

**BOARD OF GOVERNORS OF THE
COLORADO STATE UNIVERSITY SYSTEM
BOARD OF GOVERNORS MEETING
Colorado State University
October 1, 2015**

CALL TO ORDER

Chair Mosher called the meeting to order at 9:00 a.m.

ROLL

Governors present: William Mosher, Chair; Demetri Munn, Vice Chair; Nancy Tuor, Treasurer; Dennis Flores; Dorothy Horrell; Mark Gustafson; Jane Robbe Rhodes; Joseph Zimlich; Robert Deemer, Faculty Representative, CSU-Global Campus; Paul Doherty, Faculty Representative, CSU; Michael Mincic, Faculty Representative, CSU-Pueblo; Megan Schulze, Student Representative, CSU-Global Campus; Jason Sydoriak, Student Representative, CSU; Sarah Zarr, Student Representative, CSU-Pueblo

Administrators present: Tony Frank, Chancellor, CSU System, and President, CSU; Amy Parsons, Executive Vice Chancellor, CSU System; Lesley Di Mare, President, CSU-Pueblo; Becky Takeda-Tinker, President, CSU-Global Campus; Rick Miranda, Chief Academic Officer, CSU System, and CSU Provost and Executive Vice President; Allison Horn, Director of Internal Auditing, CSU System; Rich Schweigert, Chief Financial Officer, CSU System

System Staff present: Adam Fedrid, IT Manager; Melanie Geary, Executive Assistant to the Executive Vice Chancellor; Allen Sneesby, IT Technician; Sharon Teufel, Executive Assistant to the Board of Governors and General Counsel

Other Staff and Guests present: Stephanie Chichester, North Slope Capital; Johnna Doyle, Deputy General Counsel, CSU-Pueblo; Nick Golden, Reporter, *Coloradoan*; Scott Goldstein, Wells Fargo; Tamara Vega Haddad, Todos Santos, Mexico; Mike Hooker, Director of Public Relations, CSU; Blanche Hughes, Vice President of Student Affairs, CSU; Steve Hultin, Executive Director, Facilities, CSU; Jason Johnson, Deputy General Counsel, CSU; Rick Kreminski, Provost, CSU-Pueblo; Ajay Menon, Dean, College of Agricultural Sciences; Ellie Mulder, Editor, *Rocky Mountain Collegian*; Paul Orscheln, Vice President of Student Services and Enrollment CSU-Pueblo; Ryan Poulsen, Wells Fargo; James Pritchett, Executive Associate Dean, CAS, CSU; Mike Rush, Campus Architect, Facilities, CSU; Karl Spiecker, Vice President for Finance and Administration, CSU-Pueblo; Kim Tobin, Associate Vice President, UA, CSU; Pamela Toney, Associate Vice President of Student Operations, CSU-Global Campus.

PUBLIC COMMENT

Chair Mosher convened the meeting and indicated the first agenda item was public comment. Tamara Vega Haddad commented on the Todos Santos initiative.

AUDIT AND FINANCE COMMITTEE

Committee Chair Tuor convened the meeting and asked Ms. Horn for her report.

Status of FY 2015-16 Audit Plan: Ms. Horn reviewed the eight audits currently in progress. A new project was brought forward for the College of Veterinary Medicine that will be a traditional audit rather than a

special project. The Agricultural Experiment Station audit includes seven recommendations and a management letter was issued. Reports have been issued for the CSU Equine Reproduction Lab with one recommendation and CSU Athletics with two recommendations and a management letter with six suggestions for best practice. Responses are not required for the management letters. There were no red flag issues and the suggestions made in the management letters were for best practice rather than concerns of non-compliance or fiscal misstatement.

Overdue Recommendations: Ms. Horn reminded the committee that the report reflects audits that had missed original implementation dates for various reasons. One of the five past due recommendations in the report has now been implemented.

Updates on HB-1319, Tuition Control and Hospital Provider Fee: Mr. Schweigert reported the higher education funding model stipulated in HB-1319 is in the second round and has been simplified. Institutions have submitted student data and the model will be implemented. The components of the funding are COF stipend, role and mission with special education and guard rail adjustments. Adjustments are also made for mission differentiation and number of Pell students. Completion and retention are outcomes identified in the model.

Mr. Schweigert explained that the five-year timeout on tuition established in previous legislation expires this year and there are conversations on whether tuition should be capped with consideration of flat or no state funding. Based on the CCHE retreat, the Department of Higher Education has developed a tuition policy framework based on the four values of state investment in higher education funding, tuition impact on students and families, flexibility for governing boards, and accountability.

Mr. Schweigert explained how state revenues have reached the TABOR cap that will result in refunds. The Governor's Office is asking the legislature to consider reclassifying the Hospital Provider Fee to an enterprise that would exempt the fees from TABOR calculations.

CSU Tuition Modeling: Dr. Frank recounted that, based on the discussions at the August meeting, budget models were reforecast for CSU at 3%, 4% and 5% tuition increases and up to 6% for CSU-Pueblo. CSU-Global Campus as an online university has a different tuition model.

Ms. Johnson recounted that the initial draft of the CSU FY17 incremental E&G budget for CSU had a negative balance. The model being presented reflects adjustments based on 3%, 4% and 5% increases in resident undergraduate tuition and 3% and 4% for non-resident undergraduate tuition. With a 2% salary increase and adjustments in internal reallocations, the model reflects a positive bottom line in all scenarios. Outside parameters that will impact the budget are state funding and tuition-setting policies.

Dr. Frank explained the next step in the budget process typically would be to identify a scenario that would be brought back to the Board with further adjustments at either the December or February meeting. The campus planning processes would be completed and then, when the Long Bill is finalized by the General Assembly, the final budget would be presented for approval at the May meeting. With modest deviations around the general trend line between a 3% and 5% tuition increase, there currently did not appear to be any pressures on enrollment and retention. Based upon the unknown factors of state support and tuition caps, Dr. Frank asked for flexibility at this point in moving forward in the budget process.

Dr. Frank and Dr. Miranda explained the internal reallocation process that begins with three ranges and the submittal of proposals by units that are reviewed by the budget team. Dr. Frank described the revenue sharing model from student enrollment growth. When asked about increasing financial aid to assist lower economic students impacted by tuition increases, Ms. Johnson explained that 20% of revenue from tuition increases for resident undergraduates is directed to financial aid for the Commitment to Colorado

scholarship program. For Pell eligible students, 100% of tuition is covered and, for those students right above Pell eligibility, half of the tuition is covered through packaging of all aid except loans.

Based upon the assumptions of no increase in state funding and the Governor supporting a 6% tuition cap, there was a general consensus for CSU to move forward with budget modeling of a 5% resident undergraduate tuition increase with flexibility for adjustments. At this point, the nonresident undergraduate tuition rate will continue to be factored in at the 3%-4% range with additional feedback to be provided by the Admissions Office.

Basic Budget Balancer: Ms. Johnson demonstrated the budget balancer tool available on the CSU website that provides an opportunity to view the impact on revenue and expenses if certain variables such as salary and tuition are adjusted up or down. A similar CSU-Pueblo budget balancer tool has been developed.

CSU-Pueblo FY 2015-16 Budget Adjustments: Dr. Di Mare reviewed the FY 2015-16 budget adjustments that have been implemented to address a 7% decline in enrollment. The CSU-Pueblo Foundation Board has been asked to consider directing \$150,000 to cover half of a one-time 1% increase for faculty and administrative professionals. The Board was asked to consider a one-time \$150,000 transfer to cover the remainder of the amount. Dr. Frank noted this would be a non-base building increment and the funding would be provided through the CSU System's reserves. Dr. Di Mare explained the increase would be uniform across the campus rather than merit increases.

When asked about the large freshmen class the previous fall, Dr. Di Mare explained six new sports had been added. Dr. Kreminski reported there were 225 new freshmen the previous fall with 130 attributable to athletic programs. Dr. Di Mare reported a decline in new freshmen for this year had not been anticipated and 2,000 admitted students who did not enroll were surveyed. Primary reasons given for not attending were location and campus environment. The survey results are being analyzed to identify improvements that can be made.

When asked about retention of last year's freshmen, Dr. Di Mare reported the percentage increased by one point to 64% and overall athletes retain at a higher rate than non-athletes. Dr. Frank commented that the Division II model for athletics generally increases enrollment, revenues and retention. In response to questions on faculty salaries compared to peers, Dr. Kreminski explained the gap had been reduced a couple of years ago when raises were given but has grown and the comparison was made to a list of peers approved by the Board.

CSU-Pueblo Tuition Modeling: Mr. Spiecker explained the draft FY 2016-17 budget was modeled for 3%, 4%, 5% and 6% tuition increases. Due to increasing fixed costs, inflationary increases and one-time adjustments for the current fiscal year, there were challenges to balance the budget in each of these scenarios. Mr. Spiecker reviewed a proposal to modify the tuition discounts for 13 to 18 credit hours for resident undergraduate, non-resident undergraduate and WUE students. Comparisons were made on the basis of fiscal impact, to peers and other Colorado schools, and impact on students and institutional financial aid. For financial aid, 12 hours is considered a full course load; 15 credit hours is the recommended course load to graduate in four years. The proposal utilized FY 2015-16 tuition rates and FY 2014-15 enrollment.

Discussion followed on normalized comparisons to peers; tuition not being the main driver for students surveyed who chose not to attend CSU-Pueblo; implementing the discount modifications through phases; incentives including cross-institutional or intra-system initiatives to encourage four-year graduation rates; growth in the state's Hispanic and under 18 populations; and the necessity of a sustainable financial model for CSU-Pueblo.

CSU-Pueblo Housing: Dr. Di Mare provided an overview of the scope and magnitude of the debt service issue. Mr. Spiecker reviewed projections to 2024 for the different scenarios of maintaining the status quo, changing the policy on radius to Pueblo County, and a two-year live-in requirement with Belmont offline for two years and without Belmont. Governor Zarr commented on the low cost of housing in Pueblo and other factors, such as lack of commercial retail near the campus, that influence decisions for living in the residence halls. Dr. Di Mare noted that incentives to encourage students to live on campus during the sophomore year are being considered.

Mr. Spiecker explained that the policy changes could initially reduce the negative cash flow but there were still negative impacts in the planning horizon. The scenarios were developed on the basis of flat enrollment. Increased enrollment and occupancy to above 1,100 students would generate the necessary cash flow but necessitate bringing Belmont back online. Belmont is an old facility with numerous infrastructure issues.

Mr. Spiecker reviewed the outstanding debt structure that includes the Walking Stick apartments and the new residence halls. Dr. Frank noted the report was prepared at the direction of the Board at the August meeting to move forward with evaluating the impact of reduced radius, the two-year live-in requirement and the closure of Belmont. There was no action needed at this meeting. At the December meeting, a broader set of real estate recommendations will be presented.

The suggestion was made to have a more in-depth presentation and discussion on all of the CSU-Pueblo challenges at either the February or June retreat. There was a general consensus for CSU-Pueblo to move forward with the proposal to modify the tuition discounts at the 18 credit hours level. The suggestion was made for more analysis on the non-resident rate. Another suggestion was to create a System task force or Board subcommittee to work between now and the February retreat to develop a structural construct for the CSU-Pueblo discussion.

Mr. Orscheln commented the new CSU-Pueblo residence halls are attractive to students and listed amenities desired by the students. Housing initiatives and amenities from peer institutions were presented. Google street views for Mesa, Western State, Adams State, eastern and western views from the CSU-Pueblo campus, and a rendering for adjacent retail with numerous opportunities were provided. The suggestion was made to include local representatives on the task force to help the community understand the economic importance of the university.

CSU-Global Campus Budget: Dr. Takeda-Tinker reported the campus was on track with FY 2015-16 projections for enrollment and retention. With overlapping terms, revenue is not recognized until the following month. When asked about reserves, Dr. Takeda-Tinker responded that, even moving forward with the planned scholarships, an additional \$20 million should be added to the reserves this fiscal year. The suggestion was made to have a subsequent discussion on the appropriate amount for reserves.

Student Credit Hour Comparisons: Dr. Frank explained the comparisons were follow-up from the previous meeting on the three CSU System campuses.

Expected Family Contribution (EFC) and Unmet Need – CSU: Dr. Miranda explained the EFC is determined from the federal scholarship application form. Five years of EFC data in \$5,000 increments indicates CSU is doing a good job in assisting Pell eligible students and there is some stress for those slightly above Pell eligibility. Unmet need is essentially the total cost of attendance minus all federal and institutional aid and there has been some stress during the past five years with the largest increase in the \$5,000 to \$10,000 range. An illustration of median or “box and whiskers plots” for unmet need for the

25th and 75th percentiles shows that levels just above Pell eligibility have increased the most. Based on the analysis of the data, additional scholarship funding has been directed towards this student population.

EFC and Unmet Need – CSU-Pueblo: Mr. Orscheln reported the trend lines were similar to CSU with the biggest difference in the percentage of students in the lowest economic levels. Students just above the Pell line are also struggling. While net tuition revenue was flat, through the new financial aid leveraging strategies more needs are being met, and there are higher quality students with an increase in average index score and high school GPAs.

EFC and Unmet Need – CSU-Global Campus: Ms. Toney explained the EFC ranges were based on the entire student population rather than resident undergraduate students since all students pay the same rate. The data indicates there are more Pell eligible students than in the past and efforts are being made to help students understand the importance of borrowing responsibly. The total cost of attendance is utilized to calculate the unmet need based upon Pell and subsidized loans. The financial aid population is approximately 54% of the students and many students have tuition reimbursement and military benefits. Dr. Takeda-Tinker noted that 41% of the students are first generation and 24% are underserved minorities.

Foundation Flow of Funds: The discussion was tabled until the December meeting.

Bond Sale and Debt Capacity Analysis: Ms. Chichester recapped the most recent sale of Series E and F enterprise bonds with low interest rates and orders for almost twice the amount of bonds for sale. The sale included the first green bonds to be sold in the state. Green bonds are a relatively new vehicle that matches environmentally and socially conscious investors with environmentally friendly projects. Refunded savings in recent years has exceeded \$45 million.

Ms. Chichester mentioned that each October a debt capacity analysis is presented to the Board. She defined debt capacity as the additional amount of debt that can be issued before placing the current underlying bond ratings of Aa3 by Moody's and A+ by S&P in jeopardy. Cumulatively there has been \$560 million in new bond issuances. The current ratings have been maintained partially due to the strength of the management team and articulation of the vision to the ratings agencies. The S&P ratings report expressed the view that the CSU System is at its capacity for maintaining the current rating.

Dr. Frank commented on the challenges of addressing institutional infrastructure needs with a shift in the funding from the state to the university. While a drop in ratings on a cost analysis basis is not a major issue, there is a potential negative perception in connection with any downgrade. Mr. Schweigert explained that approximately 90% of the projects are where the CSU System takes advantage of the state's rating. Ms. Chichester explained that a step down in ratings at today's costs would be relatively low at approximately five to seven basis points.

The meeting was recessed for a short break and reconvened at 11:38 a.m.

DISCUSSION WITH LT. GOVERNOR GARCIA

Chair Mosher welcomed Lt. Governor Garcia and explained the process would begin with the formal discussion to be followed by an informal lunch.

Lt. Governor Garcia remarked on challenges and the current status for higher education in Colorado. Colorado is one of the most efficient states for degree production; however, the under 18 population is growing and degree attainment gap for minorities, especially Hispanics, is increasing. By 2020, 74% of adult workers will need a postsecondary degree to meet workforce needs.

Lt. Governor Garcia commented on the role of the DHE to support the institutions and reviewed the four basic goals in the statewide Master Plan. Higher education institutions have aligned their strategic plans with these goals and efforts to address the attainment gap are also focused on K-12 and early childhood education.

Lt. Governor Garcia remarked on the 6% tuition cap that was enacted through legislation for the past two years with a state average of 4.5%. He explained challenges for the allocation formula in the new funding model include different economies of scale, location, flat state support and competition. The DHE is required to submit a new tuition policy to the legislature by November. Chair Mosher explained the Board has revised the budget process to better understand the assumptions and challenges in balancing the budget and to make the process more transparent.

When asked about funding and tuition flexibility for smaller regional institutions where there is a trend of declining enrollments and economic challenges, Lt. Governor Garcia explained the mission factor built into the new funding formula and the need to engage K-12 colleagues to increase academic preparedness and enroll more students. Dr. Frank commented on the arguments and contradictions that were brought forward during the development of the funding model and commended Lt. Governor Garcia and his staff on the work undertaken to create the new model.

Lt. Governor Garcia explained the CCHE has adopted a resolution supporting a statutory change that would reclassify the hospital provider fee as an enterprise. The change would be consistent with TABOR requirements and potentially provide more funding for higher education and transportation by removing the hospital provider fee from the General Fund. The Board was asked to consider adopting a resolution supporting the reclassification of the hospital provider fee. Chair Mosher indicated the Board would take the matter under consideration.

The meeting recessed for lunch and reconvened at 1:00 p.m.

EVALUATION COMMITTEE

Committee Chair Munn convened the Evaluation Committee. General Counsel read the meeting into executive session for the purpose of discussing and evaluating public officials and professional staff employees of the Board as set forth in the meeting notice. **Motion/action:** Governor Tuor made the motion to convene in executive session. The motion was seconded and carried unanimously.

REAL ESTATE/FACILITIES COMMITTEE

The committee convened in executive session for the purposes of discussions relating to the purchase of property for public purpose or sale of property and to receive legal advice as set forth in the meeting notice. The committee then moved back into public session at 3:22 p.m. Committee Vice Chair Flores explained the action items would be approved in one motion unless a Board member asks for individual action.

Acquisition of 218 West Magnolia: Dr. Frank recommended approval of the land acquisition pursuant to the discussions on the negotiated sale price. The action item authorizes Dr. Frank and the Vice President of University Operations to sign the implementing contracts and other documents.

Acceptance of Naming Opportunity: Dr. Frank recommended approval of the naming action item relating to gifts to the University Art Museum.

Building for Success Video Presentation: Dr. Frank explained the video reflects the university's investment in the future in context of the campus construction and was designed in part as a community relations tool. The video was then viewed by the Board.

CSU Program Plans: Dr. Frank asked Ms. Johnson to review the five program plans. Ms. Johnson explained the program plans are for upcoming construction as part of the \$1.3 billion expansion described in the video. The executive summaries were provided in the Board meeting book and the complete program plans were available on the Facilities website. Dr. Frank reminded the Board that the action will be for approval of the program plans, not the financing which will be brought forward at a future meeting.

Institute for Biological and Translation Therapies (IBTT): Ms. Johnson explained the facility will be used primarily by the College of Veterinary Medicine and Biomedical Sciences and will be located on the South Campus. The majority of the funding will be through donors and the state Certificate of Participation (COP) funds associated with the National Western Center. The 116,000 sf facility will be used for state-of-the-art research and teaching; will include three animal holding facilities, horse barn, sheep barn and lab animal facility for smaller animals; and will accommodate 100 board certified veterinarians and 20 medical specialists.

Equine Veterinary Teaching Hospital (EBTH): The majority of the funding for the project, located on the South Campus, will be provided through funding from donors with an initial \$10 million grant from the Johnson Family Foundation and state COP funds. The state-of-the-art facility will be used for equine-related activities in the areas of sports medicine, rehabilitation surgery, imagery, 24/7 critical care, internal medicine and an isolation unit for large animals.

South Campus Infrastructure Improvements: The infrastructure improvements are for two projects on the South Campus for a total cost of \$11.3 million. The source of funding depends on the fundraising campaign for two facilities on the South Campus and may be a combination of donor support, state COP and university funds.

Prospect Road Underpass: The project is part of the IGA with the City of Fort Collins for an underpass from north to south under Prospect on the west side of Center Avenue. The project is driven by growth factors, not the new stadium. The project will be jointly funded through university resources and funds from CSU Parking and Transportation Services. The project will be reviewed during the annual safety analysis conducted by outside consultants.

Human Performance Clinical Research Laboratory (HPCRL) Phase 3 Addition: The \$2.5 million project is located by the Moby B Wing and will be funded through a combination of resources from the Health and Exercise Science Department, College of Health and Human Sciences, and the Office of the Vice President for Research. The 4,500 sf will accommodate new faculty hires and improve access for student participants engaging in services provided through this laboratory.

CSU-Two Year Cash List: Ms. Johnson explained CSU is required to prepare a program plan for any project that costs more than \$2 million to submit for Board approval and then submittal to the DHE for approval. Depending on how a project is funding, additional approvals may be needed. Annually the two-year cash list must be submitted to the state and the current list includes projects previously approved and the five new projects that were reviewed.

Motion/Action: Vice Committee Chair Flores asked if any of the eight resolutions should be considered separately. With no such request, Governor Horrell moved to approve. Governor Robbe Rhodes seconded and the motion carried unanimously.

AUDIT AND FINANCE COMMITTEE (Reconvened)

Committee Chair Tuor reconvened the Audit and Finance Committee.

Treasury Update: General Counsel Nosler reported that, with the resignation of Governor Horrell, another Board member representative would be needed for the Treasury Committee. The next step in the process is to create the investment committee to provide advice on appropriate investments and potential representatives from the investment and banking community are being contacted. An RFP for a professional investment manager will be sent out and, once the investment manager has been hired, the funds will be transferred to start the treasury. An investment policy will be submitted for Board approval and a Treasurer will be hired.

Defined Contribution Plan (DCP) Review: General Counsel Nosler reported the Board by statute must annually, as part of its fiduciary duties, review the Board-sponsored DCPs to ensure the investments are diversified and there are appropriate fund sponsors. In 2006 the review function was delegated to campus committees. There are DCPs for CSU and CSU-Pueblo and each plan has a review committee that report to the Chancellor with their findings. The reports are then provided to the Board. The most recent reports were provided in the meeting materials and there were no significant issues with either plan.

Transfer of CSU System Employee Payroll and Benefits: Ms. Parsons explained the action item delegates to the Chancellor, working with the General Counsel, the authority to execute the necessary documents to accomplish the transition of the CSU System employees to the CSU payroll and benefits system. The CSU System is already utilizing the CSU financial services. Based on the analysis provided, this transition would create efficiencies and provide more benefits and choices for the employees.

Motion/Action: Governor Robbe Rhodes moved to approve. Governor Gustafson seconded and the motion carried unanimously.

Hospital Provider Fee: Chair Mosher revisited the issue of whether the Board wanted to take a position on the hospital provider fee legislation. There was a general consensus to wait until a bill is drafted. Governor Zimlich commented changing the hospital provider fee to an enterprise might provide more revenue to the state that could potentially benefit higher education. However, without a direct tie to a financial benefit to the CSU System, such an action would be a step removed from actions the Board has taken in the past.

TOUR OF ANIMAL SCIENCES AND SHEPARDSON BUILDINGS

Dr. Menon explained the walking tour would begin with the newly renovated Animal Sciences Building and then proceed to Shephardson.

**BOARD OF GOVERNORS OF THE
COLORADO STATE UNIVERSITY SYSTEM
BOARD OF GOVERNORS MEETING
Colorado State University
October 2, 2015**

CALL TO ORDER

Chair Mosher called the meeting to order at 8:01 a.m.

ROLL

Governors present: William Mosher, Chair; Demetri Munn, Vice Chair; Nancy Tuor, Treasurer; Dennis Flores; Dorothy Horrell; Mark Gustafson; Jane Robbe Rhodes; Joseph Zimlich; Robert Deemer, Faculty Representative, CSU-Global Campus; Paul Doherty, Faculty Representative, CSU; Michael Mincic, Faculty Representative, CSU-Pueblo; Megan Schulze, Student Representative, CSU-Global Campus; Jason Sydoriak, Student Representative, CSU; Sarah Zarr, Student Representative, CSU-Pueblo

Administrators present: Tony Frank, Chancellor, CSU System, and President, CSU; Amy Parsons, Executive Vice Chancellor, CSU System; Lesley Di Mare, President, CSU-Pueblo; Becky Takeda-Tinker, President, CSU-Global Campus; Rick Miranda, Chief Academic Officer, CSU System, and CSU Provost and Executive Vice President; Allison Horn, Director of Internal Auditing, CSU System; Rich Schweigert, Chief Financial Officer, CSU System

System Staff present: Adam Fedrid, IT Manager; Melanie Geary, Executive Assistant to the Executive Vice Chancellor; Allen Sneesby, IT Technician; Sharon Teufel, Executive Assistant to the Board of Governors and General Counsel

Other Staff and Guests present: Jon Bellum, Provost, CSU-Global Campus; Erin Douglas, Reporter, Rocky Mountain Collegian; Johnna Doyle, Deputy General Counsel, CSU-Pueblo; Mike Hooker, Director of Public Relations, CSU; Jason Johnson, Deputy General Counsel, CSU; Rick Kreminski, Provost, CSU-Pueblo; Rachael Miller, CEO, MamaCarts; Tae Nosaka, Director, Key Communities, CSU; Matthew Phillips, CEO, Talent Application Program; Nathan Saam, CEO, Umbo Helmets; Paul Thayer, Associate Vice President of Student Success, CSU; Beth Walker, Dean, College of Business, CSU; Carl Wangsvick

COLLEGE OF BUSINESS STUDENT ENTREPRENEURIAL PRESENTATIONS

Chair Mosher welcomed Dr. Walker, the new Dean of the CSU College of Business, and the student entrepreneurs. Dr. Walker reported the College recently partnered with other universities for a career fair in Denver that was attended by 150 employers and 1,500 students. She shared information on programs with community partners and the College's academic and entrepreneurship programs. Dr. Walker introduced Ms. Miller, Mr. Phillips and Mr. Saam who each shared information on their successful entrepreneurial ventures. The meeting then recessed for a break at 9:01 a.m. and reconvened at 9:12 a.m.

ACADEMIC AND STUDENT AFFAIRS COMMITTEE

Committee Chair Robbe Rhodes convened the Academic and Student Affairs Committee and asked Dr. Miranda to report.

Approval of CSU Faculty Manual Change: Dr. Miranda explained the name change for the Department of Languages, Literatures and Cultures more accurately describes the mission and curriculum. The faculty manual change is on the consent agenda for Board approval.

Approval of CSU-Global Campus Student Conduct Code: Dr. Bellum explained the student conduct code has undergone major revisions primarily in process to ensure due process was built more explicitly into the model. Approval of the revised student conduct code is on the consent agenda.

Learning Communities: Dr. Miranda defined learning communities as mechanisms to bring together cohorts of students with common shared interests to integrate academic and non-academic activities. Learning communities promote successful transitions, student learning, retention and graduation rates, and can be residential or nonresidential. Components include increased student-student and student-faculty interaction; more awareness of campus resources; and an enhanced appreciation for career goals and academic opportunities. Each of the three CSU System campuses has learning communities that vary from campus to campus.

Colorado State University: Dr. Miranda reported there are 1,800 students or close to 10% of the student body currently in learning communities with 41% of the first year students participating. He reviewed the 15 residential and 4 non-residential learning communities and explained the benefits, support and retention rates for freshmen. Retention rates for the learning community cohorts are 3% higher than for the overall population. Graduation rates are approximately 10% higher which increases when risk factors are considered. There is a 44% increase in graduation rates for students with the greatest combination of risk factors. The efficacy of the CSU key community learning communities program was recognized last year by the CCHE as one of the model programs for retention and graduation rates in the state.

Colorado State University-Pueblo: Dr. Miranda explained the living/learning communities at CSU-Pueblo began in 2008 with a pilot program in five different thematic areas and was restructured in 2010 into five residential communities more closely related to academic majors. Components of the program include faculty involvement, a focus on academic and career or professional development, and additional special support and events. Three additional living/learning communities were added in 2011. With the addition of interest-based communities in 2014, student participation has increased and there are more housing options. Retention rates are higher than the university average.

CSU-Global Campus: Dr. Miranda reviewed overall campus demographics and explained social needs for CSU-Global Campus students were different than the other two campuses. An initial learning community pilot was developed in 2013 for students in the B.S. in Applied Science program with four common courses, additional online resources and more opportunities for discussion groups. Based upon the results, the learning communities are now less cohort-based and more directed towards all students with a common onboarding experience and utilization of new tools and social media. To support adults new to higher education, a Freshman Sequence was developed with an initial four-course structure to provide skills and knowledge to succeed. An example of utilizing social media was the “Where’s Your Campus” campaign that connects students and alumni via Facebook. Governor Schulze commented on the success of the campaign.

CONSENT AGENDA

Chair Mosher listed the consent agenda items and asked General Counsel Nosler to explain the proposed policy change. General Counsel Nosler explained the amendment to Policy 112, Colorado Open Records Policy, changes the hourly rate to \$30 which is allowable under Colorado statute. **Motion/Action:** Governor Robbe Rhodes moved to approve the consent agenda. Governor Tuor seconded and the motion carried unanimously.

BOARD CHAIR'S AGENDA

Chair Mosher, Dr. Takeda-Tinker, Dr. Di Mare, Dr. Frank and General Counsel Nosler thanked Governor Horrell for her service on the Board. Governor Horrell expressed appreciation for the privilege to serve.

COLORADO STATE UNIVERSITY REPORTS

President's Report: Dr. Frank commented the written report reflects the quality of the faculty through the awards and research funding received; the record-setting philanthropy given largely in response to connections forged at the faculty and program level; and the continued enrollment growth.

Dr. Frank recounted that he and Governor Zimlich are serving on the CSU/City of Fort Collins liaison committee. With the new stadium now under construction, the issue of the disposition of Hughes Stadium has been brought up for discussion. Dr. Frank explained the value of Hughes Stadium is one of the backstops for the financial model of the new stadium should the conservative funding built into the model not perform as projected. Based on feedback from the Board at the August meeting, Governor Zimlich and Dr. Frank discussed with the liaison committee moving forward with a non-binding joint visioning session with professional expertise to guide a community discussion on potential uses for the Hughes Stadium. The Board will be kept apprised as the process moves forward.

Dr. Frank explained the Board receives construction updates for every meeting. With the stadium in the construction phase, a specific update on this project will be provided at each meeting and, when completed, an update on financial performance relative to the funding will be provided during the annual athletic reports. He asked Ms. Parsons to provide the stadium update.

Ms. Parsons demonstrated the live feed for the construction site and other tools available on the website. A groundbreaking event was held on September 12th. Several infrastructure items related to the perimeter of the campus were included in the IGA with the City of Fort Collins and are proceeding on schedule. As part of the IGA, a Stadium Advisory Group of community members has been established to work with CSU and to coordinate with the Game Day Experience Committee. The capital campaign is moving forward; there will be activities during Homecoming to general excitement; and the reseating process is underway. Dr. Frank noted the IGA is an umbrella agreement that includes the stadium as well as other campus growth issues.

Faculty Report: Governor Doherty reported the Faculty Council meets monthly and the written report includes a summary of the September meeting. The second half of the written report is the annual report of the work of last year's Faculty Council. Dr. Frank during his fall address charged the three employee councils to help move forward a re-envisioning CSU initiative. The initiative was the main topic for the Fall Forum and will serve as the theme for the Faculty Council's discussions on topics such as shared governance, innovation in teaching and research, and quality of life. The Faculty Council Chair has been working with Dr. Miranda on shared governance. Other updates include the Faculty Council will be examining course surveys and the first applications to be an instructor for the Semester at Sea program are due October 12th. When asked if there was an update on the Forest Service issue, Dr. Frank responded he and Chair Mosher will be following up and then update the Board.

Student Report: Governor Sydoriak highlighted from his written report the annual Grill the Buffs pep rally for the Rocky Mountain Showdown; an MOU is being drafted to create a new student fee advisory board for alternative transportation; and a Veterans Town Hall was held that provided valuable feedback. The ASCSU will convene a Town Hall on October 5th as part of a broader effort to find an alternative to the City of Fort Collins' You + 2 ordinance for unrelated housing.

COLORADO STATE UNIVERSITY-PUEBLO REPORTS

President's Report: Dr. Di Mare highlighted the work of faculty and staff that resulted in receipt of several grants including a \$2.5 million Title V grant and two National Science Foundation grants. The campus Title IX and EEO/AA Director has presented numerous workshops for faculty and staff to help ensure federal compliance. Dr. Di Mare described how the \$173,000 raised through the President's Gala was distributed to various departments to develop academic programs including assistance to the debate team to enter the national championships. A debate tournament co-hosted with the Air Force Academy and Colorado College was recently held at CSU-Pueblo with over 300 attendees from 13 states which was the largest such tournament to occur on the CSU-Pueblo campus. The groundbreaking for the Occhiato University Center (OUC) will be held on October 7th and should be completed in 2.5 years.

Faculty Report: Governor Mincic commented his written report includes faculty activities since the beginning of the semester. A faculty forum was held to bring forward suggestions for activities and initiatives for the coming year. An ad hoc committee is working on improving the annual performance review process with a report due in October. Governor Mincic thanked the Board for addressing the issue of faculty compensation and expressed a commitment to excellence on behalf of the faculty. While the faculty were disappointed in the overall enrollment, there has been an increase in retention.

Governor Mincic reported activities occurring within the College of Engineering, Education and Professional Studies include upcoming engineering workshops for local school districts for 1,000 students; a construction management career day for 800 southern Colorado junior and seniors; and the implementation of the construction management degree program in collaboration with CSU-Global Campus. A new construction management intern has been selected who will be working on the OUC project.

Student Report: Governor Zarr reported a new student convocation was held for the first time in three years and a WolfPack Welcome Week was held for new and returning students. The ASG is working on numerous projects including a suicide prevention and awareness initiative; collaboration with the Office of Student Engagement and Leadership to create a commuter student advisory board; creation of more weekend and evening programming; new mental health and sustainability task forces; collaboration with the Residence Hall Association to improve the on-campus living experience; creation of a faculty student life syllabus to increase awareness of activities and resources; and a focus on creating traditions. A new legislative and cabinet aide volunteer position has been created to get freshmen involved.

In response to questions on the annual review process (APR), Governor Mincic explained the ad hoc committee is collecting data and will be reporting to the Executive Committee of the Faculty Senate. Dr. Kreminski commented on the process to move forward changes in the faculty handbook and the ad hoc committee has been tasked with determining short and long term solutions. Dr. Di Mare confirmed that the APR issue is a campus priority.

CSU-GLOBAL CAMPUS REPORTS

President's Report: Dr. Takeda-Tinker explained her report is focused on the issue of academic integrity, quality and outcome. CSU-Global Campus now has over 14,000 active students and nearly 5,000 graduates. With monthly starts, the expectation is there will be approximately 15,000 active students by December. Demographics include 23% are underserved minorities and 40% are first generation. Retention data continues to exceed the industry standard.

A video was presented that explained the three P learning model – purposeful, participatory and project-based – with alignment of degree programs with industry needs. According to a Colorado statewide report published in August, CSU-Global Campus bachelor degree graduates earn 60% more than peers from other institutions and those with master’s degrees earn 25% more than peers. Self-reported data in an alumni survey reflects an average salary increase of 17% for CSU-Global Campus graduates and 95% of students reported their degrees contributed to their professional goals with 27% receiving promotions and 16% securing employment in a new field.

Following the video, Dr. Takeda-Tinker explained the monthly dashboard with 200 metrics that is utilized for ongoing data analysis and the challenges for the freshmen cohorts of non-traditional adult learners. Third party data through a credit reporting agency has now become available and reports are being run to verify the self-reported data from alumni.

Faculty Report: Governor Deemer reflected on the success of CSU-Global Campus during the past seven years through a collaborative effort for quality education. He reported a two-day retreat for program coordinators and lead faculty will be held the following week that provides a great engagement opportunity. Areas of focus include curriculum revisions, assessment, faculty performance and monitoring.

Student Report: Governor Schulze reported the CSU-Global Campus has distributed over \$110,000 through 20+ scholarships since the beginning of the 2015-16 academic year and all students are eligible for scholarships. Governor Schulze explained the new degree optimization program with awards or certificates of achievement that provides completion and skill endorsements while students continue to pursue their degrees. The awards are available for all majors and each award is specific to the major.

CHANCELLOR’S REPORT

National Western Center (NWC): Dr. Frank asked Ms. Parsons to provide a NWC update. Ms. Parsons explained the City and County of Denver 2C ballot measure would extend the existing lodgers’ tax to generate revenue for the NWC and allow CSU to draw down on the state COP financing. While there was no active advocacy for the measure, the Board had previously passed a resolution in support of the ballot measure and there appears to be substantial support from the community and alumni. If the measure passes, CSU will move forward with the program plans for the Water Center, the Equine Center and the CSU Center.

A new website, nwc@colostate.edu, has been developed and a quarterly newsletter is being created to keep constituents informed. Hearings will be held the following week on the RTA application submitted by the City of Denver that is another important financing component. On October 8th, there will be a film premier about the NWC at the Denver Nature and Science Museum.

Japanese National Institute of Radiologic Sciences (JNIRS): Dr. Frank reported CSU through the animal cancer center has been collaborating with the JNIRS on heavy ion used for experimental types of radiation therapy for certain types of cancers. CSU and CU Anschutz are engaged in a collaborative effort for potential attainment of a heavy ion facility on the Anschutz campus. Dr. Frank and CU Anschutz Chancellor Elliman will be joining Governor Hickenlooper on a trade mission in Southeast Asia and other members of the CSU administrative team will be participating in segments of the trip.

SYSTEM WIDE REPORTS

2016 Legislative Agenda: Mr. Schweigert explained that each fall the CSU System does an internal analysis to develop a legislative agenda for the coming session. Issues identified at this point that may be

coming forward with possible impact on the CSU System are potential changes to the Colorado Open Records Act; clarifications to state liquor licenses; and flexibility for the mix of resident/non-resident graduate students in CSU School of Veterinary Medicine. Dr. Frank clarified that parts of the statute on the CSU School of Veterinary Medicine are unclear on enrollment and, while the school exists to serve the citizens of Colorado, there has been a shift with more Colorado students applying to out-of-state veterinary schools.

Campus Fire and Safety Reports: General Counsel Nosler explained that annually campuses with a physical campus are required to file a Clery Act report which is essentially a safety report with statistics for crime on and adjacent to the campus. Last year the Board received an in-depth briefing on safety actions taken by both campuses. The annual safety report is published online and provides information for all faculty, staff and students as well as prospective students and their families.

The report also provides an opportunity to recommunicate to the campus the safety policies and related information, i.e., counseling services available, how to report a crime, what to do in the event of an incident, etc. CSU has a campus police department and the Pueblo Sheriff's Office provides safety for CSU-Pueblo. Safety is an ongoing concern and CSU-Pueblo recently had an active shooter exercise. In the event of a potential harmful situation, a timely warning is issued to notify personnel that certain events have occurred or there is a potential danger.

The meeting recessed for lunch at 11:24 a.m. and reconvened at 11:38 a.m.

STRATEGIC MAPPING UPDATE

Chair Mosher explained the meeting agendas are aligned with the strategic mapping process and the presentation of the campus strategic plans. Funding/cost shifting was the focus for the October meeting with discussions on tuition and budget, and the CSU strategic plan will be presented. Chair Mosher asked Ms. Parsons for the strategic mapping update.

Strategic Mapping: Ms. Parsons explained the strategic mapping is a continuation of the work from the June Board retreat and reviewed the framework for the current and upcoming meetings. Articles from national, state and local perspectives on the Board's role in strategic planning and financial oversight with the shifting cost burden were provided. The work outlined in the CSU System strategic plan is broken into the three categories: (1) responding to the changing market by better utilizing resources; (2) diversifying access and completion through the CSU System and the individual institutions; and (3) finding efficiencies. Examples given included the work between CSU-Pueblo and CSU-Global Campus to develop new programs; workshops given by CSU faculty at CSU-Pueblo; and consolidation of IT functions.

Positive feedback was provided on the campus collaboration; working as a system to develop initiatives such as agriculture programs in Pueblo; a better understanding by the campuses of the challenges facing the sister institutions; and formalizing the strategic planning as part of the annual meeting schedule. The suggestion was made to develop a collaboration award across the CSU System. The CSU System and campus leadership were commended for the progress and commitment to the process.

Colorado State University Strategic Plan: Dr. Miranda explained the university published a strategic plan in 2006 with 43 goals and related metrics to encompass all areas of CSU's mission. Five Strategic Plan Area Review Committees (SPARCs) were created. Diversity was woven into all areas and then later added as a sixth SPARC. Every year the progress towards the goals is reviewed and every third year the strategic plan is refreshed with updated goals and metrics. Dr. Miranda reviewed the implementation

process and work of the SPARCs with an annual “SPARC-Fest” to present the progress towards the goals and suggestions for the budget process.

The strategic plan has been refreshed three times during the past nine years and the latest version reduced the number of goals to eleven with related metrics. The Campus Lab software was implemented and provides both a hierarchical view to track progress in mission areas and a horizontal or initiative view of activities with a one to three-year lifespan. The utilization of the software was useful during the recent HLC accreditation and is fully online with activities visible for the whole campus community.

Dr. Miranda explained the fall 2015 strategic planning activity has shifted towards “Re-Envisioning CSU” as the university approaches its 150th anniversary. The Faculty Council has been asked to take the lead and there will be committees organized around mission themes with a long-term vision and specific activities identified to demonstrate progress. The SPARCS will be focused on mid-range or initiative planning with a one to three-year planning horizon. Based on shared governance discussions with the Faculty Council and other governing councils, there will be separate budget area review committees (BARCs) with representatives from the various constituencies who will present the budget proposals instead of the vice presidents or deans.

The campus strategic plan is dynamic and comprehensive, and aligns with the CSU System plan. The plan will be finalized and published later this fall. When asked about large interdisciplinary issues and innovation, Dr. Miranda explained the SPARCs are broadly construed and both the hierarchal and initiative views are useful for interdisciplinary, cross-divisional strategies.

Ms. Parsons commented that the focus for December will be on the value proposition and public perception of higher education. The meeting will be in Denver and provides an opportunity to focus on Denver initiatives. The holiday party will be on the evening of December 10th at the Union Station with community partners invited to attend.

BOARD MEETING EVALUATION

Positive comments were provided on scheduling the strategic mapping at the end of the meeting; the later start time on the first day; the pre-meeting communication outlining the work to be accomplished; and the staff support. Dr. Frank introduced Mike Hooker who will have assumed the public relations duties for the CSU System.

With no further business to come before the Board, the meeting was adjourned 12:28 p.m.