

**THE BOARD OF GOVERNORS  
OF THE COLORADO STATE UNIVERSITY SYSTEM  
BOARD MEETING MINUTES  
Conducted Remotely  
May 6, 2020**

**CALL TO ORDER**

Chair Tuor called the meeting to order at 9:04 a.m. The meeting was conducted remotely, and live video and audio of the meeting was broadcast publicly through the internets as described in the public notice.

**ROLL**

**Governors present:** Nancy Tuor, Chair; Jane Robbe Rhodes, Vice Chair; Kim Jordan, Treasurer; Dean Singleton, Secretary; Russell DeSalvo; Nate Easley; Steven Gabel; Armando Valdez; Kacie Adair, Student Representative, CSU-Pueblo; Ben Amundson, Student Representative, CSU; Harriet Austin, Faculty Representative, CSU-Global Campus; Stephanie Clemmons, CSU Faculty Representative; Matthew Cranswick, Faculty Representative, CSU-Pueblo; and Nicole Hulet, CSU-Global Student Representative

**Administrators present:** Tony Frank, Chancellor, CSU System; Amy Parsons, Executive Vice Chancellor, CSU System; Joyce McConnell, President, CSU; Timothy Mottet, President, CSU-Pueblo; Becky Takeda-Tinker, President, CSU-Global Campus; Jason Johnson, General Counsel, CSU System; Lynn Johnson, Deputy Chief Financial Officer, CSU System, and Vice President of Operations, CSU; Rick Miranda, Chief Academic Officer, CSU System, and Provost and Executive Vice President, CSU; Susy Serrano, Director of Internal Auditing, CSU System; and Henry Sobanet, Chief Financial Officer, CSU System

**CSU System Staff present:** Melanie Geary, Executive Assistant; Cara Neth, Director of Executive Communications; Adam Fedrid, IT Manager; Allen Sneesby, IT Technician; Jason Rogan, IT Professional; and Wayne Hall, CSU IT Professional

**Staff and Guests present:** Mohamed Abdelrahman, Provost, CSU-Pueblo; Johnna Doyle, Deputy General Counsel, CSU-Pueblo; Margaret Henry, Treasurer, CSU System; Donna Souder Hodge, Executive Director of Organizational Development, CSU-Pueblo; Christin Holliday, Vice President, Enrollment Management and Student Affairs, CSU-Pueblo; CSU Yvonne Harris-Lott, Senior Director of Finance and Institutional Integrity, CSU-Global; Jannine Mohr, Deputy General Counsel, CSU; Stephanie Chichester, NorthSlope Capital; Nick Taylor, NorthSlope Capital; Alejandro Rojas-Sosa; VP Administration and Finance, CSU-Pueblo; Karen Ferguson, Provost, CSU-Global; Nancy Hurt, Vice President, CSURF; Ajay Menon, President, CSURF

Following the roll call by Melanie Geary, General Counsel Johnson discussed protocols for the Board meeting using Zoom, and he explained this meeting is like any other regular Board meeting and is being conducted in accordance with Colorado's Open Meeting Law.

**PUBLIC COMMENT**

Although public comment had been requested by the Board, no public comment was submitted.

## **BOARD CHAIR'S AGENDA**

Chair Tuor recognized outgoing CSU-Pueblo student representative Kacie Adair and CSU-Pueblo faculty representative Matthew Cranswick for their service to the Board of Governors. Both offered departing comments and their thanks for the experience of serving. Chair Tour also discussed the upcoming Board officer and committee assignments for the Board members.

## **AUDIT AND FINANCE COMMITTEE**

Committee Chair Jordan convened the committee meeting and asked to begin with the Audit portion.

### **Audit**

Auditor Serrano described her report and referenced the Audit Plan for the upcoming fiscal year, as well as the status of past-due recommendations. Governor Gabel raised a question about the number of audits that begin in one year and carry forward into the next fiscal year. Auditor Serrano noted that the office is ahead of the average number of audits this year and is nearly fully staffed now. Governor Jordan noted that they have discussed how to better explain the rationale for pushing certain projects back when it is necessary due to the press of business or additional projects. It was noted that the FY20-21 Audit Plan is being submitted for approval and the Board recognizes that risk is changing rapidly because of the pandemic and adjustments may be needed during the fiscal year.

**Motion/Action on the FY 2020-2021 Audit Plan:** Governor Robbe Rhodes moved for the Approval of the Fiscal Year 2020-2021 Audit Plan. The motion was seconded by Governor Valdez, and it carried unanimously. This action item is included in the Board materials.

### **Finance**

Committee Chair Jordan introduced the Finance portion of the committee meeting and commented that the Board is committed to the best interests of all three institutions while exercising the Board's fiduciary responsibility to ensure the institutions survive over the long term. Committee Chair Jordan stated that payroll protection is a priority and the Board would like to protect permanent, full-time employees to the extent possible. Committee Chair Jordan also mentioned that the Board must also balance the need to be fiscally prudent to protect the long-term health of the institutions. Without knowing what may happen in the coming months and possible significant budget challenges, the Board wants the campuses to preserve flexibility to make adjustments based on the developing fiscal situation, and the CSU campus should follow its manual and provide notice that faculty contracts may be allowed to expire to maintain flexibility.

Following a short break to ensure the livestream was fully operational, Chancellor Frank provided context for the budget discussions and a review.

### *COVID-19 and State Budget Update*

Chancellor Frank stated that it is the intention of the campuses to be open in the fall and that we are confident our campuses will be able to deliver credits in ways that matter to students and continue to uphold our commitment to quality education. Chancellor Frank and the Presidents of the System Institutions talked about possible revenue projections and different budget scenarios along with possible expense reduction options.

### *FY 2020 and FY 2021 Campus Budget Scenarios*

CSU-Fort Collins and CSU-Pueblo were asked to provide an overview of Fiscal Year 2020 operating revenue and expenses and prepare four budget scenarios for Fiscal Year 2021, with two scenarios modeling ten percent (10%) reductions under certain opening scenarios, and two scenarios that model twenty percent (20%) reductions under the same conditions. President McConnell noted that impacts in 2020 have been particularly felt in auxiliary enterprises,

which has put tremendous stress on the institution's budget, in part because of housing and dining refunds. She noted potential projected FY21 revenue impacts between \$90.5M - \$218M under the four scenarios. President Mottet shared potential projected FY21 revenue impacts between \$7.9M - \$20.5M. Both campuses are considering a zero percent tuition increase for undergraduate residents. President Mottet noted that students have approved a 9% per credit hour fee increase and he wants to be able to honor that.

The Presidents also presented and described expenditure reduction options for their campuses. Chancellor Frank noted that there are several paths forward, but none are pleasant or easy. Presenting for CSU-Global Campus, President Takeda Tinker noted that March enrollment was severely impacted; the April start was positive, but affiliate partner enrollment has taken a hit. High unemployment rates will continue to have an impact at CSU-Global Campus, so they are moving to address educational needs of Gen Z students in keeping with their strategic plan. Chancellor Frank said that because of the impacts on CSU-Global, the net flow into Board of Governors strategic reserves will be about ten percent (10%) less than projected.

CFO Sobanet provided an update on Joint Budget Committee and legislative schedules. There will be a new revenue estimate May 12. Chancellor Frank noted that if there is additional federal assistance, he expects we will learn about that between mid-June and early fall. The intention is to bring forward in June balanced budgets based on our best estimates, which are not overly optimistic. Governor Gabel emphasized the importance of making decisions on budgets in a timely fashion to reduce stress on employees and institutions. Governor Easley encouraged campuses to pay attention to low-income student access in Colorado and nationally and explore creative options to support degree completion.

Governor Jordan summarized, and the Board discussed, budget guidance for the campuses, including:

- General support for keeping tuition flat, but also an understanding that those additional resources could be needed;
- Support of using various expense levers to get much closer to targets;
- Avoid a series of small reductions, rather, implement one bold, thoughtful effective package using expenditure reduction options;
- Eliminating full-time permanent positions should be the last option;
- Make reductions using a set of principles, so that we can justify reductions and have a platform for restoring resources if they become available;
- Campuses should retain flexibility when it comes to non-permanent employees and those on contracts, given the uncertainty of the budget challenges ahead. In particular, the Board discouraged any contract extensions beyond a single year, if possible.

#### *FY 2020 Quarterly Financial Statements*

CFO Sobanet submitted the FY2020 Financials without further discussion.

#### *Treasury Update*

CFO Sobanet and Steph Chichester from North Slope Capital Advisors provided a summary of debt restructuring options, referred to as "Scoop and Toss" that could result in significant savings to the campus and its annual debt servicing obligations. The Board discussed the advantages and disadvantages of the Scoop and Toss approach, as well as credit ratings and bond interest rates. The Board supported Scoop and Toss "option 4" and supported that plan.

**Motion/Action on the 20th Supplemental Resolution:** Chair Tuor moved for the approval of the 20<sup>th</sup> Supplemental Resolution, and the motion was seconded by Governor Baca. Following a discussion of the motion and the Board's desire for the Scoop and Toss approach to be implemented in accordance with the wishes of the Board, the motion passed unanimously. This action item is included in the Board materials.

#### **Motion/Action to enter into a Sublease for the National Western Center Certificates of Participation (COPs):**

Following a discussion by Treasurer Margaret Henry regarding the National Western Center Certificates of Participation (COPs) and the COP finance mechanism uses a site lease and sublease, Governor Baca moved for

approval of the action item to enter into a sublease for the National Western Center COPs. Governor Easley seconded the motion and it carried unanimously.

## **CSU – GLOBAL CAMPUS REPORTS**

Nicole Hulet, Student Representative, Harriet Austin, Faculty Representative and Dr. Becky Takeda Tinker all noted that their reports, which are included in the Board materials, stood as submitted with no additional comment. Governors Hulet and Austin thanked the Board for the opportunity to serve and noted they were both looking forward to the year ahead.

## **COLORADO STATE UNIVERSITY REPORTS**

Governor Amundson, the CSU student representative, noted that ASCSU has postponed student elections so he will continue as President of ASCSU for the near term. Governor Clemons, CSU faculty representative, noted that her report stood as submitted.

President Joyce McConnell described how the entire CSU-FC community has been extraordinary in responding to the crisis. She highlighted the contributions of essential staff who are not able to work remotely and have been showing up every day to do their work. The campus has a preparedness team leading response efforts, along with a set of working groups focused on particular concerns and issues. President McConnell then highlighted the university's research response. President McConnell also noted that CSU-FC shares Governor Easley's concern about the impacts on students and keeping them on their educational path. The Colorado State Forest Service annual presentation was postponed.

## **CSU – PUEBLO REPORTS**

Governor Adair, CSU-Pueblo student representative, noted her report stood as submitted and mentioned that the incoming representative is CSU-Pueblo student Hannah Douglas, who was observing the meeting via the LiveStream. Governor Cranswick, CSU-Pueblo's faculty representative, noted that his report stood as submitted and asked the Board to consider the implementation of Vision 2028 during the crisis. He also informed the Board that new CSU-Pueblo faculty representative is Neb Jaksik.

President Tim Mottet congratulated the Class of 2020, including Kacie Adair. President Mottet noted that graduation ceremonies have been postponed until December, but CSU-Pueblo conferred 59 nursing degrees during finals week to facilitate their entry into the healthcare workforce. The Pueblo campus is focused on moving the institution forward and emphasizing that CSU-Pueblo is fully operational even while working remotely. Vision 2028 has provided clarity for planning and decision making during the pandemic. President Mottet is also preparing to launch a new marketing campaign.

## **ACADEMIC AND STUDENT AFFAIRS COMMITTEE**

### *New Degree Programs*

Chief Academic Officer Rick Miranda presented two new degree programs for the Board's approval, CSU: Major in Dance (BFA), and CSU: Major in Agriculture Biology. CAO Miranda then discussed certain changes to the CSU Faculty/AP manual, including changes in Section I.4, which updates the student appeals of disciplinary decisions made by University hearing officers, as well as changes to Section I.5, which updates the academic integrity policy and misconduct procedures.

### *Emeritus Request Summary AY 19-20*

CAO Miranda presented the emeritus request summaries for CSU and CSU-Pueblo.

### *Sabbatical Revision Summary AY 19-20*

CAO Miranda presented the sabbatical summary and noted that additional revisions are likely as faculty travel plans are impacted by the pandemic.

### *New Special Academic Units*

CAO Miranda presented two new Special Academic Unit (SAU) requests for CSU. The first SAU is Cell and Molecular Biology, which is an interdisciplinary graduate program comprising over 100 faculty in 16 departments and 5 colleges. The program offers PhD, PhD with Cancer Biology Specialization, and MS plan A and plan B degrees and there are generally 40-50 students enrolled. The second SAU is the School of Applied Materials Discovery (SAMD), which was founded in approximately 2015 in growing recognition of the collective excellence, yet disconnectedness of the materials science and engineering research efforts of many of the CSU faculty. The emergence of SAMD as an umbrella structure and uniting force has, in only a few years, had a tremendous impact on the trajectory of materials science and engineering education and research at CSU, now home to 25 core faculty from eight departments, and three approved graduate degree programs, along with a growing graduate student population. Formal SAU status will place SAMD under the auspices of the Graduate School, which will provide improved efficiencies around the administrative, training, hiring, accounting, communications, and operations aspects of running the School and administering its 3 graduate degree programs.

### *CSU-Pueblo Accreditation Schedule AY 19-20*

CAO Miranda presented the accreditation schedule for CSU-Pueblo.

### *Course Continuity Efforts Related to COVID-19*

CAO Miranda updated the Board on steps the campuses have taken to transition their programs and student services online this spring. He highlighted the contributions of faculty as well as CSU Online, the Institute for Teaching and Learning, and Academic Computing and Networking Services. Provost Abdelrahman provided a report on the academic transition for CSU-Pueblo and plans for summer session.

## **CHANCELLOR'S REPORT**

Chancellor Frank noted his report stood as submitted in the Board materials. Executive Vice Chancellor Parsons shared updated institutional metrics, and CFO Sobanet reiterated that these are intended to provide current and useful data points for the Board's use. EVC Parsons then provided an update on Spur and highlighted the "virtual groundbreaking" that took place on May 5, which received considerable media attention. She thanked the Director of External Relations, Tiana Nelson, and her team for their hard work on the event.

The Board recessed for lunch at 12:32 p.m.

## **REAL ESTATE/FACILITIES COMMITTEE**

The Board reconvened at 1:02 p.m. and Committee Chair Steve Gabel called the Real Estate and Facilities Committee meeting to order. Committee Chair Gabel requested that the committee should move into Executive Session.

**Motion/Action:** Governor Jordan made a motion to go into Executive Session, Governor Easley seconded that motion, and the motion passed unanimously. General Counsel Johnson read the committee meeting into Executive Session under Colorado law:

- (1) In order to have discussions relating to the purchase of property for public purpose or the sale of property at competitive bidding, because premature disclosure of such transaction would give a competitive advantage to the other party, which is confidential under C.R.S. § 24-6-402 (3) (a) (I);
- (2) For matters concerning trade secrets, privileged information, and confidential commercial, or financial data furnished by or obtained from any person, which is confidential under C.R.S. § 24-6-402 (3) (a) (VII); and
- (3) To receive legal advice on real estate matters, which is confidential pursuant to C.R.S. § 24-6-402 (3) (a) (II).

The reasons for going into Executive Session are set forth in the meeting notice.

The Board reconvened in public session of the Real Estate and Facilities Committee at 1:33 p.m.

CSU Vice President of University Operations Lynn Johnson presented on the following projects for consideration:

- Acquisition of 601 S Howes Street from CSURF;
- Acquisition of ½ share Rocky Ford Ditch Water;
- Acquisition and Program Plan for CSU Banded Peak Conservation Easement;
- CSU Program Plan for Clark Renovations and Addition;
- CSU Program Plan for Anatomy and Zoology Capital Renewal; and
- CSU Program Plan for ARDEC Infrastructure

**Motion/Action to Approve Six (6) Real Estate/Facilities Action Items:** Governor Robbe Rhodes moved to approve the six Real Estate/Facilities Action Items, as described by VPUO Johnson, including:

- Acquisition of 601 S Howes Street from CSURF;
- Acquisition of ½ share Rocky Ford Ditch Water;
- Acquisition and Program Plan for CSU Banded Peak Conservation Easement;
- CSU Program Plan for Clark Renovations and Addition;
- CSU Program Plan for Anatomy and Zoology Capital Renewal; and
- CSU Program Plan for ARDEC Infrastructure

The motion was seconded by Governor Clemons, and it carried unanimously. These six (6) action items are included in the Board materials.

In consideration of the possible short term use of CSU's Braiden Hall by Larimer County and CSU's Global Food Innovation Center by Innovative Foods, General Counsel Johnson read the following motion:

Moved, that the President of Colorado State University or the Vice President for University Operations is authorized to approve the terms and conditions of, as well as execute a short-term lease or facilities use agreement with Larimer County for the use of Braiden Residence Hall for temporary accommodations and a separate agreement with Innovative Foods to use the JBS Global Food Innovation Center for its temporary operations, provided that such agreements meet the guidelines and expectations of the Board and complies with existing legal and contractual obligations, and upon consultation with the Chancellor and Office of General Counsel.

**Motion/Action:** Governor Robbe Rhodes moved to approve the motion read by General Counsel Johnson. The motion was seconded by Governor Clemons, and it passed unanimously.

## **APPROVAL OF CONSENT AGENDA**

**Motion/Action:** General Counsel Johnson presented the Consent Agenda to the Board of Governors for approval. Governor Baca moved to approved the Consent Agenda, which is included in the Board meeting materials. Governor Valdez seconded the motion, and it carried unanimously.

## **EXECUTIVE SESSION**

**Motion/Action:** Governor Valdez moved for the Board to go into executive session at 1:51 p.m. Representative Clemons seconded the motion and it carried unanimously. General Counsel Johnson read the Board into general Executive Session and then Executive Session of the Evaluation Committee, and noted the reasons for going into Executive Session under the Colorado Open Meetings Law:

- 1) For the purpose of discussing and evaluating public officials and professional staff employees of the Board, which is confidential under C.R.S. § 24-6-402 (3) (b) (I).
- 2) Consideration of nominations for the awarding of honorary degrees or consideration of proposals for the naming of any building for a person or persons, which is confidential pursuant to C.R.S. § 24-6-402 (3) (a) (VIII).

- 3) For matters concerning trade secrets, privileged information, and confidential commercial, financial data furnished by or obtained from any person, which is confidential under C.R.S. § 24-6-402 (3) (a) (VII); and
- 4) For the purpose of receiving the Litigation Report from the General Counsel relating to pending or imminent litigation, specific claims or grievances; and to receive legal advice on specific legal questions, including legal questions regarding the topics raised in this meeting, which is confidential pursuant to C.R.S. § 24-6-402 (3) (a) (II).

The Board of Governors returned to open session at 2:20 p.m.

**Motion/Action:** Governor Rhodes moved to approve three (3) naming Action Items. The motion was seconded by Governor Baca, and it carried unanimously.

**Motion/Action:** The Board took a short break and moved to reconvene in Executive Session of the Evaluation Committee for the reasons described by General Counsel Johnson and as included in the public notice. The motion was seconded and carried unanimously. The Board moved into Executive Session of the Evaluation Committee at 2:35 p.m.

The Board of Governors returned to open session at 3:05 p.m. Having no further business the meeting was adjourned.