

THE UNIVERSITY OF WYOMING
MINUTES OF THE TRUSTEES

Conference Call Meeting
Wednesday, April 20, 2016

Final minutes can be found on the University of Wyoming Board of Trustees website at
<http://www.uwyo.edu/trustees/>

**THE UNIVERSITY OF WYOMING
BOARD OF TRSTEEES MEETING MINUTES**

Wednesday, April 20, 2016

8:00 a.m.

Conference Call

In Old Main Boardroom

AGENDA ITEMS FOR DISCUSSION/APPROVAL

Approval of Real Estate Items (<i>following discussion during Executive Session</i>) – Mai/Miller	1
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THE UNIVERSITY OF WYOMING
MINUTES OF THE BOARD OF TRUSTEES
Wednesday, April 20, 2016
Conference Call
in Old Main Boardroom

The University of Wyoming Board of Trustees held a conference call on Wednesday, April 20, 2016. Deputy Secretary of the Board Shannon Sanchez took roll at 8:02 a.m. Trustees participating: Mel Baldwin, Dave Bostrom, Larry Gubbels, John McKinley, John MacPherson, Jeff Marsh, Mike Massie, Dave Palmerlee, Michelle Sullivan, and Dave True. Trustees Dick Scarlett and Wava Tully were not in attendance. Ex-officio Trustees President Dick McGinity, ASUW President Brian Schueler, and Executive Director of the Wyoming Community College Commission Jim Rose were in attendance. Ex-officio Trustees Governor Matt Mead and Wyoming Superintendent of Public Instruction Jillian Balow were not in attendance.

Trustee President Dave Palmerlee called the meeting to order at 8:03 a.m. Trustee Jeff Marsh moved that the Board enter executive session for the purposes of discussing Personnel, Confidential Information, and Real Estate. Trustee Mel Baldwin seconded the motion. All trustees were in favor; the motion passed unanimously

At 9:18 a.m. the Board reconvened in public session. Deputy Secretary of the Board Shannon Sanchez took roll when the Board returned to public session. The same Trustees were present as the first roll call.

AGENDA ITEM TITLE: Approval of Real Estate Items (following discussion during Executive Session), Mai/Miller

- Work Session
 - Education Session
 - Information Item
 - Other Specify: Item for Approval
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MINUTES OF THE MEETING:

Vice President and General Counsel Rick Miller explained that based on discussions during executive session, the Board would need a motion authorizing the administration to enter into negotiations to authorize an easement on the McGuire Ranch in Albany County. He noted this could be subject to the items that were discussed in executive session, and the final document with each stipulation would need to be reviewed with Trustees John MacPherson and John McKinley. Vice President Miller noted that if these two trustees did not approve the final document, the administration would return to the Board to seek further action. Trustee President Palmerlee noted that the motion should include that Trustees MacPherson and McKinley would be acting as an ad hoc committee on behalf of the Board when reviewing the final easement agreement.

Trustee John MacPherson moved the following:

1. UW granting the easement would be contingent upon all other property owners necessary to provide access agreeing to grant an easement across their lands.
2. The applicant provide a surveyed legal description from a licensed Wyoming surveyor.
3. The width of the easement be defined and made a part of the survey.
4. The easement be nonexclusive so that the road can continue to be used by UW and UW can grant others the right to use the easement for all and any purposes.
5. The easement be tied to the specific property for which access is sought.
6. Access would be used for agricultural purposes only.
7. The easement would contain a “most favored nation clause” so that if the applicant pays another landowner more than the \$25 per rod UW is receiving, then the price paid to UW will be increased to match the highest amount being paid by the applicant to any landowner who is providing any portion of the easement.
8. The terms of the original grant are reviewed to determine if selling the easement is consistent with the granting terms and distribution of the money realized is consistent with the terms of the original grant.

9. UW retain the right to construct a fence across the easement, install cattle guards and gates.
10. The applicant will bear the expense in maintaining the easement.

Trustee Jeff Marsh seconded.

Trustee Larry Gubbels asked if the Board would include any language in the motion regarding road maintenance. Trustee MacPherson responded that he did not include any language, but language could be included. He noted that the Board would add to the motion that the applicant bear the responsibility of maintaining the easement. Trustee Jeff Marsh accepted this as a change to the motion.

Trustee Mike Massie discussed a provision in the motion, and noted that UW would only approve the easement if other landowners did as well. He asked if the State Loan and Investment Board would consider not approving the easement until after UW approved its part of the easement. He asked if this language would create a “catch 22” situation. Trustee MacPherson said it would not.

Trustee McKinley asked if the motion included instructions to the administration to include customary provisions within the easement agreement so that the administration has the authority to add reasonable and customary provisions. Trustee MacPherson responded that it did. All trustees were in favor; the motion passed unanimously.

Vice President and General Counsel Rick Miller noted that no other action was needed at this time by the Board.

AGENDA ITEM TITLE: Approval of Pharmacy Tuition/Fee, Mai

- Work Session
 - Education Session
 - Information Item
 - Other Specify: Item for Approval
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MINUTES OF THE MEETING:

Vice President and General Counsel Rick Miller noted that this fee was not in the fee book, and action on it was needed by the Board.

Vice President for Administration Bill Mai stated that this matter was not previously discussed by the Board, because additional information was needed before the Board could take action.

Vice President for Academic Affairs David Jones explained that the Board discussed this program in the fall, and that the Dean of the School of Pharmacy Kem Krueger was present to discuss the program again.

Trustee President Dave Palmerlee asked if the Board would need to take action on this fee. Vice President Miller said that they would. He explained this was a program with a high tuition rate for a targeted purpose, and, as a specialized program with special tuition, it would need to be approved. He noted this was an entrepreneurial tuition rate, not a differential tuition rate, and that it was similar to the tuition charged by the MBA program. Vice President Miller noted that the target population was people who have degrees and were already in the workforce. Vice President Mai clarified that this action would be in addition to the fee book and the additional tuition.

Dean of the School of Pharmacy Kem Krueger explained that most entrepreneurial tuition rates were flat rates. However, he was asking the Board to approve a two tier tuition rate. Dean Krueger explained that there would be a base tuition rate and then a lower tuition rate available to Wyoming residents, UW alumni, and members of organizations that partner with UW to market the program. He explained that this two tier approach was important to UW because it provided a benefit to alumni and residents and gave UW leverage with professional organizations. Dean Krueger stated that market exposure was critical. He commented that the program would target pharmacists to give them an edge in an increasingly saturated market.

Trustee Jeff Marsh asked who would determine which organizations qualified for the lower tuition rate. Dean Krueger stated that he would prefer if the Dean had the flexibility to determine which organizations qualify, as the arrangements come up in short order. He stated that the program's breakeven analysis assumed that 90-95% of students in the program would receive the lower tuition rate. Dean Krueger noted that advertising the program was critical.

Trustee John MacPherson commented that the Board needed to be sensitive to the precedent they would be setting for a college to set their own pricing. Trustee Massie explained that after the Board received this information on the Monday preceding the meeting, he emailed the administration with questions. He stated that this was a pilot program, and that the Board was setting a precedent by approving this, and he was not sure about the ramifications of this decision. Trustee Massie commented that the other issue was that the organizations would promote the degree program for UW. He added that the spreadsheet Dean Krueger provided to him raised some questions about how the profits from the program were distributed. Trustee Massie discussed how these profits were shared, and if this program could actually generate profits. He also discussed the use of state funds for salaries if this program was supposed to generate funds.

Trustee John McKinley noted that in the second paragraph of the narrative in the Board report, it stated that the Dean of the Pharmacy school would determine which organizations would receive the discounted tuition rate. He asked Vice President Miller if this was an improper delegation, as Trustees were supposed to establish the tuition amount.

Vice President Miller responded that the discretion exercised by the dean in this application would be limited to the organizations that provided the expected marketing benefit. As applied, he stated the Dean would be required to follow that limitation. Vice President Miller stated that he did not think this was an unlawful delegation.

Dean Krueger added that entrepreneurial tuition was different than differential tuition. He explained that 75% of the tuition dollars came back to the unit to staff the program and that part of these funds go to hire faculty. Dean Krueger stated that if the pharmacy faculty were teaching in this program, they could receive summer salary; however, if the faculty were teaching in this program as part of their regular teaching load, their salary would be covered by the state. He stated the program could also hire academic professionals to teach in the program. Dean Krueger stated that similar programs charge \$700-\$1400 per credit hour. He added that because UW was a new program, it wanted to enter the market at a lower end.

Trustee McKinley asked that since this was a pilot program, would the school come back to the Board after review and ask that this become a permanent change.

Dean Krueger noted that the only pilot part of this program was the two tier structure for tuition. He explained that the reason the two tier structure was a pilot part was because the School of Pharmacy would have to work with Admissions and Financial Services to determine the best way to manage this program. Dean Krueger explained that if this program was too cumbersome to implement, then the program would revert to a single tuition rate.

Trustee MacPherson stated that he did not have enough information. He stated that perhaps the Board should approve this, but he was not comfortable as he was not sure a true cost benefit analysis had been completed. Trustee MacPherson proposed that the Board ask for cost benefit analysis in greater detail and discuss this issue at the May Board meeting. Trustee Mel Baldwin agreed.

Trustee MacPherson moved to table this matter, and he asked that all trustees be provided additional cost benefit details and that this issue be placed on the agenda for the May meeting. Trustee Larry Gubbels seconded.

Trustee President Palmerlee asked if other trustees should be involved in this matter before the May meeting, such as Trustee Massie. Trustee President Palmerlee asked Trustee Massie if he would address this topic with a few other trustees and work with the Dean of the School of Pharmacy to create an analysis. Trustee Massie agreed. Trustee President Palmerlee asked Trustee Baldwin to assist as well. Trustee Baldwin agreed when given the information that it would only occur via conference call. Trustee President Palmerlee clarified that this action should not be taken negatively towards the School of Pharmacy or Dean Krueger.

All trustees were in favor; the motion passed unanimously.

AGENDA ITEM TITLE: Approval of UW Regulation Revisions, Miller

- Updates to the Revisor's Bill (technical changes following March Board meeting)

- Work Session
 - Education Session
 - Information Item
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-

MINUTES OF THE MEETING:

Vice President and General Counsel Rick Miller informed the Board that the Office of the General Counsel had made an error. He noted that there were two minor changes to the revisor's bill that the Board had previously approved. He clarified that the regulation should have used the term dean instead of a pronoun. He noted that there was no substance change to the regulations, and that Faculty Senate President Tucker Readdy was all right with this change. Trustee Michelle Sullivan moved to approve the changes as presented. Trustee Mel Baldwin seconded. All trustees were in favor, the motion passed unanimously.

AGENDA ITEM TITLE: Indirect Cost Issue Update, Miller

- Work Session
 - Education Session
 - Information Item
 - Other Specify: Item for Approval
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MINUTES OF THE MEETING:

Vice President and General Counsel Rick Miller stated that he had provided the Board with an exception to the indirect cost policy. He stated that another exception needed to be made for the Wyoming Survey and Analysis Center. Vice President Miller stated that most of the work that this center does was contracts, and many of these contracts were service-based research. He stated that much of the research done by their center was for other state governments, and these state governments expect indirect cost rate to be similar to what they would pay in their own state. Vice President Miller noted that the regulation in the materials listed the rate for Wyoming state agencies as 20%, with a few exceptions. He stated that he was asking for Board approval because this exception may be in the best interest of Wyoming. He acknowledged that the work done by the center did not require high-tech, high-cost labs, and if UW were to insist on the higher rate, the center would likely lose business and jobs. He noted that Vice Presidents David Jones and Bill Gern approved of this policy change. He added this was not traditional research contract work. Vice President Miller stated that the proposed amendment to the indirect cost policy that was emailed to the Board needed to be approved.

Trustee Massie added that the Wyoming Survey and Analysis Center was not the only group that received state contracts. He asked if the Board would continue to amend the policy for each of these groups individually. Trustee Massie inquired as to if instead, the amendment should be more inclusive and end with the word “state”, and then drop the reference to Wyoming Survey and Analysis Center.

Vice President Miller responded that this adjustment would help. He noted that not all departments that receive state government contracts would have as compelling reasons as WYSAC, but the administration would review them with the Board to decide.

Trustee Michelle Sullivan noted that WYSAC also contracts with non-profit organizations who likely would not be able to contract with them if their overhead costs increased. She asked that language including organizations that serve the state of Wyoming be included as well. Vice President Miller noted that language could be added to include nonprofits in Wyoming as well as other state governments.

Trustee President Dave Palmerlee stated that perhaps the Board could act on the amendment presented and then at the May Board of Trustees meeting the General Counsel office could

provide another amendment that would include Trustee Massie's and Sullivan's ideas. Vice President Miller agreed. Trustees Massie and Sullivan also agreed, but Trustee Massie requested that the Board receive the language in advance of the May meeting.

Trustee Massie moved to approve the revision to the indirect costs policy as presented. Trustee Mel Baldwin seconded. All trustees were in favor; the motion passed unanimously.

Adjournment

There was no further business that came before the Board. Trustee President Dave Palmerlee adjourned the meeting at 10:03 a.m. Trustee Palmerlee thanked everyone for taking time to participate on the call.

Respectfully submitted,



Shannon Sanchez
Deputy Secretary, Board of Trustees



Laura Shevling
Senior Administrative Assistant