the quality of graduates, which will encourage them to donate. It was pointed out those that receive this publication also receive the UVU magazine, and another publication called Connections which is designed for alumni only. Hosting of the Deer Valley Music Festival by Trustee Champion was highlighted in the Foundation magazine.

D. Awards of Excellence and Review Committee.
Secretary Karen Olsen pointed out the guidelines and forms used for nominations for Trustee Awards of Excellence. Two Trustee members will be needed to review the nominations and recommend recipients to the full Board in the February meeting. Trustee Merrill was suggested, and she will be contacted by Ms. Olsen. Trustee Acerson accepted assignment to review nominations.

I. ACTION
A. Curriculum
1. BA/BS in Finance – 3 year follow up report.
Regents require third year report on the status of degrees approved. After Trustee review and approval it goes to the Regents and Commissioner’s office. Lowell Glenn, chair of the Finance Department and Dean Norm Gardner reported
Typically Philosophy students will go on to law school or other graduate programs. Trustee Shoemaker motioned for hours, particularly in such areas as science, arts, and technology where more of the courses are three credits with labs. We will also have to hire more adjuncts. Adjunct guidelines will be no more than 22 contact hours a year (currently they now required to count by contact hours, which includes lab time, etc., and will negatively impact some adjunct workload have counted instructional credit hours for load (3 credit hour lecture course is counted as 3 instructional hours). We are giving faculty credit for co-curricular things they do to improve teaching. They are also trying to do flexible faculty load. New policies are going to limit how much our adjunct can teach, and we are also asking for more full-time faculty. Four or five of their programs are among the least expensive programs at the university. They also rely more on lecturers who can teach more. 2) How is placement of students? Employers are often interested in graduates that have skills in high level written communication and critical thinking, which is emphasized in this college. 3) How many Policy 639. Vice President Wilson said adjunct faculty have similar issues, which are more complicated. In the past we brought to Trustees at a later date. Questions and comments: 1) this report looks like an accreditation report. It is similar, and findings indicate we should reduce adjunct rate, faculty workload and add engaged learning. The challenges come with such a large and diverse college. Dean Yells said they have begun teaching some sections in large classrooms using instructional assistants, and giving faculty credit for co-curricular things they do to improve teaching. They are also trying to do flexible faculty load. New policies are going to limit how much our adjunct can teach, and we are also asking for more full-time faculty. Four or five of their programs are among the least expensive programs at the university. They also rely more on lecturers who can teach more. 2) How is placement of students? Employers are often interested in graduates that have skills in high level written communication and critical thinking, which is emphasized in this college. 3) How many students go into jobs or other disciplines? There are high placement rates in graduate school. We do have some applied programs such as communications. It is one of our programs that have the highest level of internships and placement. Typically Philosophy students will go on to law school or other graduate programs. Trustee Shoemaker motioned for approval of the College of Humanities and Social Sciences Program Review. Trustee Mortimer seconded. Voting was unanimous.

B. Naming Opportunities. Trustee Acerson motioned to approve the naming of the new Wee Care building “The Wee Care Center, Barbara Barrington Jones Family Foundation”, in recognition of the donation for the building. Trustee Morley seconded. Trustees voted six in favor, one opposed.

C. Policy 165. Discrimination, Harassment and Affirmative Action. Vice President Duckworth explained over the years, these concepts have been woven into a number of different policies. They have been reviewed extensively and combined into a more concise, umbrella policy, which will now be reference for other policies. Trustees expressed approval for the format. Trustee Mortimer motioned for approval of Policy 165. Discrimination, Harassment and Affirmative Action. Trustees Morley and Champion seconded. Voting was unanimous.

D. Policy 321. Employment Classifications and Work Limits, and Policy 639. Adjunct Faculty. Vice President Peterson explained this is coming for approval based on the requirements of the Patient Protection and Affordable Care Act. It requires employers who have more than 50 full-time employees to provide health protection to these employees. If we do not provide health insurance, we can be fined as high as $2000 per employee for a total of $3.2 million. Employees will be tracked over a 12-month measurement period to determine if they are full or part-time. Changes to these policies are requested through the temporary emergency process.

Policy 321. Employee limits will be deleted and replaced with new ones (we are still receiving guidelines from the federal government and IRS). We have determined that part-time guidelines will be changed to 28 hours a week, 120 hours a month or 1,440 hours a year, which will allow enough leeway to not exceed federal laws. Policy changes will be brought to Trustees at a later date. Questions and comments:

- What is the cost of providing insurance to all employees? $43.7 million above current costs.
- What happens if this is not managed? Part-time positions will be terminated if they exceed hours. Currently our part-time staff are allowed to work 29 hours a week.
- What about eliminating insurance for all? We feel it would negatively impact our ability to recruit quality faculty and staff. Expressed irony that the federal government wants to help, but provided a negative for many individuals.

Policy 639. Vice President Wilson said adjunct faculty have similar issues, which are more complicated. In the past we have counted instructional credit hours for load (3 credit hour lecture course is counted as 3 instructional hours). We are now required to count by contact hours, which includes lab time, etc., and will negatively impact some adjunct workload hours, particularly in such areas as science, arts, and technology where more of the courses are three credits with labs. We will also have to hire more adjuncts. Adjunct guidelines will be no more than 22 contact hours a year (currently they
can teach 30 hours a year). We must also define more clearly what we are paying an adjunct to do as part of their contract, such as orientation, department meetings, committee assignments, etc., because anything outside of teaching must be added to the hourly total of hours earned for pay. Questions and comments:

- Can total hours of full-time faculty load be more clearly identified so adjuncts could have more hours as a percentage? It is a good question as the area of adjunct faculty is the least defined. Federal government has said this issue is way down the list for definition and is considered part of a variable pay. We must define based on 75% of full-time faculty load. More guidelines are coming. This is also in conflict with the Fair Labor Standard Act that says faculty are exempt from counting hours. We are asking in this policy to provide authority to President’s Council to be nimble in responding to these issues and do the best with the information we have to keep us safe.
- Will limiting adjunct hours negatively impact quality of adjunct pool? We feel 85% of adjuncts will be the same, with about the same number of sections being taught by adjunct. We are also looking at hiring instructional staff to supervise labs. The burden will be on administrators to find additional qualified adjuncts.

Trustee Shoemaker motioned for approval of revisions to Policies 321. Employment Classifications and Work Limits, and 639. Adjunct Faculty on a temporary emergency basis. Trustee Mortimer seconded. Voting was unanimous with recuse by Trustee Morley.

E. Re-approval of Trustee Scholarship. Karen Olsen reminded Trustees of the decision that has been made previously to waive receipt of their earned Trustee stipend, and provide this equivalent contribution in their name to fund a Trustee scholarship. Trustees have been pleased with this decision. Trustee Bingham read a resolution from the Foundation Board honoring the Trustees for their philanthropic support, which will be added to the minutes of the meeting. Trustee Champion motioned for approval to continue the Trustee scholarship as noted in the memorandum of understanding. Trustee Acerson seconded. Voting was unanimous.

III. CONSENT CALENDAR.

A. Minutes of October 18, 2012 Board of Trustee meeting.
B. Human Resources Report for September 2012
C. Investment Report for August and September 2012. Investments are currently earning 3.88%, in areas recommended by committee. We interviewed several other brokerage houses and they were not able to provide a higher return. Investments must be short-term notes less than 2 years and must fall within the strict parameters of the Money Management Act. President Holland asked for approval from the Board to reconvene the committee to review other options, with possibility to invest more with Wells Fargo. Trustee Hawkins said the committee will do some investigation and bring findings to the Board in February.
D. Auxiliary Report. There was a $278,000 loss last year in Food Service. Changes were made to bring in different vendors resulting in a net increase in overall food sales of 20%. Food service had a 10% reduction in sales, and along with hourly increases and food costs, resulted in this net loss. Majority of student workers are international students. Food services also paid indirect overhead of $193,000 in rent last year. They operate under an assumption they will break even, and are required to control all costs. Questions and comments:
  - How do they cover this loss? All auxiliary revenue goes into the unexpended plant fund, which even out with other auxiliaries
  - What do they anticipate next year? They hope to break even on costs. It is a service to campus. Most campuses contract food services, but having our own helps with control. We have just purchased a Taco Bell, and own Pizza Hut. Other vendors pay 2% of sales, plus space rental. We expect overall sales to increase again.
Service Enterprise Report. Question was asked about athletic report, which is a separate report that will be presented to the Trustees next semester.
E. Revised 2011-12 Institutional Interest Income Expenditure Report. Use of Foundation discretionary funds requires Board approval. These are long-term commitments for naming rights and also a commitment made to athletics and the Latino Educators of Tomorrow. Foundation will also approve.

Trustee Lund motioned for approval of the Consent Calendar. Trustee Hawkins seconded. Voting was unanimous.

Trustee Morley motioned to hold an Executive Session under the provisions of the Open and Public Meeting Act to discuss personnel and real estate transactions. Trustee Lund seconded. Voting was unanimous.

Trustee Shoemaker motioned to move out of closed session. Trustee Mortimer seconded. Voting was unanimous.

Meeting adjourned at 9:30 p.m.