

COLORADO HIGHER EDUCATION COMPETITIVE RESEARCH AUTHORITY

Minutes of the January 23, 2013 Annual Board Meeting

-- DRAFT --

Chairman Joe Garcia called the meeting to order at 2:05 p.m.

In attendance by telephone were Board members Lt. Gov. Joe Garcia, Bill Farland (CSU), John Poate (School of Mines) and Teresa McDevitt (UNC). Also in attendance were Inta Morris (Secretary and Treasurer) and Michael Evans, DHE Controller.

Approval of January 18, 2012 minutes. Bill Farland made a motion to approve the January 18, 2012 minutes. The motion was seconded by John Poate and passed with one abstention.

Financial Update. Michael Evans updated Board members on the Authority's financial position. He noted that the CHECRA had \$2.8 million in the bank as of the end of 2012. The income in 2012 was fairly close to the anticipated amount, with \$394K from the waste tire fee and just over \$1.5 million from Limited Gaming revenues. This latter amount was down slightly from the previous year, but is expected to increase slightly in 2013.

Michael Evens also summarized the budget forecast, which shows anticipated expenses and income for the period 2012 – 2015. He noted that the year-end balance is anticipated to remain above \$2 million. He said that the income forecast is rather conservative and that unless legislative changes are made in the allocation formula, the income from Limited Gaming revenue would likely be higher than the \$1million shown in 2014 and 2015. Inta Morris clarified too that the forecast includes two payments (in red) each year for pending awards (CU's proposal to the Nanoelectronics Research Institute and CSU's resubmittal of a proposal for a Metabolomics Center); if the proposals are not funded, the CHECRA balance will be even higher. In response to a question, she noted that income from the waste tire fee had been inadvertently left out of year 2014; that funding will stop after July 1, 2014, therefore CHECRA will receive approximately half the normal one-year funding in 2014.

Legislative Update. Inta Morris said that with regard to the Limited Gaming revenue, DHE staff had heard that Sen. Steadman and Rep. Gerou intend to submit legislation making changes to the limited gaming revenue allocation. At this time, DHE staff do not know what changes would be made nor the legislators' intent with the legislation, but that DHE's legislative liaison has a meeting with Sen. Steadman later in the week. Lt Gov Garcia assured Board members that he would let them know what DHE learns and that the Board would discuss any follow up actions that might be required to safeguard CHECRA funding.

Bill Farland asked whether Department staff were following HB13-1001, which would create an advanced industries grant program, and thereby also replace the state's bioscience and cleantech grant programs. DHE staff will get more information about the bill. Bill Farland suggested that

all Board members bring to the attention of Department staff any legislation that might impact research at the institutions.

Research Update. Board members discussed briefly research projects that are currently underway. Bill Farland noted that CSU's Extreme Ultraviolet Engineering Research Center is approaching the last year of NSF funding, and that it would then be entering the sustainability phase. The Center has made significant advances and attracted national attention. CHECRA had indicated in its originally letter of commitment that it would consider sustainability funding. Bill Farland said that he would come to the CHECRA Board with a request for further funding in the next year.

Similarly, the Materials Research Science and Engineering Centers will be coming to the end of their first phase of NSF (and thus CHECRA) funding in the next two years. Board members agreed that the Board would consider subsequent funding in all cases on an individual basis.

Annual Audit. Mike Evans said that the annual audit had been completed but that the Department had not yet received the auditors' final report. He anticipates no negative findings. 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.

Lt. Gov. Garcia moved to adjourn the meeting at 2:30.