

COLORADO HIGHER EDUCATION COMPETITIVE RESEARCH AUTHORITY

Minutes of the January 18, 2012 Annual Board Meeting

Chairman Joe Garcia called the meeting to order at 3:05 p.m.

Board members Joe Garcia, and Bill Farland were in attendance. In attendance by telephone were Board members Stein Sture and John Poate. Also in attendance were Inta Morris (Secretary and Treasurer) and Michael Evans, DHE Controller.

Approval of January 19, 2011 minutes. Stein Sture made a motion to approve the January 19, 2011 minutes. The motion was seconded by John Poate and unanimously passed.

Financial Update. Michael Evans updated Board members on the Authority's financial position. He noted that the CHECRA had over \$2 million in the bank as of the end of 2011. The CHECRA had received slightly higher income than previous years from the waste tire fee, and had received close to \$2 million rather than the anticipated \$1 million from the Limited Gaming fund, resulting in the good financial position.

Board members also reviewed the budget forecast, which shows the year-end balance for the subsequent four years between one and two million. The forecast takes into account all current commitments as well as the possibility of one Nanosystems ERC being approved for CU (Stein Sture confirmed that two Nanosystem ERC proposals remain under consideration by the NSF); the forecast also assume continued revenue from the waste tire fee through calendar year 2013 and ongoing revenue from the Limited Gaming Fund.

Board members discussed the option of leaving the Authority's funds in the State Treasury (cash fund #21B), where the interest rate is slightly higher but the funds are very visible, versus transferring the funds to the Authority's bank account. The Board agreed to transfer at least enough funds to the cover the unpaid commitments for the year to the Authority's bank account.

Regarding possible new requests for matching funds in the future, Stein Sture said that CU was considering several proposals for submission in early 2013, but that he did not yet have specifics. John Poate reported that the School of Mines had submitted a pre-proposal to NSF's Sustainable Renewable Networks program but that he is not sure whether a state match will be required¹; Mines expects to hear by about April whether the school will be invited to submit a full proposal. Bill Farland said that the CSU similarly has several possible proposals to NSF but that none, to his knowledge, require a state match. He then said that CSU had submitted a proposal to the Department of Transportation, jointly with some eight other institutions, that requires a match

¹ NOTE: John Poate reported after the meeting had concluded that based on what he was able to learn from NSF, there would not be a state match required.

from the institutions. If CHECRA has funding available, CSU might submit a request for funding for this project.

Board members discussed the possibility that funding for CHECRA, in particular from Limited Gaming Revenue funds, might decline in the future. Ina Morris explained that the distribution of limited gaming revenue is spelled out in statute, but that particularly in tight budget times, any revenue is of potential interest to the General Assembly. She reminded members that in 2011, the Board had created a summary of CHECRA and its financial impact to the state to have on hand in the event that funding for CHECRA is questioned by legislators or others. Board members agreed that having such a summary is important and asked Ina Morris to update the summary.

Bill Farland suggested that the Board begin the annual report soon, due March 1st to the legislature, so that the members have ample time to provide updates. Ina Morris agreed to send a request to Board members for the required information.

Research Update. Bill Farland gave an update on Colorado State University's Engineering Research Center (ERC), which is in its final years. He said that starting in 2013, the funding from NSF would begin to ramp down, but that CSU has a good plan for simultaneously ramping up private sector involvement and funding. Overall the ERC is going extremely well.

He also spoke briefly about the Center for Multiscale Modeling of Atmospheric Processes (CMMAP), which has 24 partners around the country and is developing new global model for atmospheric processes. The CMMAP is in the second half of its funding cycle.

John Poate reported on the School of Mines' Materials Research Science and Engineering Center (MRSEC), which is focused on next generation photovoltaics. The Center has an active collaboration on the commercial side with the Center for Revolutionary Solar Photoconversion, a center of the Colorado Collaboratory that involves numerous companies and other research institutions and NREL. The MRSEC is very successful and has attracted other federal funding.

John Board said that Mines' Urban Water ERC, recently approved, will analyze water infrastructure in the Front Range. The ERC, which also involves Stanford University and UC-Berkeley as partners, has already gained the attention of large companies such as CH2MHill.

Annual Audit. Mike Evans noted that an annual audit had been completed in June and that there were no negative findings. He provided a copy of the governance letter. Bill Farland moved to accept the audit report. The motion was seconded and was unanimously passed.

Bill Farland moved to adjourn at 3:40. The motion was unanimously passed.