REGULAR SESSION
BOARD OF TRUSTEES
FOR THE
CONNECTICUT STATE UNIVERSITY SYSTEM

CONNECTICUT STATE UNIVERSITY SYSTEM OFFICE
HARTFORD, CONNECTICUT

January 27, 2006
10:00 a.m.

TRUSTEES PRESENT:
Mr. Lawrence D. McHugh, Chairman  Mr. John H. Motley
Ms. Theresa J. Eberhard-Asch  Mr. Ronald J. Pugliese
Mr. Richard J. Balducci  Dr. Peter M. Rosa
Mr. John A. Doyle  Mr. Carl Segura
Ms. Elizabeth Gagne  Mr. John R. Sholtis, Jr.
Mr. M. Fernando Franco  Ms. Gail H. Williams
Mr. Angelo J. Messina

TRUSTEES ABSENT:
Mr. Karl J. Krapek, Vice Chairman  Mr. L. David Panciera
Ms. Cerissa Arpaio  Fr. John P. Sullivan

OTHER OFFICIALS PRESENT:
William J. Cibes, Jr., Chancellor, Connecticut State University System (CSU)
David G. Carter, Chancellor, Connecticut State University System (CSU)
Jack W. Miller, President, Central Connecticut State University (CCSU)
Michael Pernal, Interim President, Eastern Connecticut State University (ECSU)
Cheryl J. Norton, President, Southern Connecticut State University (SCSU)
James W. Schmotter, President, Western Connecticut State University (WCSU)
Michael Galbicsek, former Trustee, Southern Connecticut State University (SCSU)

SYSTEM OFFICE BOARD STAFF:
Estela Lopez, Vice Chancellor; Pamela Kedderis, Chief Financial Officer; Yvette Melendez Thiesfield, Chief Administrative Officer; Anne Agee, Chief Information Officer; and Erin Fitzgerald, Associate for Board Affairs

CALL TO ORDER

Chairman McHugh called the meeting to order at 10:00 a.m., declared a quorum present and requested a motion to accept the Regular and Executive Session Minutes of December 16, 2005. Ms. Williams so moved; Mr. Pugliese seconded the motion and it was approved unanimously.
CHANCELLOR/PRESIDENTS’ REPORTS

Chancellor Cibes stated that the reports from the presidents for this meeting would focus on the athletic programs at the various universities. The presidents distributed written reports and highlighted the contents for the trustees.

President Miller stated there was a great deal of data in Central’s report and that he would highlight the following areas. Academic profiles of student athletes compared to general student population: while SAT scores have increased for scholarship athletes since 2001, there is not a significant difference in the admission profile between the student athletes and general population. Regarding comparison of student progress and retention, the percentage of athletes who return after one year of their initial enrollment averages about 84% over the past 4 years, compared to 76% for non-athletes. President Miller indicated Central is looking carefully at services provided for student athletes to determine what could be replicated for the general population to realize the same increase in retention rates. Graduation rates are also somewhat higher (in the vicinity of 10% higher) for student athletes. President Miller indicated that a primary concern is our success rate for student athletes, in athletics and academics. To improve and to be competitive, we need to look carefully at our current circumstances as they compare to our peers both locally and nationally, with an eye towards improving assistance and upgrading facilities.

President Pernal shared the mission of Eastern’s Athletics program and an overview of the varsity and intramural athletic programs offered. In looking at athletics and academic success, when comparing athletes to non-athletes at Eastern, typically as a group, the athletes achieve higher GPAs. The retention rate for athletes consistently exceeds that of non-participants and, in addition, the student-athlete retention rate appears to be one of a number of contributors to Eastern’s overall retention rate improvement. President Pernal noted that athletes who first enter Eastern on a FTFT basis are more likely than their other classmates to stay at Eastern and graduate, however, the discrepancy between the athlete and non-athlete groups appears to be diminishing. President Pernal also reported on NCAA developments, noting that measures made to reintroduce modified red-shirting and to lengthen the off season were both soundly defeated at the NCAA convention.

President Norton reviewed the material from Southern concerning their athletic program, which included a summary report and a copy of the Southern Owls Newsletter and a brochure on the university’s football program. President Norton directed the Trustees’ attention to the summary report pointing out the student/athlete profile, the success of the student-athletes in
achieving a higher graduation rate and grade point average. President Norton noted that for many students, participation in athletics provides an access to education.

President Norton also advised the Trustees that the Michael J. Adanti Student Center doors recently opened and that a ceremonial opening is scheduled for some time in April. She commented that this is an excellent and fitting tribute to Southern’s former President.

President Schmotter stated that one of the goals of Western’s intercollegiate athletics program was to accommodate as many athletes as possible while keeping the welfare of student-athletes as the central concern. He provided an overview of the university’s athletic facilities. President Pernal also noted the following opportunities for improvement: integration of athletics, student life and academics; development of a more robust recreation program; improvement of baseball facility; and expansion and improvement of campus fitness facilities.

Chairman McHugh remarked that the Trustees are very appreciative of the reports from the presidents to the Board. Mr. Doyle commented on the favorable parity of the student athletes’ performance compared with non-student athletes. Mr. Doyle requested that future reports dealing with athletic programs include win-loss records of varsity teams.

CONSENT ITEMS

Chairman McHugh expressed his appreciation to former Trustee Michael Galbicsek for his outstanding dedication and commitment on the Board of Trustees during his tenure and requested a motion to approve the following four resolutions: a resolution honoring outgoing Trustee Michael Galbicsek; two resolutions accepting cash gifts on behalf of Eastern; and a resolution accepting the gift of a modular trailer to Southern. Ms. Williams so moved; Mr. Pugliese seconded the motion and it was approved unanimously.

Resolution #1 - Honoring Michael Galbicsek

WHEREAS, Michael Galbicsek was elected to the Board of Trustees for the Connecticut State University System by his fellow students at Southern Connecticut State University in 2004 and has served as a member of the Student Life Committee, the Academic Affairs Committee and the Trustee Search Committee for the CSU Chancellor; and

WHEREAS, Throughout his service as a Trustee, Mr. Galbicsek has participated conscientiously in the work of the Board and has contributed thoughtful insights from the perspective of a student as well as from the perspective of a citizen, and

WHEREAS, Mr. Galbicsek has demonstrated a faithful commitment to the welfare of present and future students, and
WHEREAS, Mr. Galbicsek’s service on the Board of Trustees concluded in January, 2006, therefore, be it

RESOLVED, That the Board of Trustees for the Connecticut State University System expresses to Michael Galbicsek its appreciation for his many contributions to the work of the Board and extends to him its best wishes for a rewarding and fulfilling future.

Resolution #2 - Accepting a Gift of $33,592 for the Institute for Sustainable Energy at ECSU

WHEREAS, The Eastern Connecticut State University Foundation, Inc. has donated an installment gift of $33,592 to Eastern Connecticut State University, and

WHEREAS, This gift is made possible by the donation of a grant from the Energy Conservation Management Board as administered by The State Department of Public Utility Control originating from Connecticut Light and Power Company as an installment in support of the Institute for Sustainable Energy, and

WHEREAS, The gift will be used to support the services of the Institute in meeting its objectives, therefore be it

RESOLVED, That the Board of Trustees for the Connecticut State University System accepts the above gift from the ECSU Foundation, Inc., and be it further

RESOLVED, That President David G. Carter convey the gratitude of the Board to the ECSU Foundation, Inc., DPUC, the Energy Conservation Management Board, and to the Connecticut Light and Power Company for its support of the Institute’s endeavors.

Resolution #3 - Accepting a Gift of $33,592 for the Institute for Sustainable Energy at ECSU

WHEREAS, The Eastern Connecticut State University Foundation, Inc. has donated an installment gift of $33,592 to Eastern Connecticut State University, and

WHEREAS, This gift is made possible by the donation of a grant from the Energy Conservation Management Board as administered by The State Department of Public Utility Control originating from Connecticut Light and Power Company as an installment in support of the Institute for Sustainable Energy, and

WHEREAS, The gift will be used to support the services of the Institute in meeting its objectives, therefore be it

RESOLVED, That the Board of Trustees for the Connecticut State University System accepts the above gift from the ECSU Foundation, Inc., and be it further

RESOLVED, That President David G. Carter convey the gratitude of the Board to the ECSU Foundation, Inc., DPUC, the Energy Conservation Management Board, and to the Connecticut Light and Power Company for its support of the Institute’s endeavors.
Resolution #4 - Accepting the Gift of a Modular Trailer to SCSU

WHEREAS, Construction of the new Student Center at Southern Connecticut State University is expected to be completed in January of 2006, and

WHEREAS, During the construction period, Southern has been utilizing a “temporary modular trailer” to house its University Bookstore, and

WHEREAS, Barnes and Noble College Booksellers, Inc. have indicated that they intend to donate the trailer, valued at $142,540, to the University upon completion of the Student Center, and

WHEREAS, The gift is not contingent upon any other verbal or written agreement between Barnes and Noble College Booksellers, Inc. and Southern Connecticut State University, therefore be it

RESOLVED, That the Board of Trustees for the Connecticut State University System accepts the above gift from Barnes and Noble College Booksellers, Inc. to Southern Connecticut State University.

DEVELOPMENT COMMITTEE

Mr. Pugliese reported that the Development Committee held its regular meeting on December 13, 2005 and approved two separate cash gifts, each in the amount of $33,592, from the ECSU Foundation to ECSU to support the Institute for Sustainable Energy (approved earlier by the Board as part of the consent agenda).

Mr. Pugliese stated that the Development Committee approved the gift of a modular trailer, valued at $142,540, from Barnes and Noble College Booksellers to Southern Connecticut State University. The university has been leasing this trailer to use as its bookstore until construction on the new bookstore is completed. Barnes and Noble College Booksellers, Inc. has indicated that they intend to donate the trailer to the University upon completion of the Student Center. The gift is not contingent upon any other verbal or written contract between Barnes and Noble College Booksellers, Inc. and Southern Connecticut State University (approved earlier by the Board as part of the consent agenda).

Mr. Pugliese also advised that the Development Committee approved the revised Endowment Guidelines for State Matching Funds. During the 2005 legislative session, Public Act 05-03, An Act Concerning the Implementation of Various Budgetary Provisions, was amended to reduce the amount of the state match for endowed gifts to $.25 on the dollar for each of the fiscal years ending June 30, 2007 to June 30, 2014. Multi-year gifts given prior to December 31, 2004 but ending before December 31, 2012, shall continue to be matched in an amount equal to one-half of the total amount of endowment fund eligible gifts received. In
addition, the state match will only be possible provided there are sufficient dollars in the states reserves i.e. “rainy-day fund”.

Mr. Pugliese moved the following resolution; Ms. Williams seconded the motion and it was approved unanimously.

WHEREAS, Section 10a-99a of the Connecticut General Statutes provides for the creation of a permanent endowment fund for the Connecticut State University System and a matching state grant for contributions made to the endowment funds of the System, and

WHEREAS, The Board of Trustees for the Connecticut State University System adopted a “Policy on Endowment Guidelines for State Matching Funds” in accordance with Section 10a-99a in 1997 and revised said policy in 2000 to reflect amendments to the statutes, and

WHEREAS, Public Act 05-3 (June Special Session), An Act Concerning the Implementation of Budgetary Provisions, provides for certain amendments to the provision of a state match for contributions, and

WHEREAS, This Act reduces the state endowment fund matching grants from 50% of private donations to 25% for donations made after December 31, 2004 which will generate a state match beginning in FY 07 and ending in FY 14, and

WHEREAS, The Act provides that no funds can be appropriated to the Department of Higher Education for grants until the state’s budget reserve fund equals 10% of the net General Fund appropriations for the then-current fiscal year, and that the program appropriation for any fiscal year cannot exceed $25 million, and

WHEREAS, The grants must be reduced proportionately if the amount available is less than the amount required for the grants, and

WHEREAS, Commitments by donors to make endowment fund eligible gifts for two or more years that meet the established criteria and that are made prior to December 31, 2004, but ending before December 31, 2012, shall continue to be matched in an amount equal to one-half of the total amount of the endowment fund eligible gifts received through the commitment, therefore be it

RESOLVED, That the Board of Trustees for the Connecticut State University System hereby rescinds Board Resolution 2001-60, “Connecticut State University System Policy on Endowment Guidelines for State Matching Funds” and addendum thereto, and be it further

RESOLVED, That the Board of Trustees for the Connecticut State University System hereby adopts the attached addendum as said Policy.

ENDOWMENT GUIDELINES FOR STATE MATCHING FUNDS

Preamble

The Board of Trustees of the Connecticut State University System is empowered by Section 10a-99a of the Connecticut General Statutes to establish a permanent Endowment Fund for the universities within the Connecticut State University System and the System as a whole to encourage donations from the private sector through a match in the form of Endowment Fund state grants. Each university’s portion of the Endowment Fund and their share of earnings on the grant will be transferred to the university foundations within thirty days of receipt by the System, pro rated on the basis of endowment gifts contributed to each
university and the Connecticut State University System. These funds will be used for endowed professorships, scholarships and programmatic enhancements.

The Connecticut State University System strongly encourages the solicitation and acceptance of gifts that enable it to fulfill the system's mission. For an institution dedicated to higher education, private gifts are essential. For a public institution dedicated to higher education, they enable us to build a greater university than the state alone can build.

Endowment gifts may be sought from individuals, corporations, foundations and other organizations — including municipalities — for purposes, positions, and programs which meet the needs of the university. Endowment gifts to benefit each university should be deposited respectively into the endowment funds of the university foundations: CCSU Foundation, Inc., ECSU Foundation, Inc., Southern Connecticut State University Foundation, Inc. and Western Connecticut State University Foundation, Inc. Donations to the CSU system should be made to the Connecticut State University System Foundation, Inc.

Policy Guidelines for the State Matching Gifts Program

a) The matching program and these policy guidelines apply to each university, the system as a whole, and the single foundation associated with each.

b) An endowment fund eligible gift is a gift to, or for the benefit of, any of the state universities of the CSU system or the system as a whole, of cash or assets which may be reduced to cash or which has a value that is ascertainable by the universities or the system. The gift must either be specifically designated by the donor for deposit in the Endowment Fund of the university or the system, or be deposited by the university or system in the Endowment Fund because of the explicit terms of the gift. Whenever possible, donors should be urged to specify in writing that their gift is to be deposited into the Endowment Fund so that it will be eligible for the State match. Endowment Fund eligible gifts made on behalf of a state university or the system as a whole shall be deposited in a permanent Endowment Fund in the appropriate foundation established and conducted pursuant to section 4-37e through 4-37j of the general statutes.

c) The match will apply to 1) all pledge payments and gifts which create an endowment, and 2) all pledge payments and gifts which add to an existing endowment.

d) Monetary gifts donated to each university foundation by the alumni association of that university for deposit in the endowment funds of said foundation between July 1, 1997, and September 30, 2001, inclusive, shall be eligible for state matching funds.

e) The maximum amount of matching funds which may be applied to any single pledge payment or gift is $2,500,000 per year. Endowment fund eligible gifts which require a greater match may be given the additional match in subsequent years.

f) All endowment fund eligible gifts and pledge payments will be matched by a state grant equal to one-quarter of the total amount of such gifts and payments for each of the fiscal years ending June 30, 2007 to June 30, 2014. Commitments by donors to make endowment fund eligible gifts for two or more years that were made prior to December 31, 2004 but ending before December 31, 2012, shall be matched in an amount equal to one-half of the total amount of endowment fund eligible gifts received.

g) Notwithstanding the endowment fund state grant maximum commitment levels provided for each fiscal year, the total of the endowment fund state grant maximum commitments for the fiscal years ending June 30, 2000, to June 30, 2014, inclusive, shall not exceed sixty million dollars.

h) Pledges must be documented by a signed agreement from the donor in which payments to be received during the matching period are specified.
Endowment fund eligible gifts and properly documented pledge payments will be matched or reserved for a match in the order they are received. Properly documented pledges will not be matched until the actual payments are received; however, they will reserve matching funds during the period of the match and they will not be displaced by gifts received later.

Endowment fund eligible gifts (and properly documented pledge payments) received from reunion, memorial gift campaigns or other group gift campaigns will be matched with the approval of the chief advancement officer of the institution.

Endowment fund eligible gifts of property are those that are converted to cash during the matching period; such gifts will be eligible for the match when the conversion occurs.

Life income and other deferred gifts will not be eligible for the match until the principal is irrevocably received.

Bequests, charitable remainder trusts, and charitable gift annuities will be matched during the period in which they are received.

Exceptions to the provisions of these guidelines which are not governed by statute may be granted by the Chancellor or a President. All exceptions are to be reported to the Board of Trustees.

Because conditions change over time, all endowment instruments should contain the following contingency clause, or a clause with substantially similar language that has been reviewed by appropriate legal counsel:

If circumstances should arise in the future that make it illegal, impossible, or impracticable to use the gift for the purpose specified above, then the President of the University may submit a request for modification of this purpose to the Board of Trustees of the ______________ Foundation. If, in the best judgment of the Trustees, such modification is deemed prudent, they may authorize the use of the income from the Fund for the fulfillment of objectives as near as practical to the primary purpose of this fund. In the event of such modification, the name of ____________ will continue to be associated with the fund.

Endowment gifts which foundations receive on behalf of their university or the System must not inhibit the foundation or university from seeking gifts from other donors, be they similar or different, foreign or domestic. Further, no gift can be received that limits, beyond a general definition of subject area, the research that a faculty member or student can perform. A gift cannot be received which reserves the designation of the beneficiary for the gift to the donor or one which restricts the beneficiary to relatives or descendants.

The foundations and universities value, and will protect, the integrity and independence of both organizations as well as the academic freedom of the university community. Gifts that may expose the foundations or universities to adverse publicity, require expenditures beyond their resources, or involve them in unexpected responsibilities because of their source, conditions, or purposes will be referred to the chief advancement officer involved who may withhold approval of acceptance, pending a review.

Foundations will not accept gifts for the universities that involve discrimination based upon race, religion, sex, age, national origin, color, handicap or any other basis prohibited by federal, state, and local laws and regulations. Foundations cannot accept gifts which are restricted to the future employment, admission, or any other benefit of the recipient of the gift. Nor can the Foundation accept gifts that obligate it or the University to violate any other applicable law or regulation, or that violate the Foundation's certificate of incorporation, or bylaws.
This policy is designed to provide guidance to the Foundations and university communities and the general public so as to facilitate the gift-giving process. It is not intended to limit philanthropic creativity. Therefore, this policy is to be interpreted liberally so that prospective donors may enjoy the greatest freedom possible in formulating their gifts.

**Procedure for Receiving State Matching Grant**

a) During each fiscal year, endowment fund eligible gifts are to be sent directly to the university or system foundation the donor wishes to support. The foundation records and acknowledges the contribution and is responsible for approving the gift's eligibility.

b) Endowment fund eligible gifts and pledge payments received beginning January 1, 1998 and ending December 31, 2012, are the only funds that are eligible for the state match.

c) Each university foundation and the system foundation will report all endowment fund eligible gifts raised between January 1 to December 31 of each year to the CSU Board of Trustees no later than January 31 of the following year.

d) The Chairperson of the CSU Board of Trustees will certify the total amount of all endowment fund eligible gifts received by or for the benefit of the system as a whole and each state university during the preceding calendar year to the Secretary of the Office of Policy and Management, to the joint standing committee of the General Assembly on Appropriations, and to the Commissioner of Higher Education, by February 15 of each year.

e) Provided sufficient funds are available in the State’s “Rainy-Day” Fund to trigger the payment of the state matching grants, and following the appropriation of the required state match to the Department of Higher Education, the state matching grant will be received and deposited into the permanent System Endowment Fund of the Connecticut State University System, located within the Connecticut State University System Foundation, as soon as possible after July 1 of the appropriate year.

f) Within thirty days of receipt by the System, each university’s portion of the endowment fund state grant and its share of earnings on the grant will be transferred to the Endowment Funds of the university foundations pro rated on the basis of the amount of endowment gifts contributed to each university.

**Maximum State Commitment by Year**

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<th>Calendar Year Gift Received</th>
<th>Fiscal Year Matched</th>
<th>Maximum State Match</th>
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<tr>
<td>1998</td>
<td>1999-2000</td>
<td>2.5 million</td>
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<tr>
<td>1999</td>
<td>2000-2001</td>
<td>5.0 million</td>
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<td>2000</td>
<td>2001-2002</td>
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<tr>
<td>2001</td>
<td>2002-2003</td>
<td>7.5 million</td>
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<td>2002</td>
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<td>2012</td>
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Investment Policies and Guidelines

a. Matching money deposited in the System and University Endowment Funds will be invested, subject to the provisions of Sections 10a-99a and 4-37f of the Connecticut General Statutes, according to policies and guidelines established by the Foundations.

b. Only the net earnings from the Endowment Funds can be spent. Principal balances shall not be invaded.

Mr. Pugliese further reported that the quarterly gift income reports from the universities were reviewed by the Development Committee and that all four universities continue to realize success with the various fundraising events and annual campaigns.

ACADEMIC AFFAIRS COMMITTEE

Mr. Doyle reported that the Academic Affairs Committee met on Wednesday, January 18, 2006 at Central Connecticut State University and engaged in a very productive joint meeting with the Student Life Committee. The Academic Affairs Committee recommended the following:

_A resolution to establish the Trustees Research Award._ In recognition of the Board’s desire to stimulate and recognize excellence in research and creative activities as integral components of the academic endeavor, the resolution establishes the Trustees Research Awards. The Awards are designated for assistant or associate professors in tenure-track or tenure positions upon nomination by colleagues and/or departments. Nominees are expected to demonstrate substantive contributions/achievements and scholarly activities in their academic field of study during the last five years. Funding for this award was included in the 2005-06 budget.

Mr. Doyle moved the following resolution; Mr. Pugliese seconded the motion and it was approved unanimously.

WHEREAS, The Board of Trustees of the Connecticut State University system is committed to promoting an environment that supports and recognizes faculty scholarly activities in their academic fields, and

WHEREAS, The Board wishes to stimulate and recognize research and creative achievements and to emphasize their integral role in the academic mission of the CSU System, therefore be it

RESOLVED, That the Trustees Research Awards be established to recognize faculty who are doing research/creative activities of exceptional promise, and be it further

RESOLVED, That the CSU Board of Trustees will grant five awards annually: one award of $1,000 to a faculty member from each of the CSU universities and a single award of $1,000 to the
RESOLVED, That the Chancellor of the Connecticut State University system is authorized to develop guidelines to implement this policy.

TRUSTEES RESEARCH AWARDS

General Information
This award is given to recognize faculty who are doing research work of exceptional promise.

Eligibility
Assistant and associate professors in tenure-track or tenure positions.

Recipients of the award will not be eligible for reconsideration for the award for three years.

Nominations
Department and programs are encouraged to nominate women, faculty of color and members of other groups historically underrepresented in their discipline.

Nominees are expected to demonstrate substantive contributions/achievements and scholarly activities in their academic field of study during the last five years by submitting evidence of scholarly research and/or creative work accomplishments.

Number of Awards
There will be a total of five awards granted by the CSU Board of Trustees: one award of $1,000 to each of the CSU universities and a single award of $1,000 to the individual who best exemplified high quality research in the CSU System.

Source of Nominations
Nominations may originate from: Deans, Directors and Departments/Program Heads, administrators, award committees, individual faculty members. All nominations should be coordinated through the appropriate academic unit (e.g., Dean’s departmental or program office)

Selection Process
For the University Award
Each university will determine a process for reviewing and recommending one appropriate candidate for consideration for the University Award. Once a candidate has been identified, the nomination will be submitted to the Trustees for their final selection.

A university may determine that there are no nominations sufficiently compelling to recommend for the award on a given year.

For the CSU System Award
The CSU System Award will be selected from the four University Award nominees submitted. These nominations will be reviewed by a committee composed of CSU Professors. After reviewing the nominations, the committee will forward its recommendation to the Trustees for their final selection
Mr. Doyle further reported that in November, the Academic Affairs Committee received a recommendation from then President Carter to award an honorary Doctor of Humane Letters to Chief Ralph Sturges. Chief Sturges has contributed in the past to ECSU and its relationship to the local community. In his letter of recommendation, President Carter cited Chief Sturges’ lifetime commitment to community service. Chief Sturges was instrumental in obtaining federal recognition for the Mohegan tribal nation and was elected Lifetime Tribal Chief in 1992. Chief Sturges has confirmed that he will receive this honorary degree at Eastern’s spring 2006 commencement.

Mr. Doyle moved the recommendation to award an Honorary Doctor of Humane Letters to Chief Ralph Sturges; Mr. Pugliese seconded the motion and it was approved unanimously.

STUDENT LIFE COMMITTEE

Ms. Gagne reported for the Student Life Committee, advising that they met jointly with the Academic Affairs Committee on Wednesday, January 18, 2006 at Central Connecticut State University to discuss two important topics:

The first topic discussed was financial literacy. Dr. Mahnaz Mahdavi, from Smith College, shared valuable information about how her university uses a comprehensive educational program to teach students necessary financial literacy skills. Dr. Mahdavi also mentioned other approaches to better prepare students to deal with personal finances and to avoid getting in debt. Ms. Gagne noted that a copy of Dr. Mahdavi’s report had been placed in the Trustees’ folders.

The second topic addressed the following strategic questions: what does it mean for the CSU System and its universities to be student-centered; what are key strategies to make this happen; and how do we measure, through key indicators, progress towards becoming more student-centered?

The participants were in agreement that student-centeredness equates to student engagement. They advocated defining core values that could serve as driving principles for a
Student Life Strategic Plan. The group believes that accountability and measuring progress towards achieving this goal are essential components.

Ms. Gagne stated that the Committee is looking forward to the next steps regarding an educational approach to financial literacy, as well as continuing the discussion on the Student Life Strategic Plan.

**FINANCE AND ADMINISTRATION COMMITTEE**

Mr. Balducci reported for the Finance and Administration Committee, noting that the Committee met on Thursday, January 12th, and had the following four action items to bring before the Board.

*A Resolution concerning ratification of and amendment to a lease of land to the City of Danbury for the installation of a water tower on the Westside Campus at Western Connecticut State University.* In 1980, the Connecticut Department of Administrative Services executed a lease with the City of Danbury to construct a one and a half million-gallon water tank on the Westside Campus of Western Connecticut State University to serve the needs of the university and the City of Danbury. At this time, statutory authority for leasing university property rested with the Department of Administrative Services. In 1993, the Connecticut General Assembly transferred authority for the lease of property to the constituent units of higher education.

The original lease allowed the City to construct the water tank on a 1.864-acre parcel at an annual rental rate of one dollar for a fifty-year period commencing on September 1st, 1980 with an option for one additional fifty-year extension ending on August 31st, 2080.

The City of Danbury has obtained a grant from the Federal Emergency Management Agency to install radio receivers and related equipment for use by the Fire Department in three locations around the City. This new equipment will be installed, operated and maintained by the City of Danbury. To install the new radio receivers at the water tower site, the City has requested an amendment to the original lease. Mr. Balducci noted the resolution would ratify the original lease and approve the amendment.

Mr. Balducci moved the following resolution; Mr. Pugliese seconded the motion and it was approved unanimously.

WHEREAS, In 1980 the Connecticut Department of Administrative Services leased land to the City of Danbury for the purposes of constructing a 1,500,000 gallon water tank on the Westside Campus of Western Connecticut State University, and
WHEREAS, The terms of the lease allowed the City to use a 1.864 acre parcel to construct a water tower to serve the university and itself at a cost of $1.00 per year for a fifty (50) year period commencing on September 1, 1980 with an option for renewal for another fifty (50) years, and

WHEREAS, The City of Danbury would like to amend the lease to permit the erection of a radio receiver and related equipment on the site of the water tower, which receiver will be utilized by the Danbury Fire Department, and

WHEREAS, In 1993, Section 4b-38(g) of the Connecticut General Statutes was adopted, providing that the Board of Trustees may lease land or buildings, and facilities under their control and supervision, and

WHEREAS, The City of Danbury will install, operate and maintain the equipment at no cost to the University, therefore be it

RESOLVED, That the Board of Trustees for Connecticut State University ratifies the lease of 1.864 acres on the Westside Campus of Western Connecticut State University to the City of Danbury for the installation of a water tower for a period not to exceed one hundred years at an annual rental of $1.00 per year to the City of Danbury, and be it further

RESOLVED, That the Board of Trustees for the Connecticut State University System approves an amendment of the lease to the City of Danbury to permit the installation of a radio receiver and related equipment on the site of the water tower.

The use of plant funds to finance the replacement of Temporary Buildings 4, 5 and 7 at Southern Connecticut State University. Temporary Buildings 4 and 5 were installed to accommodate pressing academic and general classroom needs at Southern over 20 years ago. At the time of their installation, these buildings met the appropriate building codes. However, as life-safety codes have been modified over the years, these structures are no longer in compliance. Neither was built over a concrete slab and TE 4 does not have restroom facilities. TE 5’s structural system contains rotting joists. Temporary Building 7 is a leased trailer that accommodates Information Technology staff. TE 7 is located on the parking lot adjacent to Pelz Gymnasium and Jennings Hall and is leased by the university at an annual cost of $44,640.

SCSU would like to replace TE 4, 5 and 7 (total GSF of 13,269) with a two-phase building project (total GSF of 12,141). Phase I will include the demolition of TE 4, which is currently used as a general classroom building, and the construction of a new office building to accommodate Recreation and Leisure Studies as well as Public Health, which are located in TE 5. The university proposes to construct a permanent modular structure on a slab on grade. The building will be fully furnished and include new restroom facilities. The first phase is anticipated to cost $1,860,000, which includes all the necessary design and engineering fees, furniture, site and construction costs.
Phase II will include the demolition of TE 5 and the construction of an addition to the newly completed modular building. The construction of this new addition will accommodate the Information Technology staff currently located in TE 7. The projected cost of Phase II is $1,563,000 and includes all design and engineering fees, furniture, site and construction costs.

Mr. Doyle moved the following resolution; Mr. Rosa seconded the motion and it was approved unanimously.

WHEREAS, Southern Connecticut State University (SCSU) would like to replace Temporary Buildings (TE’s) 4, 5 and 7 which house general classrooms (TE 4), the Recreation and Leisure Studies and Public Health Departments (TE 5), and Information Technology staff (TE 7), and

WHEREAS, The university will replace all three structures with a permanent modular structure and addition on a concrete foundation, with brick facades and pitched roofs, and

WHEREAS, Phase I of the project includes the demolition of TE 4 and construction of a new 6,731 gross square foot building to house Recreation and Leisure Studies and Public Health, and

WHEREAS, Phase II of the project will include demolition of TE 5 and the construction of a 5,410 gross square foot addition to the Phase I building to accommodate Information Technology staff, therefore be it

RESOLVED, That SCSU is authorized to utilize up to $3,423,600 from their plant fund over the course of two fiscal years to finance the replacement of TE’s 4, 5 and 7, including the construction of a new 12,141 gross square foot building and addition.

Resolution concerning Gramm-Leach-Bliley Act compliance. The Gramm-Leach-Bliley Act, or GLBA, was enacted in 2000. The Act mandated extensive new privacy protections for consumers. The law requires financial institutions to take steps to ensure the security and confidentiality of customer records and information such as names, addresses, phone numbers, bank and credit card account numbers, income and credit histories, and Social Security numbers. Because they participate in financial activities, such as making Federal Perkins Loans, the Federal Trade Commission regulations consider higher education institutions to be financial institutions for GLBA purposes.

Colleges and universities are deemed to be in compliance with the FTC’s privacy rules if they are in compliance with the Family Educational Rights and Privacy Act, or FERPA. However, higher education institutions are subject to the FTC’s rules relating to the administrative, technical, and physical safeguarding of customer information.

Financial institutions, including colleges and universities, must “develop, implement, and maintain a comprehensive written information security program that contains administrative,
technical, and physical safeguards” appropriate to the size and complexity of the institution, the nature and scope of its activities, and the sensitivity of any customer information at issue. It is important to note that information security as referred to in GLBA refers not just to electronic information media such as diskettes and CDs, or devices such as PDAs and laptops, but also to paper files and the securing of the physical locations where these files are stored.

The FTC safeguarding rules required that all institutions develop and implement a written GLBA information security program no later than May 23, 2003, which was prior to the implementation of the CSU Systemwide Information Security Policy. However, it is important that the existing GLBA compliance policies in effect at the various CSU universities and the System Office be consistent with the CSU Systemwide Information Security Policy, and that they be reviewed regularly to ensure continuing relevance as conditions change. The resolution requires that the GLBA compliance policies in effect at the CSU universities and the System Office not only conform to all applicable statutes and regulations, but also are consistent with the CSU Systemwide Information Security Policy. The resolution further requires that the GLBA compliance policies be reviewed and revised as necessary at least every three years, with the first review to be completed by June 30, 2006. Finally, the resolution requires all appropriate CSU employees receive GLBA compliance training on an annual basis, and requires an annual report to the Board of Trustees by each university and the System Office regarding GLBA training provided.

Mr. Doyle moved the following resolution; Mr. Sholtis seconded the motion and it was approved unanimously.

WHEREAS, Federal Trade Commission (FTC) rules implementing the Gramm-Leach-Bliley Act, 15 U.S.C. § 6801, et seq. (GLBA) require that financial institutions develop, implement and maintain a comprehensive written information security program that contains administrative, technical, and physical safeguards appropriate to the size and complexity of the institution, the nature and scope of its activities, and the sensitivity of the customer information or data at issue, and

WHEREAS, Because higher education institutions participate in financial activities, such as making Federal Perkins Loans, FTC regulations consider them financial institutions for GLBA purposes, and

WHEREAS, Information security as referred to in GLBA pertains not only to securing of electronic information, devices, and media but also to paper files and physical locations, and

WHEREAS, The FTC rules set forth the elements that a financial institution is required to include in its information security program, which are intended to create a framework for developing, implementing, and maintaining the required safeguards, and
WHEREAS, Institutions may tailor their programs, at their own discretion, to address their individual circumstances and needs, and

WHEREAS, The rules required that all institutions initially develop and implement a written GLBA information security program no later than May 23, 2003, and

WHEREAS, GLBA information security programs were initially implemented by each university and the System Office prior to the implementation of the CSU Systemwide Information Security Policy, therefore be it

RESOLVED, That each university and the System Office shall maintain a Gramm-Leach-Bliley Act (GLBA) compliance policy conforming to the safeguarding requirements of the GLBA (16 CFR Part 314) and other applicable statutes and regulations, and consistent with the CSU Systemwide Information Security Policy, and be it further

RESOLVED, That each university and the System Office shall review and update its GLBA compliance policy as conditions warrant, but not less than every three years; with the first review and any necessary revisions to be completed by June 30, 2006, and be it further

RESOLVED, That each university and the System Office shall conduct training annually for all appropriate employees regarding GLBA compliance, and be it further

RESOLVED, That each university and the System Office shall annually provide to the Board of Trustees a report detailing the GLBA training provided at their location.

Resolution concerning the Connecticut State University System Information Technology Security Policy. As early as 2000, the Management Letter of the independent auditors, PriceWaterhouseCoopers (PWC), called attention to the need for information security planning, recommending that Management should continue in their efforts to finalize a security plan that details management’s steps for improving information security at CSU. In addition, management should develop an infrastructure that allows for monitoring the adherence to established policies and procedures. The Management Letter also called for the establishment of Information Systems Policies and Procedures, as well as Program Change Control Procedures. These comments have been repeated in each year’s Management Letter since that time; the 2002 Management letter also observed that there should be “centralization of security administration” in order to enhance the reliability of computer security.

In 2003, the firm ETC Sunstorm was hired as consultant to perform a security assessment within information technology operations throughout the CSU System. Its recommendations were presented to the Council of Presidents (COP) in the fall of 2004, and were refined in several presentations to COP in early 2005. One of the highest priority recommendations was the creation of an information security policy, to be followed by the implementation of information security procedures.
The resolution requires that all employees, students, contractors and others who use information resources of the CSU System and its universities adhere to relevant federal, state and other applicable laws, rules and regulations, as well as to the provisions of applicable contracts and licenses.

In addition, the resolution authorizes the Chancellor to establish an implementation plan which provides for the development and promulgation of standards, procedures and guidelines that provide rules for access to information resources. An example of the type of implementation plan that could be established by the Chancellor is attached to the resolution. Overall, a final set of security procedures should be ready for adoption by July 1, 2006.

Finally, the resolution provides that until dissemination of the final set of security procedures, all employees, students, contractors and others shall adhere to the standards, procedures and guidelines contained in the “General Guidelines to Improving Information Security Practices within the CSU System” (attached to these minutes as Attachment I).

WHEREAS, The Board of Trustees for the Connecticut State University System recognizes that unauthorized disclosure of certain personal information is prohibited by various state and federal statutes, and

WHEREAS, The Board wishes to ensure that the security and integrity of tangible and non-tangible technology and information resources – including but not limited to hardware, software, communications equipment, peripheral devices, data and information assets – are protected and safeguarded, and

WHEREAS, It is desirable that information technology services should be available to the members of the university community with as little interruption as is practicable, and

WHEREAS, Best practice requires that procedures should be established to provide coherent, consistent rules for access to information resources, and to provide coherent, consistent, orderly methods for conducting business using information technology, and

WHEREAS, Knowledge of such procedures should be disseminated in an easily accessible form to all personnel who use CSU’s information resources, therefore be it

RESOLVED, That all employees, students, contractors and others who utilize the electronic and non-electronic resources of the Connecticut State University System shall adhere to federal, state and other applicable laws, rules, and regulations which provide for the protection of the security and integrity of information contained in CSU information files, and be it

RESOLVED, That all employees, students, contractors and others who utilize the electronic and non-electronic resources of the Connecticut State University System shall adhere to the provisions of applicable contracts and licenses, and be it

RESOLVED, That the Chancellor is authorized to establish an implementation plan to provide for the development and promulgation of standards, procedures and guidelines that provide rules for access to information resources and rules for conducting business using information technology, and be it
RESOLVED, That security procedures – including managerial, operational and technical controls – shall be consistent with national standards, and be it

RESOLVED, That privacy procedures and guidelines protecting information shall be consistent with state and federal laws, including but not limited to FERPA and GLBA, and be it

RESOLVED, That such procedures and guidelines shall include but not be limited to matters related to computer crimes, libel, privacy, copyright, and trademark, and be it

RESOLVED, That the procedures and guidelines shall be reviewed and updated on a regular basis, but no less than once a year, and be it

RESOLVED, That all employees, students, contractors and others who utilize the electronic and non-electronic resources of the Connecticut State University System shall adhere to the standards, procedures and guidelines developed as provided in the implementation plan established by the Chancellor, and prior to that time, shall adhere to the initial set of procedures and guidelines contained in the attached document, “General Guidelines to Improving Information Security Practices within the CSU System.”

Mr. Balducci noted that the Finance and Administration Committee also reviewed recommendations for 2006-2007 Sabbatic Leaves, heard a report regarding the tenure status of CSU Full-time Faculty, and received a progress report on the SITES initiative.

EXECUTIVE COMMITTEE

Chairman McHugh advised that the Executive Committee met on January 12 and reviewed and accepted the following items:

Annual Foundation Reports and Independent Financial Audit Reports for Central and Southern: The audited financial statements presented fairly the financial position of the university foundations as of June 30, 2005 and the annual reports were in compliance with statutory requirements and Board policy. Chairman McHugh noted that the Committee directed Chancellor Cibes to communicate board policy concerning foundation reporting to the presidents and the importance of ensuring compliance with those procedures.

Chairman McHugh indicated that the Executive Committee heard the Chancellor’s evaluation of former President Carter, President Norton and President Schmotter and that the Committee was very pleased with the exemplary performance of the university presidents. The Chairman noted that the Trustees looked forward to continued excellence from President Miller, Interim President Pernal, President Norton and President Schmotter in 2006. The Committee also provided its own evaluation of Chancellor Cibes’ outstanding performance.
Chairman McHugh reported that the Executive Committee revised the effective date of
Dr. Carter’s start date as Chancellor of the CSU System from February 3, 2006 to January 20,
2006.

Chairman McHugh requested a motion to ratify the action of the Executive Committee.
Mr. Doyle so moved; Mr. Pugliese seconded the motion and it was approved unanimously.

WHEREAS, On December 16, 2005, by Board Resolution 05-70, the Board of Trustees appointed Dr.
David G. Carter as Chancellor of the Connecticut State University System effective
February 3, 2006, and

WHEREAS, At the request of the Board, Chancellor Carter has agreed to a change in the effective date
of his appointment, and

WHEREAS, On January 12, 2006, on behalf of the full Board, the Executive Committee approved a
change to the effective date of Dr. Carter’s appointment, from February 3, 2006 to
January 20, 2006, therefore be it

RESOLVED, That the CSU Board of Trustees hereby ratifies the January 12, 2006, action of the
Executive Committee.

Chairman McHugh reported that the Executive Committee voted unanimously to
appoint Dr. Michael Pernal to serve as Interim President at Eastern until a permanent
appointment could be made. He requested a motion to ratify the action of the Executive
Committee. Mr. Balducci moved approval; Mr. Messina seconded the motion and it was
approved unanimously.

Chairman McHugh reported that we are in the initial stages of the presidential search
for Eastern and that he had appointed the following Board members to serve with him on the
Trustee Search Committee: Mr. Balducci, Ms. Gagne, Mr. Krapek, Mr. Motley, Mr. Pugliese and
Mr. Sholtis. He expressed his appreciation to the Trustees for their willingness to serve on this
very important committee and the expectation was that a new president would be chosen by mid-
May.

Chairman McHugh reported that the 2006 BOT Calendar had been revised, changing the
May meeting from May 4, 2006 to May 18, 2006.

Chairman McHugh stated that he wanted to make every effort to attend university events,
such as groundbreakings and dedications. To assist in that regard, he asked the presidents to
check for potential conflicts with his schedule by contacting Erin Fitzgerald prior to scheduling
any events.
Chairman McHugh reported that the Executive Committee voted unanimously to submit to the full Board a Resolution conferring the title of Chancellor Emeritus to Chancellor Cibes. He added that he held Chancellor Cibes in the highest regard and that Dr. Cibes’ contributions to the CSU System during the course of his tenure were invaluable. Chancellor Cibes remarked that he had tried to implement the direction that had been set by the Board and that any success in that area was the result of the work of the presidents, staff and faculty at the universities throughout the System and at the System Office.

Chairman McHugh requested a motion approving the following resolution conferring the Title of Chancellor Emeritus to William J. Cibes, Jr., Ph. D. Mr. Balducci moved approval; Mr. Pugliese seconded the motion and it was approved unanimously.

WHEREAS, William J. Cibes, Jr., Ph.D., Chancellor, has announced plans to retire after completing outstanding and honorable service to the Connecticut State University System since 1994; and

WHEREAS, Dr. Cibes received a bachelor degree in German, mathematics, political science and philosophy from the University of Kansas in 1965 and a Ph.D. degree from Princeton University in 1975; and

WHEREAS, Dr. Cibes then began his long and successful career in higher education as a member of the Department of Government at Connecticut College in 1969, where he remained as a faculty member until 1990; and

WHEREAS, Dr. Cibes served as a member of the Connecticut General Assembly from the City of New London from 1978-1991 with integrity and commitment, making critical contributions to the betterment of the state while at various times acting as a member of the Education Committee, the Appropriations Committee, Chair of the Finance Committee, and Deputy Speaker of the House of Representatives; and

WHEREAS, Dr. Cibes ran for governor in the 1990 Democratic primary on a platform advocating an income tax in a true demonstration of his lifelong concern for the underdog and the underprivileged; and

WHEREAS, Dr. Cibes was appointed Secretary of the Office of Policy and Management to serve as the "lengthened shadow" of Gov. Lowell P. Weicker from 1991-1994, and while in that position he drafted a revenue overhaul and income tax plan that he spearheaded through the legislature to help restore the State of Connecticut's fiscal integrity; and

WHEREAS, Dr. Cibes helped transform the Office of Policy and Management, making it the lead office for centralized budget planning by the state and a model for efficiency and customer service; and

WHEREAS, Dr. Cibes began his esteemed career at the Connecticut State University System in 1994 and made many lasting contributions by thinking outside the box, including innovative legislation that enables universities to finance auxiliary facilities through CHEFA, increasing bond authorizations to an average of $60 million a year resulting in vast
capital improvement programs at the four CSU universities that will greatly benefit Connecticut students and the State of Connecticut for generations to come; and

WHEREAS, Dr. Cibes provided tireless leadership and service to such organizations as Connecticut Public Television; Connecticut United for Research Excellence (CURE), the Connecticut Center for Science & Exploration, the Metro Hartford Alliance and The Connecticut Health and Educational Facilities Authority; and

WHEREAS, Dr. Cibes has earned the admiration and respect of his colleagues and co-workers for his cheerful humility, dedication, collegiality, enthusiasm, professionalism, sense of humor, his selflessness, his willingness to listen and hard work; now, therefore, be it

RESOLVED, That the Board of Trustees for the Connecticut State University System confers upon William J. Cibes, Jr., Ph.D., the title, Chancellor Emeritus of the Connecticut State University System, with all the privileges pertaining thereto, effective February 1, 2006; be it further

RESOLVED, That the Board takes great pleasure in recognizing the significant professional achievements of William J. Cibes, Jr., Ph.D., and herewith expresses its sincere gratitude for the invaluable contributions he has made to the Connecticut State University System and to the State of Connecticut; be it further

RESOLVED, That this resolution be included in the permanent minutes of the Board and that copies be sent to Dr. William J. Cibes, Jr. to share with his family and to other appropriate officials of the CSU System.

ADJOURNMENT

Mr. Balducci moved to adjourn; Mr. Doyle seconded the motion and the meeting was adjourned at 11:15 a.m.

Respectfully submitted,

Theresa Eberhard-Asch, Secretary