

UVU BOARD OF TRUSTEES

March 27, 2014

7 p.m. – SC213c

Board of Trustees Members Present

Karen L. Acerson
Jono Andrews
Curtis B. Blair
James Clarke
Elaine Dalton
Anne-Marie Lampropoulos
Fidel A. Montero

Board of Trustee Members Excused

Greg S. Butterfield
Steven J. Lund
Terry E. Shoemaker
R. Duff Thompson

UVU Regular Attendees

President Matthew S. Holland
Marc Archambault, Vice President Development and Alumni
David Connelly, Faculty Senate President
Linda Makin, Chief Planning, Budget & Policy Officer
Steve Roy, Associate Vice President University Relations
Karen Olsen, Secretary to the Board
Jim Michaelis, Associate Vice President Administration and Finance
Kyle Reyes, Assistant to the President
Michelle Taylor, Vice President Student Affairs
Ian Wilson, Academic Vice President

Guests:

Virginia Bayer, Chair Biology Department
Kris Coles, Dir. Prospective Students Services & CAL Student Leadership
Melinda Colton, Director of Public Relations
Wayne Dornan, Dean College of Aviation & Public Services
Dan Fairbanks, Interim Dean College of Science & Health
Jim Godfrey, Chair Arts & Visual Communications Department
Lori Santos, Assnt. Professor Arts & Visual Communications Department
Whitney Wilkinson, Director Strategic Marketing & Public Relations
Norman Wright, Dean Woodbury School of Business
Kirk Young, Assnt. Vice President Recruitment & Outreach

I. INFORMATION

A. Campus Report

1) New Trustees. We welcome new Trustees Anne-Marie Lampropoulos, James Clarke and Tyler Brklacich who introduced themselves. 1) Trustee Brklacich is from north Salt Lake, and a political science major who hopes to join the Peace Corp and then go to law school. He has been involved in UVUSA as the Senator for Humanities and Social Sciences, and Vice President of Academics. 2) Trustee Clarke said three years ago they were choosing where to live, and one reason they chose Utah County was to be part of this university. He runs a small family office that invests in private and growth equities, and previously was involved in technology. 3) Trustee Lampropoulos went to school at Columbia University where she earned a degree in political science and a master from the Columbia Journalism School. She worked for Mayor Rudy Giuliani in the press office for five years. She is vice president of communications at Merit Medical. She has a daughter in her first year at Columbia, two sons—one a high school senior and one in first grade. 2) WAC Champions. Our men's basketball team brought home the WAC championship. President Holland spent several years convincing the other presidents UVU could be competitive, and we accomplished that in the marquee sport of the conference our first year. He is very pleased with the team, especially the sportsmanship they displayed during the altercation that was widely publicized. We also had our first appearance in the NIT tournament. 3) Kennedy Center Theater. We are now back-to-back champions for the Kennedy Center Theater competitions. This is equivalent to winning the NCAA championship for theater. Last year we won best play, and this year for best musical. UVU is becoming widely known among collegiate theater. 4) Presidential Lecturer. Robert Putnam, the most influential political scientist in American today, will be speaking on April 14 as the presidential lecturer. He has written a book on opportunity gaps and differences in the country on economic bases'. Trustees are invited. 5) Center for Constitutional Studies. This is a relative new center at UVU. Ribbon cutting featured speaker David McCullough. Many influential academics from Harvard, Princeton, Georgetown and Berkeley have discussed our most pressing constitutional issues. Elder Dallin H. Oaks of the Council of the Twelve Apostles of the LDS Church, as a renowned constitution scholar on religious liberty for all and first amendment liberties will be the keynote speaker on April 16. 6) Commencement Speaker is Wes Moore, author of a book about two individuals who are the same age, race and upbringing and their different paths because of choices and opportunities and the value of education. He will be a dynamic speaker. 7) Student Life and Wellness Center ribbon cutting. Ribbon cutting will be April 17 for a phenomenal new facility. It will be an anchor for student life on our commuter campus. There are exercise activities, indoor track for body, mind and spirit, including a Reflection Center for people of faith or non-faith to meditate and get their spiritual center as they navigate life. This building is attached to the new parking structure. 8) Legislative victory. Over the years, UVU developed an active inequity of funding. The students and taxpayers of this region were disproportionately subsidizing other institutions, and it was jeopardizing our ability to delivery on our mission. Our top legislative focus was to remedy this acute equity. Not only did we get money for compensation, health care and distinctive mission, we received \$21 million of acute equity funding. This equals the aggregate of what we have received over the past eight years, and will provide a new level of resources to fill gaps in faculty and staff, to increase quality and overcome bottlenecks for students. Thanks go to Governor Herbert for his funding priorities for higher education, Speaker Lockhart for championing acute equity, Keith Grover and Steve Urquhart, Chairs of the Higher Education Appropriations Subcommittee who had as a funding priority, Dan Campbell, vice chair of the Regents who was so effective behind the scenes, and Trustees who provided support. Also those from UVU who each had a crucial role—Val Peterson, Cameron Martin, Chris Taylor, Linda Makin, and (President Holland). The Council of Presidents were in complete support which was crucial. 9) Arts Building. Request for an arts building did not receive

much attention. Legislature indicated a low priority, and to raise in priority will require a major fundraising effort—at least \$15 million of the \$30 million cost. 10) Scholarship Luncheon. Duff Thompson represented the Trustees at the luncheon for scholarship recipients—scholarship was funded through donated Trustee stipends. Trustee Thompson said it would make the Trustees proud to be affiliated with this university when you see the quality of the students receiving these scholarships. It was a powerful moment for him to see, particularly the non-traditional students, talk about the transformation these scholarships have made possible in their lives to obtaining an education. These stipends are put to great use to the point, and he would like to do more as a Board. President Holland added this is the greatness of UVU that we are changing lives. Trustee Clarke said he attended a similar scholarship lunch, and hours later decided to endow a scholarship in the name of a former pilot of his.

B. Foundation Report. Trustee James Clarke, Foundation Chair, presented the Foundation Report. There were significant results compared from July 1, 2013 to February 2, 2014. 2100 cash gifts down 6% with aggregate of \$2.056 million for an increase of 32%. Pledges down 58% in quartile, but up 78% overall to \$2.491 million. November of last year down 76% compared to previous years. We made a run in these last few months which is a credit to Joel Kincart and Marc Archambault. For gifts in the \$3 million range or less, we are off to a great start for this year. The S2S (student to student) campaign just ended, designed to encourage students to support the university. These are low return activities, but they educate students on the importance of giving. Earlier indications are we are up significantly from last year. We are also earning money from cap and gown sales. All together have doubled the total number of gifts from last year. The student calling campaign will launch in two weeks, and we anticipate being up significantly in these effort. The First Ladies Luncheon is next month and the Appreciation Banquet in May. He gave a general thanks for all donors.

C. Annual Athletic Report. 1) Athletic Director, Vince Otoupal, distributed a fact sheet of academic achievement among student athletes. They “work together for athletic excellence and academic success.” 2) The WAC is a great conference which is continuing the evolution of the conference. President Holland will be the president of the President’s Council of the WAC next year. 3) In their pursuit of victories, they are putting the right people in the right places. 4) As we transitioned to the WAC, the first championship was men’s cross country in the fall. We received national recognition on ESPN after the New Mexico game, and they also got our logo right. 5) Adidas will be our sponsor in 16 sports. 6) Facilities are continuing to improve. 7) We will have the only Division I soccer team in the state, and the only wrestling team in the western region. 8) Vision is to be champions with respected venues, and doing our best academically and in the community, 9) Value statement is student athletes will be academic achievers with a life path to success. 10) Goals. Championships and engagement with the community. 11) Elevator Speech. Student athletes are encouraged to tell about themselves and UVU, be prepared for social media, and use their powers for good as they are seen as heroes to young kids. Questions: 1) Do you renegotiate the WAC contract? UVU is in the WAC until we leave or the conference folds. 2) How do you encourage athletes to be interested in UVU, and how can Trustees help? We need to continue to engage and recruit from local high schools, and let them know what is available and about the UVU successes. Mr. Otoupal brings experience as athletic director at Cal State Monterrey Bay, outside linebacker at Stanford and many more years in athletic administration and is a great asset to our athletic program.

D. Commencement Schedule. Wes Moore is the Commencement speaker on Thursday evening. VIP dinner is at 5 p.m. in Centre Stage. Commencement ceremonies begin at 6:30 p.m. President Holland said in light of the successful legislative session, we are going to honor our legislative leaders. Trustees are invited to attend any of the College or School convocations on Friday. Let Kat Brown know if you plan to attend.

E. Audit Committee Report. Trustee Thompson reported the Audit Committee met earlier today and reviewed and discussed numerous matters on the committee level including: 1) the investment report that is approved in Trustees. We are doing as well as can be expected with rates fairly low for the type of investments we can do. Trustees have authorized investments of up to \$40 million. 2) Thirteen internal audits were performed during the past few months, five of which showed no recommendations, which is remarkable. One recurring theme is having sensitive data on individual computers that should not be there. This is checked each year. 3) Few minor issues that were related to Ethics Point, which were handled by the respective divisions. 4) CFO report from Vice President Peterson including update on the land purchase that is taking place at Geneva, with a closing date in the near future. 5) President’s travel report, which shows much done with few resources. 6) Legal report was not done, as David Jones, Assistant Attorney General, just got married and wasn’t in attendance.

II. ACTION

A. Oath of Office for Anne-Marie Lampropoulos and James Clarke. Vice Chair Elaine Dalton read the oath of office for two new Trustees, Anne-Marie Lampropoulos and James Clarke, who were welcomed to the board.

B. Resolution of Appreciation for Jono (Jonathan) Andrews. Vice Chair Dalton read the Resolution of Appreciation for Jono Andrews, student body president and trustee. He said it has been an honor to serve.

C. 2014-15 Compensation. Legislature approved 1.25% COLA, 2.25% medical benefits, and 8.05% retirement increases. 75% of this increase was funded by the legislature with the expectation tuition would be increased to provide the remaining 25%. The Board of Regents is considering a 4% tuition increase that will provide sufficient funds to meet our 25% match, as well as

provide additional funding for other compensation. A Benefit RFP Committee, with representation across campus, was formed to review 32 RFP's for benefit providers. New vendor was selected for our health plan, which will provide a nearly identical network and plan, with additional options and tools, including a wellness program. With this change and a good claims year, there will be no increase in medical premiums or plan changes. Acute equity funding is to be used for programmatic needs, not compensation. 1st tier tuition will be used to fund the 25% match, and other equity needs.

Proposal: All salaried employees will receive a 1.25% COLA increase. With the funding for medical benefits, each salaried employee will also receive \$250 base salary increase to be used toward benefits. Beyond that we will be putting money into two categories: equity adjustment and key retention and merit. For faculty this will be used for rank and tenure promotions, adjusting floors and providing merit and retention funds for an average faculty increase of 3.5%. Staff average is 3.7% and Executive 3.6%. Adjunct faculty will receive a \$100 per credit hour increase that will move us much closer to the rates paid at Weber State. Hourly staff will receive a 2.5% COLA increase. These are all base increases, effective May for summer school and July 1 for all others.

Discussion and Questions: 1) Is employee retention a problem? It is 9.3% across the university, but higher in certain areas. Faculty are lower at 4.7%, both lower than peers. 2) Does the Utah Retirement System fluctuate from year to year? It has increased dramatically in the last five years, and is underfunded, so are passing rate increases on to divisions and institutions. About 40% of employees are on URS and the rest on TIAA-CREF. 3) What is the funding source for benefits? UVU medical plan is self-funded. Legislative appropriation provide funding increases for employee benefits and requirements for use—remainder comes from 1st tier tuition increases. 4) What amount is provided from a 1% tuition increase? About \$900,000. 5) What process is used to determine tuition increase? As a growth and access institution, we asked for equity money, which could not be used for compensation with the exception of adjunct faculty. All presidents agreed on the 4% 1st tier increase with the understanding with equity money, we would not raise tuition beyond this. Trustee Thompson motioned for approval of 2014-15 employee compensation as outlined. Trustee Blair seconded.

D. 2014-15 2nd Tier Tuition. There is no 2nd tier tuition increase requested. However, there are differential tuition increases for certain areas. We have three master degree programs. Most institution have a base graduate program rate. Request is to declare the base rate the Master of Education rate. Our Nursing master program is currently being reviewed and has not been as successful as expected, with higher tuition rates. With the decrease we hope to attract more students. MBA programs nationally and within the state charge more with a differential rate. We are lower than the University of Utah or Utah State but have a different reputation and focus. In the summer of 2014 the MBA program began with an evening only program that lasted over two years and a summer. Those students were not required to have an international experience. Last year they added a required experience. This year we added a fee for this which was problematic administratively and for students. Proposal is beginning this fall all students will be part of the required international experience and the fee will be rolled into the tuition rate, which will go directly back into the MBA program to support the international experience. Trustee Andrews was asked for the student view on tuition increases. He said the 4% state-wide increase still has Utah has the third lowest tuition in the nation and he has full trust in how it is being spent. To some students any increase makes a difference, but with the exception of Master programs, students can apply for financial aid. UVU is first in the state in amount of PELL grants received at \$52.4 million. A new Master assistantship was created this year. Trustee Blair motion for approval of the 2014-15 2nd Tier and differential tuition request. Trustee Lampropoulos seconded. Voting was unanimous.

E. Student Fees. Trustee Andrews said student fees are paid in addition to tuition. Currently students are paying \$359 for various things such as building support for the Student Center, new Student Life & Wellness Center, athletics, etc. Student fee hearing is held every year for review and input with a proposed fee increase this year of \$14. However, some equity and 1st tier tuition will be used to fund some items currently being paid through fees to help toward closing the gap between ours and Weber's total tuition and fees. UVU is currently 6th out of nine institutions in the state on student fee cost. We are now proposing an increase of only \$5 for full-time students, which will allow hiring of more student employees. Athletic fee allows students to attend all athletic games free. Trustee Acerson motioned for approval of 2014-15 student fees. Trustee Thompson seconded. Voting was unanimous.

F. Tenure Request. Trustee Montero motioned to approve tenure requests as recommended by the Office of the Vice President of Academic Affairs for Parker Fawson, Elementary Education; Michael Savoie, Computer Science; Tom Sturtevant, Emergency Services; and Richard Traffala, Behavioral Science. Trustee Lampropoulos seconded. Voting was unanimous.

G. Rank Advancements. Trustee Acerson motioned for approval of rank advancement to full Professor for Lyn Bennett, History and Political Science; Hui-Tzu Grace Chou, Behavioral Science; Jim Godfrey, Arts & Visual Communications, and Sandy McGunnigal-Smith, Behavioral Science, and Assistant Professor for Meghan Roddy, also Tracy E. Sermon, Elementary Education to Senior Lecturer. Trustee Blair seconded. Voting was unanimous.

H. Policy 425. Scheduling Campus Facilities. This policy outlines basic scheduling and insurance requirements and penalties, including for off-campus groups. Athletics have first priority for scheduling the UCCU Center, with other scheduling guidelines made by their Board. The first priority for scheduling in the Student Center and new Student Life Building is UVUSA. Trustee Andrews motioned to approve Policy 425. Scheduling Campus Facilities. Trustee Acerson seconded. Voting was unanimous.

I. Honorary Degrees. Trustee Dalton read names reviewed and discussed previously for 2014 honorary degrees. They are Wes Moore, Honorary Doctorate of Public Service; Barbara Barrington Jones, Honorary Doctorate of Fine Arts and Humanities; Noelle Pikus-Pace and Christopher Fogt, Honorary Doctorate of the University. Trustee Acerson motioned for approval of honorary degrees for Wes Moore, Barbara Barrington Jones, Noelle Pikus-Pace and Chrstopher Fogt. Trustee Montero seconded. Voting was unanimous.

III. CONSENT CALENDAR.

A. Minutes of February 13, 2014 Board of Trustee meeting.

B. Human Resources Report for January and February 2014

B. Investment Report January 2014. Trustee Lampropoulos motioned for approval of the Consent Calendar. Trustee Blair seconded. Voting was unanimous.

IV. EXECUTIVE SESSION

Trustee Andrews motioned to hold an Executive Session under the provisions of the Open and Public Meeting Act to discuss personnel issues. Trustee Acerson seconded. Voting was unanimous.

Meeting adjourned at 7:55 p.m.