

Resolutions for Board of Governors Action – December 11, 2015

1. Audit and Finance Committee: Equipment Leasing-Colorado State University System/Colorado State University Research Foundation Line Of Credit Program *(2016-0016-121115)*
2. Real Estate/Facilities Committee: Land: Acquisition of a Forest Legacy Conservation Easement at the Sawtooth Mountain Ranch in Ouray County on behalf of the Colorado State Forest Service. *(2016-0017-121115)*
3. Real Estate/Facilities Committee: Land: Granting of public utility and access easements to the City of Fort Collins at the corner of Prospect Rd. and College Ave. for the benefit of the CSU Medical Center. *(2016-0018-121115)*
4. Real Estate/Facilities Committee: CSU: Approval of the Acceptance of Gifts and Naming Opportunities - University Art Museum *(2016-0019-121115)*
5. Real Estate/Facilities Committee: CSU: Approval of the Acceptance of Gifts and Naming Opportunities relating to the temporary gallery in the University Art Museum *(2016-0020-121115)*
6. Real Estate/Facilities Committee: CSU: Approval of the acceptance of a gift, and honorary naming in recognition of that gift, relating to the on-campus stadium. *(2016-0023-121115)*
7. Real Estate/Facilities Committee: CSU: Exchange of land owned by the Board of Governors for Right of Way use at the CSU Medical Center site for land owned by the City of Fort Collins at the corner of Prospect Rd. and College Ave. *(2016-0024-121115)*
8. Colorado State University System Board of Governors (Board) Resolution in support of changing the Hospital Provider Fee to an Enterprise Fund *(2016-0021-121115)*
9. Certification of Consent Agenda *(2016-0022-121115)*

MATTERS FOR ACTION:

EQUIPMENT LEASING-COLORADO STATE UNIVERSITY SYSTEM/COLORADO STATE UNIVERSITY RESEARCH FOUNDATION LINE OF CREDIT PROGRAM
Approval of resolution for Colorado State University Research Foundation to Undertake Certain Borrowing and Equipment Lease/Purchase Transactions on Behalf of the Board of Governors of the Colorado State University System to Acquire Equipment at Colorado State University, Colorado State University – Pueblo and Colorado State University – Global Campus.

RECOMMENDED ACTION:

Approval of the attached resolution.

EXPLANATION:

Submitted by: Dr. Anthony A. Frank, President

For several years Colorado State University Research Foundation (CSURF) has held a Line of Credit (with a tax-exempt interest rate) with First National Bank of Fort Collins, for the purpose of providing a lease/purchase mechanism for the Board of Governor's to acquire much needed equipment for use in departments/programs at Colorado State University, Colorado State University – Pueblo and CSU-Global Campus. CSURF acquires the equipment (valued at \$50,000 or less) (specified by a particular department or program) and leases it to the Board of Governors on an annual appropriation basis for a term of not more than five (5) 1-year periods. The Board of Governors makes lease payments to CSURF which CSURF then uses to repay First National Bank. When the lease is retired, and the equipment amount has been fully paid, CSURF conveys title on the equipment to the Board of Governors. The Board of Governors has been provided a quarterly activity report on the CSURF leases since the program's inception. Such reporting will continue in the future.

Approval to continue the lease/purchase arrangements through the line of credit must be obtained from the Board of Governors yearly. The total amount of the line of credit permitted to be outstanding at any time is \$1,000,000. Amounts previously drawn under the Line and currently outstanding total approximately \$220,387.00. Therefore, moneys available under the Line for calendar year 2016 are approximately \$779,613.00. CSURF will consult with the respective representatives of each Institution to discuss needs and allocations of available amounts.

The average total amount financed through the Leasing Program in thousands of dollars by year is as follows:

<u>YEAR</u>	<u>TOTAL AMOUNT</u>
1976-1990	\$ 211
1991-2000	214
2001-2010	124
2011	108
2012	121
2013	242
2014	40
2015	37

Mr. Dave Scott of Hogan Lovells will be providing the tax exempt opinion on the 2016 Line of Credit. In order to comply with the applicable federal tax requirements for an "on behalf of" financing in support of the tax exempt opinion, the attached resolution must be approved by the Board of Governors. The attached resolution and accompanying documents referenced in the resolution have been reviewed by the Board of Governors' General Counsel.

MATTERS FOR ACTION:

A Resolution, for the purposes of complying with Revenue Ruling 63-20, approving the purposes and activities of the Colorado State University Research Foundation ("Foundation") and approving certain borrowing transactions by said Foundation on behalf of the Board of Governors of the Colorado State University System for the purpose of acquiring equipment to be used by and for Colorado State University, Colorado State University-Pueblo and Colorado State University – Global Campus (the "Institutions").

RECOMMENDED ACTION:

For purposes of satisfying the requirements of Revenue Ruling 63-20, 1963-1 C.B. 24, the Board hereby approves the Line of Credit Agreements, the Security Agreement and the Note, in substantially the forms filed with the Secretary, and the Board hereby approves the execution and delivery by the Foundation of the Line of Credit Agreements, the Security Agreement and the Note and the issuance by the Foundation, on behalf of the Board, of the Note (provided, however, that the Board shall have no obligation to make any payment on the Note, which shall be solely the obligation of the Foundation, and the Board shall be obligated only to the extent provided under Lease Agreements entered into by the Board as provided in Section 3 hereof). The Foundation may make draws on the Line of Credit and thereby incur obligations to make payments on the Note from time to time, within one calendar year following the adoption of this resolution by the Board, but only for purposes of acquiring tangible personal property consisting of scientific, administrative support and research equipment to be used by and for the Institutions (the "Equipment"), and only with the written approval of the President or authorized delegate of CSU for Lease Agreements relating to CSU, the President or authorized delegate of CSU-Pueblo for Lease Agreements relating to CSU-Pueblo and the President or authorized delegate of CSU-Global Campus for Lease Agreements relating to CSU-Global Campus (together, referred to herein as the "Representatives" or, individually, a "Representative"), which written approval may be made by the execution of the corresponding Lease Agreement or in such other manner as the respective Representative may deem appropriate. Subject to the foregoing provision, the Note is hereby approved in a total principal amount not to exceed \$1,000,000 outstanding at any time (the unused loan commitment being increased by repayments on the Note as provided therein), bearing interest at a rate determined in accordance with the provisions of the Note and the Line of Credit Agreements but in no event to exceed eighteen percent (18%) per annum, and maturing on the calendar anniversary of the date on which it is executed and delivered by the Foundation (but no later than December 31, 2016).

Requests for Equipment to be financed through the Line of Credit shall be submitted to the respective Representative of the Institution requesting the Equipment. Upon approval of any such request, such Representative is authorized and directed to cause a Lease Agreement to be entered into for such Equipment on behalf of the respective Institution. Upon execution and delivery of such Lease Agreement to the Foundation, the Foundation

shall draw on the Line of Credit for the amount necessary to acquire such Equipment, which moneys shall be used to acquire such Equipment as soon as practicable; and the Board shall pay to the Foundation, from legally available moneys of the Board (but not from moneys drawn under the Line of Credit) an amount equal to the greater of \$800 or 4% of the amount so drawn, as compensation for the Foundation's administrative expenses and services in connection with the Line of Credit. Payments under a Lease Agreement shall be made from the Board to the Foundation either quarterly or semiannually, as negotiated between the Representative of the Institution on behalf of which the Lease Agreement has been entered and the Foundation, over a term to be negotiated between such Representative and the Foundation, but not exceeding the useful life of the Equipment (as determined by such Representative), and in no event to exceed five (5) years (subject, however, to the provisions of Section 7 of the Lease Agreement), and in such amounts as to provide for repayment of the principal amount drawn under the Line of Credit for such equipment, plus interest at rates to be determined as follows:

(a) The initial rate of interest for Lease Agreements to be entered into during calendar year 2016, which rate shall be effective for each such Lease Agreement from the date of delivery thereof through December 31, 2016, shall be 4.75 % per annum (subject to increase as provided in paragraphs (b), (c) and (d) below).

(b) During the month of December in 2016 and in each subsequent year while any Lease Agreements are in effect, the Foundation shall, based upon information furnished to it by the Bank and such other information as the Foundation may deem relevant, estimate the Average Rate of interest expected to accrue on the Note, in accordance with the current or anticipated terms of the Line of Credit Agreements, during the following calendar year. The Foundation shall notify the Board of such estimated average rate of interest on the Note, and the rate of interest for Lease Agreements to be effective during the following calendar year shall be such estimated average rate of interest on the Note plus .5% per annum (the .5% increment being added to provide for the possibility that interest on the Note will be higher than estimated).

(c) Notwithstanding the provisions of (b) above, the increment which is to be added to the estimated average interest on the Note to determine the rate of interest on Lease Agreements may be higher than .5% per annum to the extent that the Foundation certifies to the Board that such higher increment is necessary to make up, over the course of the following calendar year or such longer period as the Foundation may agree to, any excess of interest actually paid by the Foundation on the Note over the total interest received by the Foundation on the Lease Agreements; provided, however, that the higher increment certified to the Board shall not exceed 1.5% per annum.

(d) In the event that the rate of interest on the Note is increased as the result of a determination that such interest has lost its exclusion from gross income for federal income tax purposes under the Code (as defined in Section 7 hereof), or is treated as an item of tax preference for purposes of the federal alternative minimum tax imposed on individuals and corporations (except with respect to corporations, as such interest is required to be taken into account in determining "adjusted current earnings" for the

purpose of computing the alternative minimum tax imposed on such corporations), the rate of interest on the Lease Agreements shall immediately be further increased to the average rate of interest expected to accrue on the Note for the remainder of such calendar year on such "taxable" basis, as estimated by the Foundation in substantially the same manner as provided in paragraph (a) above, plus the increment in effect immediately prior to such increase as determined pursuant to paragraphs (b) and (c) above, plus any additional increment necessary to make up, over the course of the remaining calendar year or such longer period as the Foundation may agree to, any retroactive additional interest owed or paid by the Foundation to the Bank pursuant to the Note as a result of such determination.

(e) Notwithstanding any other provision hereof, the rate of interest on the Lease Agreement shall not exceed eighteen percent (18%) per annum. Notwithstanding any other provision thereof, all payment obligations of the Board under any Lease Agreement shall be subject to renewal and appropriation or availability of funds as provided in Sections 7 and 10 of the Lease Agreement. The Lease Agreements shall be in substantially the form filed with the Secretary, and the appropriate Officers of the Board, the Institutions and the State are hereby authorized to execute and deliver such Lease Agreements as may be approved by the Representatives or any one thereof. Any other obligations issued by the Foundation either to make improvements to the Equipment or to pay principal or interest on the Note will be discharged no later than the latest maturity date of the Note (including renewals).

The Board shall have the exclusive beneficial possession and use of any Equipment financed through the Line of Credit (except to the extent that the Bank may enforce its security interest in the Equipment in the event of a default by the Foundation under the Line of Credit Agreements, the Security Agreement, or the Note, and subject to the Bank's right to inspect the Equipment at any reasonable time as provided in the Line of Credit Agreements). When all payments due under a Lease Agreement have been made by the Board, or when payments on the Note allocable to the draw on the Line of Credit for the related Equipment have otherwise been made, full and unencumbered legal title to such Equipment shall be conveyed by the Foundation to the Board, without demand or further action on the part of the Board, and the Board shall then accept such title to any Equipment (including any additions thereto). This Section 4 shall operate independently of the Lease Agreements and notwithstanding any failure to enter validly into any Lease Agreement. Prior to making any draw under the Line of Credit, the Foundation shall furnish to the respective Representative an instrument of grant from the Foundation to the Board confirming the provisions of this Section 4.

All proceeds of the Line of Credit, and investment income thereon (if any), shall be used to provide tangible personal property for use by the Board. If any excess proceeds of the Line of Credit or investment income thereon, if any, remain after full payment of the costs of acquiring the related Equipment, such excess proceeds shall be applied to make payments or prepayments on the Note as soon as practicable, and the schedule of rental payments under the corresponding Lease Agreement shall be adjusted accordingly. Prior

to making any draw under the Line of Credit, the Foundation shall furnish to the respective Representative a certification confirming the provisions of this Section 5.

The proceeds of any fire or other casualty insurance policies received in connection with damage to or destruction of any Equipment financed through the Line of Credit, including any additions thereto, will, subject to any claims of the Bank or CSURF, at the direction of the respective Representative, either (a) be used to repair or replace the Equipment, regardless of whether the insurance proceeds are sufficient for such repair or replacement, or (b) be remitted to the Board.

The Board acknowledges that one of the purposes of this resolution is to establish that interest paid by the Foundation on the Note is not included in gross income under present federal income tax laws pursuant to the Code (as defined below), subject to certain exceptions, conditions and limitations as further set forth below, thereby resulting in more favorable interest rates on the Note and more favorable payment terms to the Board under the Lease Agreements. Accordingly, the Board hereby covenants for the benefit of the Bank and its successor and assigns that it will not (i) make any use of the proceeds of the Line of Credit or any other funds of the Foundation; (ii) make any use of the Equipment; or (iii) take (or omit to take) any action with respect to the Note, the proceeds of the Line of Credit, any other funds of the Foundation, or the equipment, or otherwise, if such use, action or omission would, under the Code, cause the interest on the Note to be included in gross income for federal income tax purposes or be treated as an item of tax preference for purposes of the federal alternative minimum tax imposed on individuals, trusts, estates and corporations (except, with respect to corporations as defined for federal alternative minimum tax purposes, as such interest is taken into account in determining adjusted current earnings for purposes of computing the alternative minimum tax imposed on such corporations). The Board further covenants, represents and warrants that the procedures set forth in a Federal Tax Exemption certificate hereby authorized to be signed by an Officer of the Board or Representative of the Institution implementing the above covenant shall be complied with to the extent necessary to maintain the above-described exclusions from gross income and alternative minimum taxable income or to avoid the application of any penalties under the Code (except to the extent noted in the foregoing provisions of this Section). The foregoing covenants shall remain in full force and effect notwithstanding the payment in full or defeasance of the Note until the date on which all obligations of the Board in fulfilling the above covenants under the Code and Colorado law have been met. References to the "Code" in the foregoing covenant and in Section 3(d) hereof shall mean the Internal Revenue Code of 1986, as amended, and all regulations and rulings promulgated or proposed thereunder or (to the extent the same remain applicable) under any predecessor thereto.

Notwithstanding any other provision hereof, this Section 7 shall be in all respects subject to the Board's right to decline to renew any Lease Agreement as provided in Sections 7 and 10 of the Lease Agreement. Prior to making any draw under the Line of Credit, the Foundation shall have received from the respective Representative a certification confirming the provisions of this Section 7.


Appropriate Officers of the Board, the Institutions, the State and the Foundation are hereby authorized and directed to execute such documents and instruments and generally to take such actions as may be necessary or appropriate to effectuate the transactions contemplated by this resolution. The Officers of the Board, the Institutions and the Foundation with the advice of counsel executing the Line of Credit Agreements and the Lease Agreements hereby approved may make such necessary or appropriate variations, omissions and insertions in such documents as may be required or appropriate under the circumstances, so long as such variations, omissions and insertions are not inconsistent with this resolution. In the event of any inconsistency between this resolution and any document or instrument hereby approved, the provision of this resolution shall be controlling.

If any section, paragraph, clause or provision of this resolution shall for any reason be held to be invalid or unenforceable, the invalidity or unenforceability of such section, paragraph, clause or provision shall not affect any of the remaining provisions of this resolution.

All bylaws, orders and resolutions, or parts thereof, inconsistent with this resolution or with any of the documents hereby approved, are hereby repealed only to the extent of such inconsistency. This repealer shall not be construed as reviving any bylaw, order or resolution, or part thereof, heretofore repealed.

This resolution shall be in full force and effect immediately upon its passage and adoption.

 Approved Denied


 Board Secretary
 Date 12/11/15

Board of Governors of the Colorado State University System
Meeting Date: December 10, 2015
Action Item

MATTERS FOR ACTION:

Land: Acquisition of a Forest Legacy Conservation Easement at the Sawtooth Mountain Ranch in Ouray County on behalf of the Colorado State Forest Service.

RECOMMENDED ACTION:

MOVED, that the Board of Governors approve the acquisition of this conservation easement totaling approximately 2,448 acres of land on the Sawtooth Mountain Ranch in Ouray County under the Forest Legacy Program for the benefit of the Colorado State Forest Service.

FURTHER MOVED, that the President or Vice President for University Operations of Colorado State University is hereby authorized to sign implementing contracts and other documents necessary and appropriate to consummate the transaction with modifications made in consultation with General Counsel.

EXPLANATION:

Presented by Dr. Tony Frank, President, Colorado State University

This action item requests authorization to accept title to a conservation easement on the Sawtooth Mountain Ranch in Ouray County under the Forest Legacy Program to be managed by the Colorado State Forest Service.

The easements will be purchased with a federal forest legacy grant in the amount of \$3,000,000, a Great Outdoors Colorado (GOCO) grant of \$650,000, and land value of \$3,219,000 from the land owner Sawtooth Enterprises, Ltd., a Texas Limited Partnership.

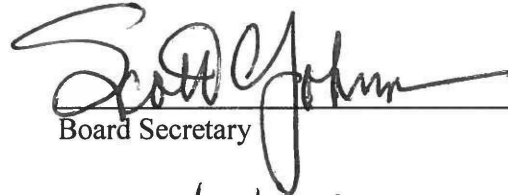
The 2,448-acre subject property is located approximately seven miles east of Ridgway, Colorado along Ouray County Road 8 above the Uncompahgre Valley in the foothills of the Cimarron Range of the San Juan Mountains. Cimarron Ridge lies directly east of the Property. The valley is bound by the San Juan Mountains to the south, the Uncompahgre Plateau to the west, and Cimarron Ridge to the east. The mountains and rolling foothills give way to the mile wide Ridgway Valley through which flows the Uncompahgre River and into which flow Cow Creek, Dallas Creek and numerous other streams. Waters from

these rivers and stream provide irrigation water to farms and ranches of varying acreages across the valley. See attached locator map, Exhibit A.

The purpose of this conservation easement is to protect the natural habitat and scenic open space. The property contains several perennial and intermittent streams and supports a variety of natural plant and tree communities along with montane and wet meadows, all of which provide habitat for wildlife. The property provides scenic views of undeveloped rural and natural landscape visible from adjacent public lands and along Highway 550 and CR8.

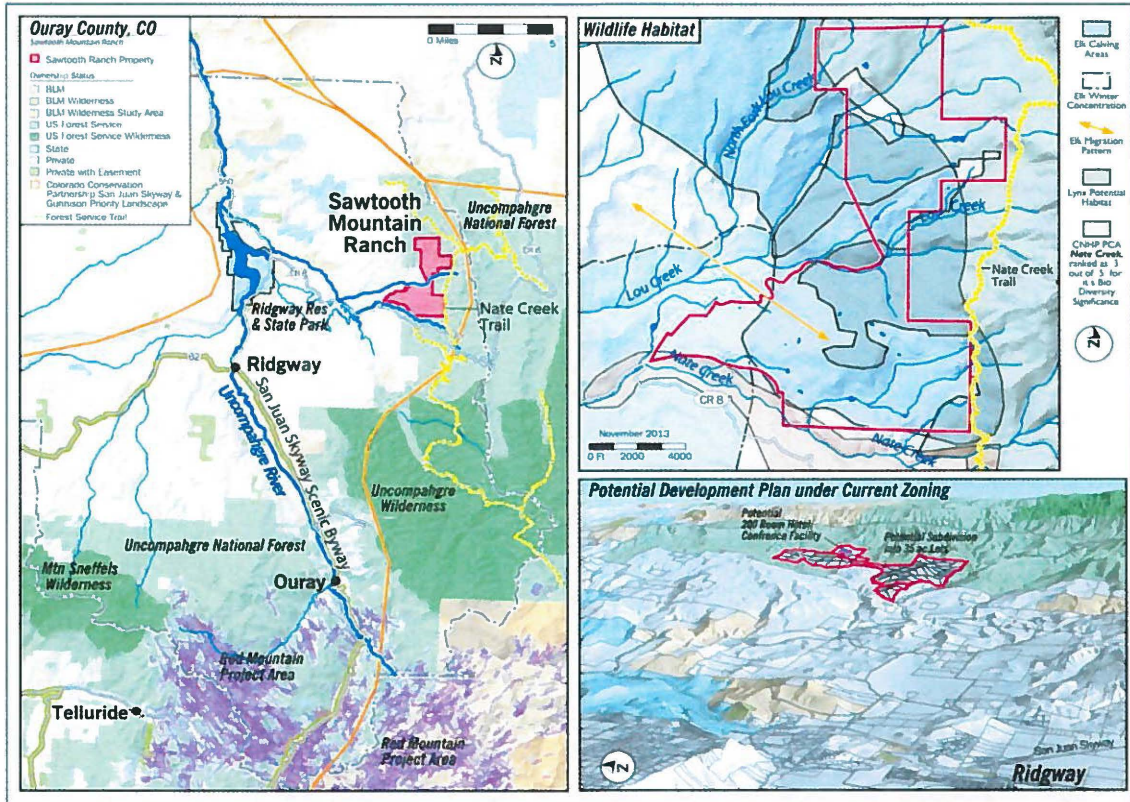
Approved

Denied


Board Secretary

12/11/15
Date

Exhibit A



Board of Governors of the Colorado State University System
Meeting Date: December 10, 2015
Action Item

MATTERS FOR ACTION:

Land: Granting of public utility and access easements to the City of Fort Collins at the corner of Prospect Rd. and College Ave. for the benefit of the CSU Medical Center.

RECOMMENDED ACTION:

MOVED, that the Board of Governors approve the grant of the public utility and access easements generally described in Exhibit 1 and located at Prospect Rd. and College Ave. to the City of Fort Collins for the benefit of the CSU Medical Center.

FURTHER MOVED, that the President or Vice President for University Operations of Colorado State University is hereby authorized to sign implementing contracts and other documents necessary and appropriate to consummate the transaction with modifications made in consultation with General Counsel.


EXPLANATION:

Presented by Dr. Tony Frank, President, Colorado State University


This action item requests authorization to grant the City of Fort Collins easements as generally shown on Exhibit #1 for the purpose of providing access and utilities to the new CSU Medical Center. Some easements will be granted as public utility easements which allow the City to manage use of the area by other utility providers. The Medical Center site is located at the corner of Prospect Rd. and College Ave. and covers 4.58 acres. The affected portion of the site containing the new dedicated easements is 1.00 acres or 22%.

As the easements are required for the development of the new CSU Medical center, the easements will be granted to the City at no cost.

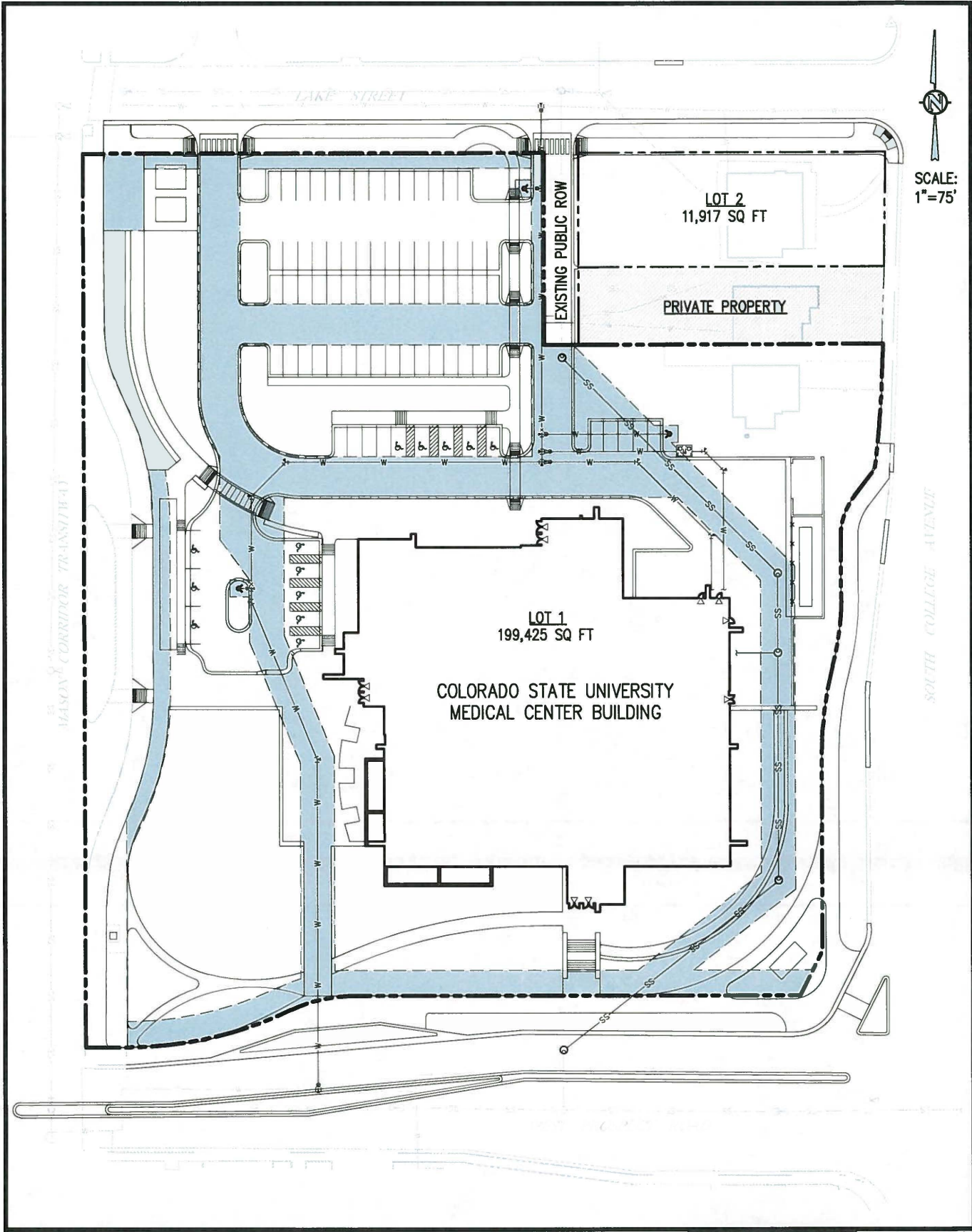
Approved Denied



Board Secretary



Date



**EXHIBIT 1:
PROPOSED UTILITY AND ACCESS EASEMENTS**



JVA, Incorporated
25 Old Town Square
Suite 200
Fort Collins, CO 80524
Phone: 970.225.9099
Fax: 970.225.6963
E-mail: info@jvaja.com

Board of Governors of the
Colorado State University System
Meeting Date: December 10, 2015
Action Item

MATTERS FOR ACTION:

CSU: Approval of the Acceptance of Gifts and Naming Opportunities

RECOMMENDED ACTION:

MOVED, that the Board of Governors approve the acceptance of gifts and the naming in recognition of gifts relating to the University Art Museum within the College of Liberal Arts.

EXPLANATION:

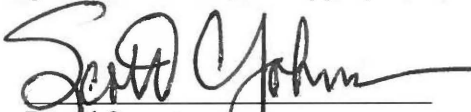
Presented by Tony Frank, President, and Brett Anderson, Vice President for University Advancement.

The University allows the naming of specified facilities under its policy outlining the specific qualifications and procedures. The procedures require approval by the President of the University. Once the naming opportunity has been endorsed by the President, the President submits it to the Board of Governors for final approval.

To maintain confidentiality, the donors of the gifts and the specific naming opportunities are not identified at this time. A brief description of the gifts and the naming opportunities has been distributed to the Board members during the executive session.

The announcement of the gifts and the naming will be made by the appropriate unit.

Approved Denied


Board Secretary
12/11/15
Date

Board of Governors of the
Colorado State University System
Meeting Date: December 10, 2015
Action Item

MATTERS FOR ACTION:

CSU: Approval of the Acceptance of Gifts and Naming Opportunities

RECOMMENDED ACTION:

MOVED, that the Board of Governors approve the acceptance of gifts and the naming in recognition of gifts relating to the temporary gallery in the University Art Museum within the College of Liberal Arts.

EXPLANATION:

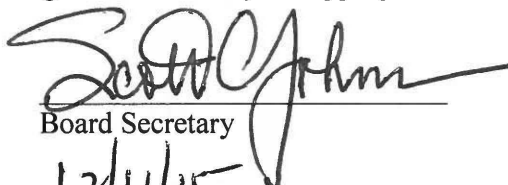
Presented by Tony Frank, President, and Brett Anderson, Vice President for University Advancement.

The University allows the naming of specified facilities under its policy outlining the specific qualifications and procedures. The procedures require approval by the President of the University. Once the naming opportunity has been endorsed by the President, the President submits it to the Board of Governors for final approval.

To maintain confidentiality, the donors of the gifts and the specific naming opportunities are not identified at this time. A brief description of the gifts and the naming opportunities has been distributed to the Board members during the executive session.

The announcement of the gifts and the naming will be made by the appropriate unit.

Approved Denied


Board Secretary
12/11/15
Date

Approved

MATTERS FOR ACTION:

CSU: Approval and Acceptance of Gift and Naming Opportunity

RECOMMENDED ACTION:

MOVED, that the Board of Governors approve the acceptance of a gift, and honorary naming in recognition of that gift, relating to the on-campus stadium.

EXPLANATION PRESENTED BY: Dr. Tony Frank, President, Colorado State University.

Colorado State University allows the naming of specified facilities under its policy outlining the specific qualifications and procedures. The procedures require approval by the President of the University. Once the naming opportunity has been endorsed by the President, the President submits it to the Board of Governors for final approval.

To maintain confidentiality, the donor of the gift and the specific naming opportunity are not identified at this time. A brief description of the gift and honorary naming opportunity has been provided to the Board members during the executive session.

The announcement of the gift and honorary naming will be made by the appropriate unit.

✓

Approved

Denied



Scott C. Johnson, Board Secretary

12/11/15

Date

Board of Governors of the Colorado State University System
Meeting Date: December 10, 2015
Action Item

MATTERS FOR ACTION:

Exchange of land owned by the Board of Governors for Right of Way use at the CSU Medical Center site for land owned by the City of Fort Collins at the corner of Prospect Rd. and College Ave.

RECOMMENDED ACTION:

MOVED, that the Board of Governors approve the exchange of the Board owned land which is shown in Exhibit 2 for the City of Fort Collins owned land also shown in Exhibit 2, at the northwest corner of Prospect Rd. and College Ave contingent upon City Council approval of the same.

FURTHER MOVED, that the President or Vice President for University Operations of Colorado State University is hereby authorized to sign implementing contracts and other documents necessary and appropriate to consummate the transaction with modifications made in consultation with General Counsel.

EXPLANATION:

Presented by Dr. Tony Frank, President, Colorado State University

This action item requests authorization to exchange parcels of land shown in Exhibit 2 with the City of Fort Collins for the purpose of providing a right of way for City use. The Medical Center site is located at the corner of Prospect Rd. and College Ave. and covers 4.58 acres. The affected portion of the site containing the Right of Way is 0.29 acres and the land owned by the City to be conveyed to the University is 0.039 acres

The Board of Governors will deed the land for the Right of Way to the City at no cost as negotiated with the City during the development review process. In exchange, the City will deed the small, undevelopable, remainder portion of their property at the corner for inclusion in CSU's Medical Center Parcel at no cost.

The expanded Right of Way and enhanced bus stop are necessary to provide adequate traffic movement as a result of the CSU development. Once improvements are complete, the City's remaining property is unusable except as additional buffer, landscape, and signage area for the new building.

Approved

_____ Denied

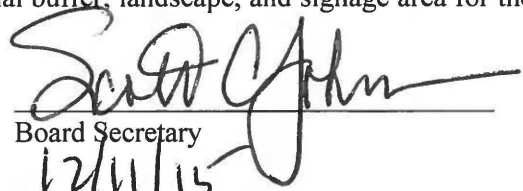
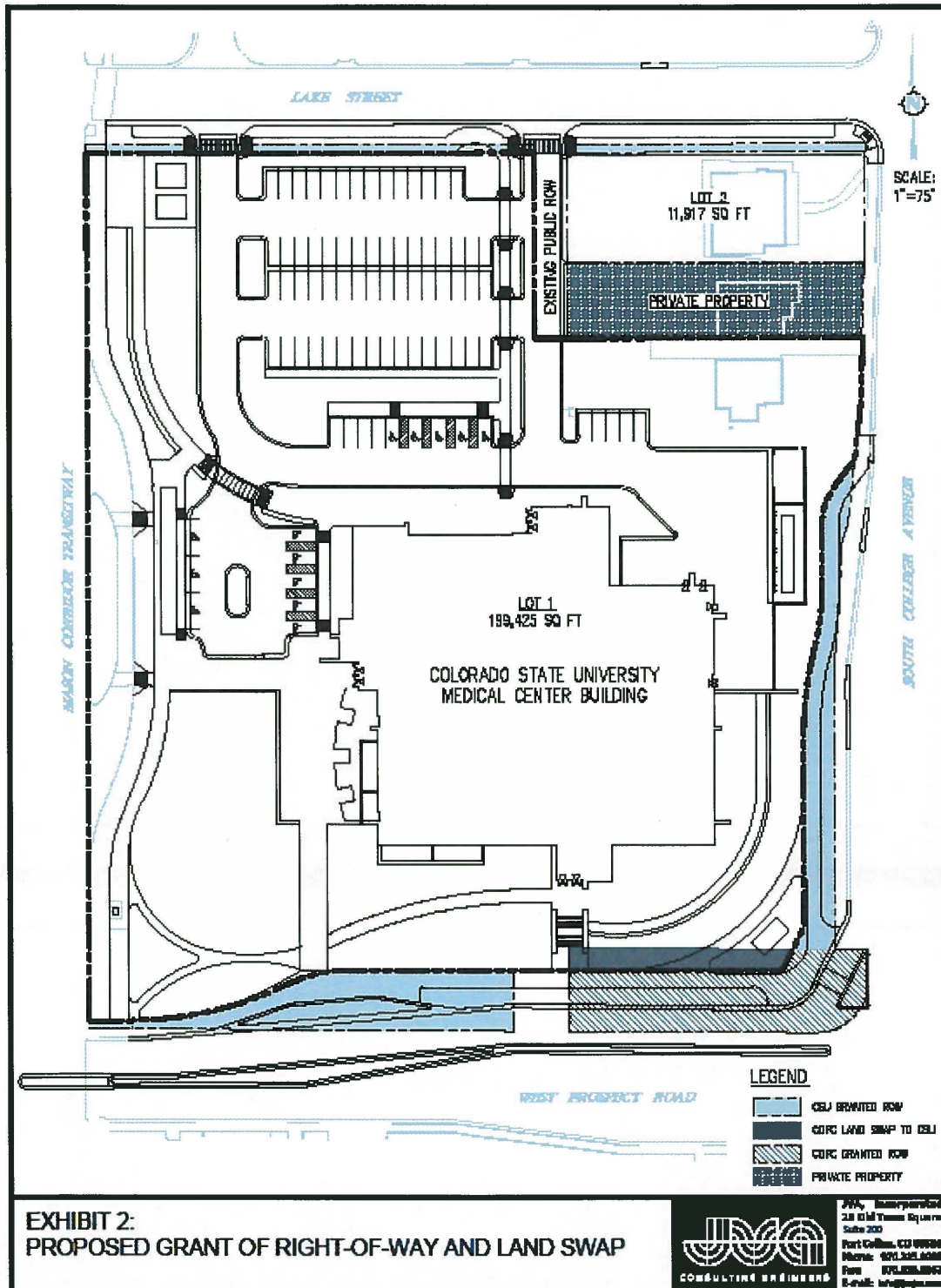

Board Secretary
12/11/15
Date

Exhibit 2



Colorado State University System
Board of Governors Meeting – December 10, 2015
Action Item

MATTER FOR ACTION:

Colorado State University System Board of Governors (Board) Resolution in support of changing the Hospital Provider Fee to an Enterprise Fund

Whereas, the Colorado Department of Higher Education (DHE) in its letter to the Board dated September 2, 2015 (attached), requested the Board to join DHE in urging the Colorado General Assembly to pass legislation changing the Hospital Provider Fee to an enterprise fund during the 2016 legislative session; and

Whereas, DHE adopted a resolution of support for such change dated August 28, 2015 attached hereto; and

Whereas, the Governor’s Budget transmittal letter to the state legislature dated November 1, 2015 indicated that if additional revenue became available as a result of the reclassification of the Hospital Provider Fee change, among other events, then some or all of the budget allocation to institutions of higher education may be restored.

Now, therefore, for all of the reasons set forth herein and the attached documents, the Board hereby adopts and supports the changing of the Hospital Provider Fee to an Enterprise Fund.

The Chancellor of the CSU System is instructed to distribute this resolution to the General Assembly as deemed appropriate.

✓
Approved

Denied

Scott C. Johnson
Secretary

Board of Governors of the Colorado State University System

12/11/15
Date



COLORADO

Department of
Higher Education

1560 Broadway, Suite 1600
Denver, CO 80202

John Hickenlooper
Governor

Lieutenant Governor Joseph A. Garcia
Executive Director

September 2, 2015

TO: Governing Board Members and Chief Executive Officers, Colorado Public Institutions of Higher Education

RE: Governing Boards Urged to Join the Colorado Commission on Higher Education in Support of Changing the Hospital Provider Fee to an Enterprise Fund

The Commissioners of the Colorado Commission on Higher Education (CCHE) and I ask that the Governing Boards of Colorado's public institutions of higher education join us in urging the Colorado General Assembly to pass legislation changing the Hospital Provider Fee to an enterprise fund during the upcoming 2016 Legislative Session. This change would be consistent with how other similarly structured fees are treated.

CCHE adopted a resolution to this effect during their annual retreat in August, a copy of the letter that transmitted the resolution to Legislative leaders and the resolution itself are attached.

It is critical that we join together in this effort to inform the public, our students and families, and lawmakers about the impact inaction will have on post-secondary affordability and meeting the workforce needs of our business community

The General Assembly must take action to position the state to meet the financial needs of Colorado's citizens and be able to continue to invest in the futures of Colorado's students and families. CCHE urges your support with this call-to-action to change the Hospital Provider Fee to an enterprise fund during the upcoming 2016 Legislative Session.

Sincerely,

Lt. Governor Joe Garcia
Executive Director
Department of Higher Education





COLORADO COMMISSION ON HIGHER EDUCATION

RESOLUTION OF SUPPORT FOR CHANGING THE HOSPITAL PROVIDER FEE TO AN ENTERPRISE FUND

WHEREAS, Under the current structure, revenues collected by the state for the Hospital Provider Fee count towards the constitutional revenue cap created by the Taxpayer's Bill of Rights (TABOR); and

WHEREAS, The moneys generated by the fee are used solely for health care and are not part of the state's General Fund; and

WHEREAS, The increasing revenues generated by the fee are a significant factor in both the Legislative Council Staff's and the Office of State Planning and Budgeting's forecasted TABOR rebates for Fiscal Years 2015-16 and 2016-17 which are paid from the General Fund; and

WHEREAS, The earmarking of these funds for health care prohibits their use for paying TABOR rebates; and

WHEREAS, Without a change, TABOR-mandated rebates will be paid at the expense of critical programs receiving General Fund such as higher education; and,

Now, Therefore, the Colorado Commission on Higher Education supports and endorses changing the Hospital Provider Fee to an Enterprise Fund as a means of increasing general fund availability in future years for state programs including higher education funding; and, furthermore, the Commission encourages all governing boards of public institutions of higher education to support efforts to change the Hospital Provider Fee to that of an enterprise fund.

Done this Twenty-Eight day of August, 2015.

Monte Moses
Chairman, Colorado Commission on Higher Education

Commissioners:

Luis Colon – Vice Chair, John Anderson, Maia Babbs, Renny Fagan, Jeanette Garcia, Richard Kaufman, Vanecia Kerr, Tom McGimpsey, Paula Sandoval, BJ Scott

CERTIFICATION OF CONSENT AGENDA ITEMS

The undersigned Secretary of the Board of Governors for the Colorado State University System hereby certifies:

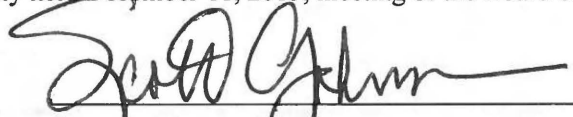
That with a unanimous affirmative vote of the voting members of the Board of Governors at a duly held meeting thereof on December 11, 2015, the consent agenda items listed below were referred for consideration of approval and were adopted:

- Colorado State University System
 - ♦ Policy and Procedures Manual: Policy 106, CSUS Board Officers Policy
 - ♦ Minutes of the October 1-2, 2015 Board of Governors Meeting

- Colorado State University
 - ♦ New Degree Program: Human Dimensions of Natural Resources – B.S. (*referred by Academic and Student Affairs Committee*)
 - ♦ New Degree Program: Communication and Media Management – Plan C (*referred by Academic and Student Affairs Committee*)
 - ♦ Academic Calendar for Fall 2020-Summer 2022 (*referred by Academic and Student Affairs Committee*)

- Colorado State University-Pueblo
 - ♦ Academic Calendar for AY 2016-17 and AY 2017-18 (*referred by Academic and Student Affairs Committee*)

The consent agenda items together with a record of the votes for the resolutions have been recorded and will be entered into the full minutes of the duly held December 11, 2015, meeting of the Board of Governors.



 Scott C. Johnson, Secretary
 12/11/15

 Date