

COLORADO HIGHER EDUCATION COMPETITIVE RESEARCH AUTHORITY

*Minutes of the January 15, 2014 Annual Board Meeting*

Chairman Joe Garcia called the meeting to order at 3:10 p.m.

In attendance were Board members Lt. Gov. Joe Garcia, John Poate (School of Mines), Stein Sture (University of Colorado), Alan Rudolph (Colorado State University) and by telephone, Teresa McDevitt (UNC). Also in attendance were Inta Morris (Secretary and Treasurer) and Michael Evans, DHE Controller.

**Approval of January 23, 2013 minutes.** Stein Sture made a motion to approve the January 23, 2013 minutes. The motion was seconded by John Poate and passed.

**Election of Officers.** Lt Governor Joe Garcia noted that with the retirement of Bill Farland last year from Colorado State University, CHECRA needs to elect a new Vice Chair. John Poate nominated Stein Sture. The motion was made to elect Stein Sture as Vice Chair, seconded, and unanimously passed.

**Financial Update.** Michael Evans updated Board members on the Authority's financial position. He noted that the CHECRA had \$3.6 million in the bank as of the end of 2013. In 2013, CHECRA received slightly more from the waste tire free distribution than in previous years and received the anticipated \$2.1 million from limited gaming revenue. Disbursements in 2013 totaled \$2.3 million.

Michael Evans also summarized the budget forecast, which shows anticipated expenses and income for the period 2013 – 2016. CHECRA's year-end balance is anticipated to remain well above \$2 million. He reminded board members that the amounts shown in red in the forecast are commitments CHECRA has made that are still pending, and that therefore the forecast is very conservative. Alan Rudolph asked whether CHECRA tries to conduct an analysis of the likely number of proposals that will be funded in the financial forecast; Mike Evans responded that to date it had not been necessary given the relatively small number of outstanding commitments.

Inta Morris asked Board members whether they expect the number of requests for CHECRA commitments to continue at about the same level. Stein Sture noted that the National Science Foundation (NSF) and the Department of Energy (DOE) are the only agencies so far requesting state cost shares. The National Institutes of Health (NIH) and National Aeronautics Space Administration (NASA) have not to date asked for a cost share.

Alan Rudolph stated that he had been requested by CSU faculty to ask whether the Board would consider a request for a CHECRA cost share on CSU's three Major Research Instrumentation (MRI) proposals to NSF. Stein Sture responded that CHECRA had never considered MRI proposals in the past; Alan Rudolph's comment led to a discussion about the types of proposals that board members have and have not brought to CHECRA in the past and why. Stein Sture

said that board members had previously only brought forth “big-ticket” proposals, with John Poate adding that proposals supported by CHECRA were in major research areas where institutions have expertise. Stein Sture further noted that he expects NSF to increase its portfolio of large center awards, and that DOE and/or other federal agencies might follow suit. In that case, CHECRA would see more requests for cost shares.

All members agreed that they should at least discuss whether MRI and other types of proposals should be considered. Stein Sture pointed out that institutions are allowed to submit three MRI proposals to NSF every year, and the success rate is fairly high. So if CHECRA were to provide a cost-share for every MRI proposal, CHECRA could very easily and quickly deplete its funds.

Lt Gov Garcia asked about the dollars leveraged and other impacts of an MRI award relative to others that CHECRA had funded in the past. John Poate explained that while an MRI award is a one-time award for an instrument, particularly if the instrument is shared across institutions, such an award has significant impact.

Board members then discussed the possible approach of CHECRA providing a cost share for MRI proposals, but limiting it to one proposal per year. All members seemed to support this concept. For the current year, Board members decided to have institutions submit MRI proposals as is (without a stated CHECRA cost-share) but that between now and when the awards are made (in likely six to seven months), CHECRA would approve a plan for selecting one award for a CHECRA cost-share.

**Research Update.** Alan Rudolph informed the board that CSU’s proposal to DOE for an Energy Frontier Research Center did not get submitted.

**Annual Audit.** Mike Evans said that the annual audit had been completed with no negative findings, but that the Department had not yet received the auditors’ final report. He will provide a copy to Board members once the Department receives it and the Board will vote on formally accepting the audit report via an electronic vote.

**Other.** Inta Morris reminded Board members that the annual report to the legislature is due March 1 and that she would request updates on individual research projects by email in the days following the meeting.

Board members discussed several other state initiatives in which research universities had been or are involved, including the Colorado Innovation Network (COIN) and proposals for which the institutions had worked with Colorado’s Office of Economic Development and International Trade.

Stein Sture adjourned the meeting at 4:30pm.