

**BOARD OF GOVERNORS OF THE  
COLORADO STATE UNIVERSITY SYSTEM  
BOARD OF GOVERNORS RETREAT AND REGULAR MEETING  
CSU-Global Campus, Denver, Colorado  
February 4, 2016**

**CALL TO ORDER**

Chair Mosher called the retreat to order at 8:00 a.m.

**ROLL**

**Governors present:** William Mosher, Chair; D. Rico Munn, Vice Chair; Scott Johnson, Secretary; Nancy Tuor, Treasurer; Dennis Flores; Mark Gustafson; Jane Robbe Rhodes; Dean Singleton (Appointee); 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; Allison Horn, Director of Internal Auditing, CSU System; Lynn Johnson, 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; Michael Nosler, General Counsel, CSU System

**System Staff present:** Adam Fedrid, IT Manager; Melanie Geary, Executive Assistant; Allen Sneesby, IT Technician; Sharon Teufel, Executive Assistant to the General Counsel

**Guests present:** Michael Baker, Gold Crown Management; Ray Baker, Gold Crown Management; Jon Bellum, Provost, CSU-Global Campus; Rick Callan, Sr. Real Estate Analyst, CSURF; Johnna Doyle, Deputy General Counsel, CSU-Pueblo; Peter Farrell, Royall & Company; Mark Gill, Chief of Staff, CSU; Kathleen Henry, President/CEO, CSUF; Blanche Hughes, Vice President of Student Affairs, CSU; Nancy Hurt, Managing Director, CSURF; Rick Kreminski, Provost, CSU-Pueblo; Paul Orscheln, Vice President, Student Services and Enrollment, CSU-Pueblo; Karl Spiecker, Vice President, Finance and Administration, CSU-Pueblo

**BOARD RETREAT**

Chair Mosher convened the retreat and reviewed the agenda. He introduced Governor-Appointee Singleton and then asked Dr. Di Mare to begin the CSU-Pueblo presentation.

*Royall and Company Presentation: Outlook for Regional Comprehensive Universities*

Dr. Di Mare commented CSU-Pueblo has worked with Royall & Company on student recruitment for over two years and then introduced Mr. Farrell. Mr. Farrell reviewed public perception aspects impacting higher education; challenges for revenue streams; and demographic factors with the largest growth during the next ten years occurring in the Hispanic sector. Challenges for regional public institutions include competition at the top from flagship and rising publics, and competition at the bottom from community colleges. Challenges for the Colorado higher education market include an increasing number of high school graduates are leaving the state for college resulting in a reliance on non-resident students.

Mr. Farrell remarked that tried-and-true recruitment practices are less reliable with the rapidly changing market and outlined the campaign utilized for CSU-Pueblo. Geography and academic quality are the most predictive factors for moving a student from no interest to interest in enrollment. Dr. Orscheln reported that, since launching the first campaign with Royall & Company, CSU-Pueblo has developed an online application with mobile optimization resulting in a transformed recruitment operation.

Dr. Di Mare reported there was a decline in enrollment last fall partially due to the lack of a sufficient number of admissions counselors to process the large increase in applications. Additional admissions staff have been added. Another problem was the under-awarding and timely packaging of financial aid; the financial aid packaging is now being processed daily. Dr. Orscheln explained the ability to track students from the onset of the campaign through enrollment and the split testing to verify the ROI.

Mr. Farrell remarked on the consultative relationship that has developed with CSU-Pueblo and noted the university is only billed for the marketing services. The contract is year-by-year for services to generate interest; facilitation of the application process; and financial aid optimization to impact enrollment behavior. Enrollment of 100 students covers the annual \$550,000 fee.

Dr. Orscheln explained data from the National Student Clearinghouse and a survey conducted on admitted students who did not attend allows for identification of where and why students attended other universities with location identified as the biggest issue. Mr. Farrell indicated that athletics is important to help build the university's brand, recruitment and program mix. Dr. Orscheln reported 10,000 applications were received last fall, of which 60% to 70% could be attributable to the Royall campaign; 6,000 were admitted; and 780 were enrolled.

Mr. Farrell reported data points currently indicate a positive trajectory for next fall's entering class at CSU-Pueblo and the campaigns should sustain themselves over the new few years to grow the enrollment. Enrollment will eventually reach a plateau and that plateau will not begin to move until there are changes to the educational product, whether in facilities or program mix. Dr. Di Mare indicated that revised projections forecast an enrollment of 4,470 by 2020.

The meeting was recessed for a break at 9:48 a.m. and reconvened at 10:08 a.m.

*CSU-Pueblo Trends, Opportunities and Challenges:* Dr. Di Mare explained the presentation would include comparisons to the peer group that was approved by the Board in December 2011 of which only one other institution is an HSI; the strategic plan that was presented in depth in 2014; five areas of excellence of which three are visionary that will be developed over the next four to five years; and challenges and strategies for financial sustainability.

Dr. Kreminski noted Augusta State was originally on the Board-approved peer list but no longer exists; UCCS is the only peer in Colorado; and the comparative data were drawn from IPEDS. Of the ten peers, enrollment for 2010-2014 has decreased at seven institutions and increased at three institutions. CSU-Pueblo has the second smallest enrollment; the second largest Hispanic full-time undergraduate enrollment with over 30% which is significantly higher than the 25% threshold for an HSI; and approximately a 50-50 ratio of male/female full-time undergraduate enrollment. The 15% enrollment increase last year could partially be attributed to the Royall campaign and the new athletic programs.

Based on the accounts receivable audit, financial constraints were implemented in 2012 with a new nonpayment drop policy and a new attendance policy implemented to address "ghost" students that resulted in a decrease in enrollment, retention and six-year graduation rates. The fall 2015 retention rate rebounded to 64% and there are targets in the strategic plan to increase the retention rate to 68% by 2020.

The strategic plan includes a goal to increase the six-year graduation rate between half and one percent annually. Based on size, CSU-Pueblo is in the middle of the peer set for the number of bachelor's degrees awarded and ranks second for number of degrees awarded to Hispanic students.

Dr. Orscheln reported 95% of CSU-Pueblo students receive financial aid; the average EFC is \$7,600; 50% of the total unduplicated and FTFT students receive Pell grants; and average debt at graduation is \$29,914. Several programs including the SALT program have been implemented to help reduce CSU-Pueblo's default rate from over 15% to 9.2% compared to the national average of 11%. Transfer students carry their debt from institution to institution which creates a challenge for CSU-Pueblo with many of the transfer feeder institutions having default rates of 20% or higher. The average net price for students at CSU-Pueblo in 2013-14 was approximately \$12,000 and the average net price for families of income up to \$30,000 with students receiving Title IV federal financial aid was under \$10,000.

Dr. Kreminski reviewed peer comparisons on the number of tenured and tenure-track faculty with CSU-Pueblo's ratio of tenured/tenure-track faculty to full-time students at 1:34 in 2014. There are also adjunct instructors who teach one or two classes, full-time lecturers and full-time visiting assistant professors. Tenured or tenure-track faculty who left have often been replaced with either visiting assistant or adjunct professors. Comparative data to peers on research expenses was provided. Current federal grants at CSU-Pueblo include two Dept. of Education grants for \$2.6 million and \$4.3 million over five years.

Dr. Kreminski summarized that there needs to be a focus on retention and graduation rates; the university has a financially needy student population; some states fund peer institutions at a higher level; and the institution has different demographics from its peers in certain important ways. Each academic unit has its own strategic plan that must align with the campus strategic plan. Conversations are being held across the campus on efficiencies and cost per credit hour for all departments. Dr. Di Mare noted the institution is generally in the middle compared to peers and not significantly different from other regional comprehensives that are also struggling.

Dr. Di Mare provided a peer institution foundation comparison and pointed out that, until recently, there has been no major campaign at CSU-Pueblo since the mid-1980s. The current capital campaign during the past 2½ years has raised approximately \$16 million of the \$25 million goal with \$15 million targeted for scholarships, \$5 million for the renovation of the Occhiato University Center, and \$5 million for athletics.

*Strategic Plan:* Dr. Di Mare explained the CSU-Pueblo strategic plan aligns with the strategic mapping capabilities outlined at the June 2015 Board retreat. The strategic plan is a living document that was developed from 2013-15 through a specific campus-wide process and includes a timeline and implementation team who committed to serve a minimum of three years. There is a vision statement, goals and outcomes to increase enrollment, retention rates, graduation rates, and the number of degrees awarded.

When asked if adding Master's degree programs would increase enrollment, Dr. Di Mare explained consideration is being given to adding academic programs that are appropriate for the region and population served. Current national trends indicate that the number of Master's degree students at regional public institutions is declining. CSU-Pueblo currently has ten Master's degree programs.

When asked about quality of students, Dr. Kreminski explained there are different quality components such as the index score that includes high school GPA and ACT scores. There are targets in the strategic plan to increase the average index score of incoming students. Governor Mincic commented on how the faculty are engaged in achieving the primary goals in the strategic plan with excellence in academics as the top priority. The individual departments are examining the effectiveness of their academic programs.

Dr. Di Mare explained the annual strategic plan survey that was conducted to get input from the campus and the 2016 top strategic plan priorities that were identified. Five areas of excellence to differentiate CSU-Pueblo from its peer and sister institutions have been identified of which two, a federal designation as an HSI and NCAA Division II athletics, have helped create partnerships with the community, the state and nationally. The retention rate last year for the student athletes was 71% which is higher than the overall campus retention rate. Three strategic initiatives identified are the Center for Security Studies, an Institute for Cannabis Research, and expanding academic partnerships.

Dr. Di Mare remarked that the Center for Securities Studies would not necessarily be a bricks and mortar facility. CSU-Pueblo currently has a Homeland security certificate and has made application to the NSA for designation as a National Center of Academic Excellence in Information Assurance/Cyber Defense. Faculty and staff are already conducting applied research and there are partnerships with different organizations such as the PuebloPlex that can be utilized. Dr. Kreminski described the various areas in addition to cyberspace that would fall under the security umbrella.

Dr. Di Mare reported the Institute for Cannabis Research is in the inception stage and she commented on the research potential to generate scientific and medical knowledge to benefit society. All local, state and federal laws would be adhered to with guidance by the Office of General Counsel. There has been a meeting with the JBC to ask for funding from tax revenues and there will also be funding available from the county excise tax. General Counsel Nosler clarified that actual marijuana would not be handled by the university. Dr. Kreminski described observational studies from self-reporting that could be undertaken and other prospective research areas, and the potential to develop an international advisory board and a peer-reviewed journal.

Dr. Di Mare explained various academic partnerships being explored that include working with CSU on agriculture degrees and developing pathways for students; collaboration with District 60, District 70 and Pueblo Community College to improve college preparedness; collaboration with the Dept. of Corrections to provide education for inmates; and development of more online courses through collaboration with CSU-Global Campus. A collage of articles published by *The Pueblo Chieftain* was shared that reflects the success and research at the university, and the support of the community.

*CSU-Pueblo Housing:* Mr. Spiecker recounted the \$56 million debt service issue for the CSU-Pueblo residence halls. Pursuant to the Board's direction, the university has engaged Gold Crown Management to assist with pursuing a potential private public partnership (P3). Mr. Michael Baker explained how Gold Crown Management would assist CSU-Pueblo initially with the distribution of an RFI to manage the residence halls, except for Belmont, to create cost efficiency savings. Based on responses, an RFP would then be generated. Subsequent phases would be assistance with Belmont and the development of retail space.

*Revenue Pressures:* Dr. Di Mare commented on the sustainability and budget model issues for regional comprehensives. She outlined the revenue and expenditures pressures; the debt/negative fund balance challenges for CSU-Pueblo; the university infrastructure investments; and potential CSU System investments including new academic programming initiatives and intra-System collaboration to create efficiencies.

The meeting was recessed for lunch at 12:09 p.m. and reconvened at 12:44 p.m.

*Discussion:* Chair Mosher asked for an articulation of the vision over the next three to five years and the academic initiatives to better serve Hispanic students and the southeastern region of the state.

Dr. Di Mare commented on how Hispanic students want faculty and staff who reflect their culture. Federal funding for programs, such as TRiO that assists students from migrant worker families, helps all of the university's students.

Dr. Frank pointed out that Dr. Di Mare and her team have been exploring academic cornerstones to build the recruitment strategy. Dr. Kreminski explained how the faculty collectively have been challenged to submit proposals for new academic programming based on student demand and projected industry need with support from the local industry. The process utilizes a grassroots approach that will energize the faculty. Collaboration with sister universities and leveraging System capability would be viewed positively. The proposals will then be reviewed with the intent to bring forward three to five new academic programs for Board approval.

Dr. Di Mare explained each department, college or school has an advisory board in particular disciplines that will contribute to new academic programming. The university is also examining the relevancy of current curriculum and other ways to attract students, such as new amenities and adjacent retail. Governor Mincic commented that the potential for seed grant opportunities has helped generate excitement among the faculty for new academic programs.

Discussion followed on the positive impact on retention of student involvement in professional societies and associations; investments needed for new academic programming; strategies and incentives to move students more quickly to graduation and the factors impacting degree completion; and identifying the CSU-Pueblo brand and the value proposition of the five areas of excellence to increase enrollment while increasing academic quality. Other topics addressed included reducing costs, improving cost effectiveness for more expensive academic programs, and the potential negative impacts from elimination of such programs; collaboration with the local school districts and industries; and student demographics with provision of focused wrap-around services.

When asked about the focus for the university for the next five years, Dr. Di Mare replied addressing the housing issues; better campus food for the students; transforming the campus into a truly residential campus with adjacent retail development; more availability of classes; new academic programs; professional career advising; and alternative revenue sources instead of reliance on increasing enrollment. Challenges related to current capabilities include moving academic programming forward through protocols faster and incentivizing different program areas.

Dr. Frank noted CSU-Pueblo is dealing with the same national trends of declining enrollment and state support as similar institutions. An extensive financial review for the housing at CSU-Pueblo was presented last fall and the staff then initiated short-term interim steps based upon those discussions. The impact of those efforts will be addressed in conjunction with the final FY 2016-17 budget presented at the May meeting. If the P3 does not offer the expected relief, utilization of System reserves to address the problem may need to be considered because the institution will not default on the bond debt service.

Dr. Di Mare described how academic programming has been stagnant for years; enrollment growth has spiked; adding football and other athletics helped with recruitment; and retention and graduation rates have increased slightly in recent years. She expressed optimism that CSU-Pueblo was positioned to move forward positively over the next five years. The new initiatives and additional academic programming should be attractive to students, faculty and the community.

With no further discussion, Chair Mosher acknowledged the retreat preparatory work completed by Dr. Di Mare and her team, and the retreat portion of the February meeting was then adjourned.

## ACADEMIC AND STUDENT AFFAIRS COMMITTEE

Committee Chair Robbe Rhodes convened the committee meeting and asked Dr. Miranda for his report.

*CSU Graduate Certificates:* Dr. Miranda explained graduate certificates are stand-alone certificates that require between nine and fifteen credits, which is less than a Master's degree; are focused on specific learning outcomes; do not require enrollment in a degree program; and qualify for Title IV funding. Three graduate certificates related to the current curriculum for the Student Affairs in Higher Education (SAHE) program, School of Education, College of Health and Human Sciences, have been brought forward for approval as follows: Campus Crisis Management; Student Affairs Management of Auxiliary Enterprises; and Student Affairs Administration. Approval of the graduate certificates is on the consent agenda.

*Sabbatical Reports:* Dr. Miranda explained annually there are two sabbatical leave reports. Approval of sabbatical leave plans has been delegated to the campus presidents and each fall there is a report on the sabbaticals approved for the following year. The second report is a summary of the work and accomplishments achieved the previous year during the sabbaticals. The AY 2014-15 sabbatical leave summaries for CSU reflect the international scope of the university's work. Dr. Kreminski reviewed the AY 2014-15 summary of accomplishments for four sabbaticals and one educational enhancement leave taken by CSU-Pueblo faculty.

*CSU Honorary Degrees:* Dr. Miranda reviewed the process and criteria for awarding of honorary degrees that are generally bestowed for accomplishments in academics or in a chosen field. Action on the two proposed honorary degrees would be taken after the executive session.

*CSU Faculty Manual Revisions – Sections C.2.4 and C.2.4.s.1.m:* Dr. Miranda explained the proposed changes will give the non-tenure track faculty voting rights to elect their Faculty Council representatives. Dr. Frank commented on the importance of the amendments for the future of the academy. Approval of the amendments is on the consent agenda.

*CSU-Global Campus Handbook:* Dr. Miranda indicated a summary of the revisions and the revised handbook were included in the meeting materials. All changes have been reviewed by the Office of General Counsel and approval is on the consent agenda.

*CSU-Global Campus Program Name Change:* Dr. Miranda explained the proposed change from Master of Healthcare Administration and Management to Master of Healthcare Administration aligns the name of the degree to current industry standards. Approval of the change is on the consent agenda.

## REAL ESTATE/FACILITIES COMMITTEE

Governor Johnson convened the committee meeting and indicated there were two action items.

*Acquisition of Easement at Maxwell Natural Area:* Ms. Hurt explained the first action item is for a 10-year renewable easement for the "A" on the hillside above Hughes Stadium. The long-term lease agreement with the City of Fort Collins was put in place by the prior property owner and has been approved by City Council to ease to the processes to annually paint the "A". **Motion/Action:** Governor Tuor made the motion to approve; Governor Robbe Rhodes seconded; and the motion carried unanimously.

*Acquisition of Eight Parcels along Whitcomb Road:* Ms. Johnson explained the acquisition of the eight land parcels will improve the access for bicycle and pedestrian traffic from the south onto the main

campus and will provide additional parking. General Counsel Nosler indicated the issues related to the acquisition will be discussed in executive session and the vote was tabled until after said discussion.

The meeting was recessed for a break at 2:38 p.m. and reconvened at 2:53 p.m.

### **EXECUTIVE SESSION**

General Counsel Nosler read the meeting into executive session for the purposes of evaluating public officials and staff; for discussions relating to the purchase of property; for consideration of nominations for awarding honorary degrees; and for the purpose of receiving the litigation report or legal advice, all confidential as set forth in the meeting notice. **Motion/Action:** Governor Zimlich moved to convene in executive session. Governor Tuor seconded and the motion carried unanimously.

### **OPEN PUBLIC MEETING**

The meeting reconvened in open session at 3:22 p.m.

Chair Mosher indicated there was a modification to the resolution for the acquisition of the eight parcels of land. **Motion/Action:** Governor Flores moved to approve the resolution as amended. Governor Robbe Rhodes seconded and the motion carried unanimously.

Chair Mosher asked for one action on the two honorary degrees submitted by the Academic and Student Affairs Committee. **Motion/Action:** Governor Tuor moved to approved; Governor Munn seconded, and the motion carried unanimously.

### **EVALUATION COMMITTEE:**

Chair Mosher indicated the Evaluation Committee that is composed of the voting members would convene. General Counsel Nosler read the meeting into executive session for the purposes of discussing and evaluating public officials and staff, confidential as set forth in the meeting notice. **Motion/Action:** Governor Munn moved to convene in executive session; Governor Tuor seconded; and the motion carried unanimously. After the Evaluation Committee met, the Board meeting was adjourned for the day

**BOARD OF GOVERNORS OF THE  
COLORADO STATE UNIVERSITY SYSTEM  
BOARD OF GOVERNORS MEETING  
CSU-Global Campus, Denver, Colorado  
February 5, 2016**

**CALL TO ORDER**

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

**ROLL**

**Governors present:** William Mosher, Chair; D. Rico Munn, Vice Chair; Scott Johnson, Secretary; Nancy Tuor, Treasurer; Dennis Flores; Mark Gustafson; Jane Robbe Rhodes; Dean Singleton (Appointee); 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; Allison Horn, Director of Internal Auditing, CSU System; Lynn Johnson, 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; Michael Nosler, General Counsel, CSU System

**System Staff present:** Adam Fedrid, IT Manager; Melanie Geary, Executive Assistant; Allen Sneesby, IT Technician; Sharon Teufel, Executive Assistant to the General Counsel

**Guests present:** Jon Bellum, Provost, CSU-Global Campus; Johnna Doyle, Deputy General Counsel, CSU-Pueblo; Blanche Hughes, Vice President of Student Affairs, CSU; Jane Ingles; Rick Kreminski, Provost, CSU-Pueblo; Cheryl Lovell; Rob McCoy, BKD; Paul Orscheln, Vice President, Student Services and Enrollment, CSU-Pueblo; Jason Padoney, Director, Career Center, CSU; Ryan Poullen, Associate, Wells Fargo; Karl Spiecker, Vice President, Finance and Administration, CSU-Pueblo; Paul Thayer, Associate Vice President of Student Success, CSU; Tamara Vega Haddad; Jason Warr, Vice President of Operations, CSU-Global Campus

**PUBLIC COMMENT**

Chair Mosher reconvened the regular business meeting and indicated two individuals had signed-in to address the Board. Ms. Vega Haddad commented on community concerns with Todos Santos and Ms. Ingles commented on Tres Santos.

**BOARD CHAIR'S AGENDA**

Chair Mosher explained the decision to hold the June retreat at the CSU Mountain Campus this year and in alternating years in the future.

**AUDIT AND FINANCE COMMITTEE**

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



*FY 2015 Audit Results:* Ms. Horn introduced Mr. McCoy who explained the Independent Auditor's Audit Committee Communication was extracted from the complete audit report that is available online through the schools and the state auditor's office. He noted the auditor's responsibility is to make reasonable assurance that the financial statements are materially correct. Two different audits were completed: the CSU System audit that includes all three campuses and a separate stand-alone audit for CSU-Global Campus. The CSU and CSU-Pueblo foundations were not audited by BKD and the foundations' alternative investments recorded on the financial statements are three months in arrears which was determined not to be material by the auditors.

Mr. McCoy reviewed the significant estimates including the net pension liability with a reporting change in GASB 68 that applies to the state's PERA retirement plan. Ms. Johnson explained how the calculations with this change are computed into the composite financial index and reduces unrestricted net assets. The rating agencies during the review process factor in modifications for the liabilities based on GASB 68.

Mr. McCoy reviewed the audit adjustments made and the proposed audit adjustments not recorded. CSU-Pueblo was commended on the improvements made during 2015 that included updating the accounting software to the same system utilized by CSU. The ongoing cooperation between the two campuses was also considered beneficial to ensuring good internal controls. During the audit process, the new GASB 68 accounting standards were discussed with management. A management letter was written to communicate minor deficiencies in internal controls that were not deemed to be material weaknesses.

A recommendation locator document extracted from the entire financial statement audit was distributed and identified three compliance issues related to reporting on student financial aid at CSU-Pueblo. Mr. McCoy commented on the complexity of student financial aid and noted the reporting issues may be in part due to the software utilized.

*FY 2016 Audit Reports:* Ms. Horn reported two reports were issued since the last meeting. There were 29 findings in the operational and financial audit for the CSU-Pueblo Athletics Dept. of which a significant number were related to university-wide operations and policies, and best practices. Since the report was issued, eight recommendations have been implemented. When asked about the change in risk assessment from high to medium with the 29 findings, Ms. Horn explained how athletics are deemed to be high risk activity with high participation and visibility. The mitigation to a medium level was due in part because there were no significant findings such as fraud or mistakes that rose to the level of misstatement in the university's financial statements. There also was a high degree of cooperation from management during the audit and the auditor was satisfied that the risks were mitigated.

The second audit report was for the Colorado Water Institute that has highly visible activities; is a well-renown program; and has a considerable amount of external reporting. Controls were deemed to be adequate and there were no findings. A management letter was issued with suggestions on best practices.

*Status of FY 2016 Audit Plan:* Ms. Horn reviewed the audits currently in progress that include the CSU Confucius Institute. The results were received for the survey of the CSU Data Centers that was completed with assistance from students in a sociology class and provided useful insights that might not otherwise have been received.

*Overdue Recommendations:* Ms. Horn reported the CSU Warner College of Natural Resources is completing the strategic planning process; the Extension Field Offices' target implementation date has been revised for a date when the extension staff will be on campus to receive the recommended instruction and coordination; there is a new director in the Office of Sponsored Programs; and the

certification of the Agricultural Experiment Station audit will be completed. The past due recommendation for CSU Athletics has been completed.

*FY 2017 Campus Incremental Budget/Tuition Update*

Colorado State University: With an anticipated \$20 million reduction in state funding for higher education, Ms. Johnson reported the CCHE is recommending no tuition controls. The draft FY 2017 incremental E&G budget has been forecasted on the basis of a 5% resident undergraduate and a 4% non-resident undergraduate tuition increases, and a 1.8% salary increase for faculty and administrative professionals. The state has not changed its position at this point for no increase in salaries for state classified employees. One proposed change is the recommendation of a 7% resident and 2% nonresident tuition increase for the Professional Veterinary Medicine program.

Ms. Johnson reported there have been numerous budget discussions with the campus constituencies. Dr. Miranda added there has been substantial campus feedback and decisions still remain to be made on several line items including enrollment growth funding, distribution of commitments on quality enhancements, and salary increases. Governors Doherty and Sydoriak indicated the budget process has been inclusive.

In response to questions, Dr. Miranda explained the internal reallocation represents approximately 2% of the accountable budget, not the full E&G budget; several alternative scenarios have been presented for developing a balanced budget; and reallocations occur at multiple levels. Dr. Frank provided an historical perspective on the internal reallocation process that has been more aggressive during major budget reduction years. When the budgeting process began in August, there was a high priority to ensure the Board is actively engaged in the tuition setting with a range of scenarios. While there is flexibility on tuition setting based on the anticipated reduction in state higher education funding, Dr. Frank recommended the CSU FY 2017 budget continue to be developed on the proposed 5% resident undergraduate tuition rate increase.

CSU-Pueblo: Mr. Speicker reviewed seven changes made to the draft FY 2017 incremental E&G budget that include a reduction in the estimated revenue from eliminating tuition discounts offered above 12 credit hours and related additional financial aid; elimination of the 2% salary increase for faculty and administrative professionals; reduction of the proposed athletic fee to \$2 per credit hour; a reduction in the proposed funding amount for faculty promotions; adjustments to address an estimated \$500,500 shortfall; and elimination of proposed contingency funds. The budget continues to be forecasted on the basis of a 6% tuition increase.

Governor Zarr commented the students are considering an increase to the facility fee with no determination finalized at this point. Dr. Frank provided historical context on the internal 90-10 formula utilized to split state support between CSU and CSU-Pueblo.

When asked about declining enrollment and unprocessed applications received through the Royall & Co. campaign, Dr. Di Mare explained an additional admissions counselor was added too late to assist with processing all of the applications received and the issue of under-packaging student financial aid is being analyzed. Discussion followed on one-time non-base building salary adjustments; the internal allocation formula utilized for the state funding; budgeting for flat enrollment and the decision for no tuition increase at CSU-Pueblo two years ago; the negative \$1.8 million E&G fund balance for CSU-Pueblo; and the CSU-Pueblo bond service debt issue with proposed housing changes to be implemented. Work will continue on the CSU-Pueblo budget.

CSU-Global Campus: Mr. Warr reported there were no changes in the budget from the previous meeting and enrollment projections remain the same based on the FY 16 second quarter financial statements. The budget is a business model budget utilized to project revenues with historical cost allocations. Enrollment, cost structures and strategic initiatives will continue to be evaluated.

*FY 2016 Q2 Financial Statements*: Ms. Johnson reviewed the structure of the consolidated financial statements that includes to-date budget variances. Actual results are consistent with expectations through the second quarter and there were no major issues.

*Treasury Update*: Ms. Johnson reported Mark Gill, CSU Chief of Staff, has agreed to chair the search committee to hire the Treasurer. The search committee is ready to begin the process and is composed of representation from each of the campuses and the CSU Foundation.

The meeting was recessed for a break at 10:41 a.m. and reconvened at 10:53 a.m.

## **STRATEGIC MAPPING**

Chair Mosher asked Ms. Parsons to begin the presentation. Ms. Parsons reported progress has been made through collaboration of the three institutions and the System office to identify several opportunities for the IT systems and the integration of the Kauli Financial System. She introduced Dr. Lovell who has been hired as a consultant to work with representatives from each campus on academic initiatives and enhanced articulation agreements. Ms. Parsons explained that a team representing all three institutions was assembled to address market responsiveness that was identified at the June retreat as an area of strategic importance.

Dr. Hughes explained the presentation was intentionally developed to acknowledge the diversity of the student body with an increasing enrollment of first-generation and low-income students of color. Dr. Thayer reported students of color now comprise 21% of total enrollment at CSU; more than 20% of the first-time full-time students of color receive Pell grants; and diversity of first generation students has increased to more than 26%. The majority of future growth for high school graduates will be from historically underrepresented populations. Understanding the distinctive characteristics and experiences of diverse student groups is critical to ensure open career pathways and to prepare all students to succeed in a diverse, changing market.

Mr. Podany shared 2012-13 employment statistics and first destination data for CSU graduates; requests, learning outcomes, and experiences including experiential learning preferred by employers; employer/student perceptions on student preparedness; and factors that impact first destination success. He defined five areas of well-being and reviewed statistical data for well-being relative to university experience, engagement at work and emotional attachment to an alma mater.

Dr. Miranda provided examples of high-impact educational practices that can be developed through curricular and co-curricular experiences, and measured in terms of impact on retention, graduation and success after graduation. Improvements in high-impact educational practices can be achieved in a variety of ways including redesigning curriculum and assessment, integrating experiences, and providing mechanisms to demonstrate competencies. Undergraduate degree structure is important to student success. Dr. Miranda explained how unbundling of the college experience can occur in a variety of ways and then he reviewed the major elements of the undergraduate degree structure. Examples of high-impact activities and experiences at CSU, such as undergraduate research, internships and study abroad/Semester at Sea, were provided.

Dr. Bellum explained high-impact educational practices at CSU-Global Campus are heavily focused on the ability to bring in students from multiple levels of educational preparedness. High-impact educational practices implemented include a common introductory leadership course to help all students understand the outcomes, expectations and structure of CSU-Global courses which has improved first to third year retention. Other high-impact educational practices include the availability of supportive services; providing adaptive learning tools; completion of undergraduate and graduate capstone courses; and degree optimization through incremental career-relevant awards of completion and skills endorsements as studies are completed.

Dr. Kreminski reported high-impact educational practices at CSU-Pueblo include first-year student experience courses; experiential education that was designed by the campus for its HLC quality initiative; sustainability and service components for STEM students funded with Title V grants; internships and field work; and undergraduate research or service learning. Other high-impact educational practices at CSU-Pueblo including writing throughout all curriculum including high level math courses; capstone courses that often have oral presentation requirements; study abroad; and curriculum development with input from advisory boards, the community and businesses.

Ms. Parsons summarized that the presentation provided an opportunity to understand curriculum development with the changing student market and student demographics that are occurring at each of the three institutions, and responses to the employment market. Dr. Frank added that CSU-Global Campus by its very nature is innovative and collectively the System is trying to be responsive to the market.

Discussion followed on providing course flexibility for students; benefits of hands-on learning experiences and attainment of practical experience, i.e., laboratories, internships; development of hybrid courses with both face-to-face and online coursework; and filling educational gaps and improving degree progression by connecting traditional residential campuses with online learning. Topics also included collaboration and creating pathways for the System institutions and at the state level; the experience of an integrated four-year curriculum vs. unbundling; current availability of online courses through CSU and CSU-Pueblo; and employment gaps and advising students on future market needs.

Mr. Podany reported a pilot online learning tool called “Career Ready” with 50 career learning topics was soft-launched and 1,200 students completed the 2,600 learning milestones in the first semester. Dr. Frank recounted the implementation of the Ascend program through a Board-approved innovation grant that “enrolls” companies to help meet worker shortages.

The question was raised as to how the Board should evaluate market responsiveness in terms of the strategic plan by differentiating between assisting employers meet market demand and assisting students to be successful vs. market competition to recruit students. The topic will be readdressed at the June retreat with the intent to define metrics and goals.

The meeting was recessed for lunch at 12:07 p.m. and reconvened at 12:24 p.m.

## **CSU-GLOBAL CAMPUS REPORTS**

*Student Report:* Governor Schulze reported there were six first-time full-time students who were matched with junior or senior level students through the new mentoring program. The requirements for the mentors included attending a training to be a professional resource; contacting the mentee at least once during the term; and responding to questions throughout the term. The students enrolled in the program passed their first course with a B or better average. Feedback was participation in the program contributed to their satisfaction and increased their connection the university, and the mentors were a good resource for non-

academic matters. The participants expressed a commitment to continuing the program through their first 18 credit hours.

*Faculty Report:* Governor Deemer shared results of the 2015 Mission and Vision Faculty Survey that included questions on course design and content, achievement of course objectives, commitment to student success, and vision and mission of CSU-Global Campus. Of the 400+ faculty, 320 faculty participated in the survey with 94% to 98% responding they were very satisfied or satisfied.

*President's Report:* Dr. Takeda-Tinker indicated the summaries from the complete report filed for the February 22<sup>nd</sup> HLC reaffirmation site visit were included in the meeting materials. Governors Robbe Rhodes, Munn, Gustafson, Mosher, Schulze and Deemer will be attending a luncheon with the HLC site reviewers without any administrative personnel present, as per HLC request.

Dr. Takeda-Tinker reviewed follow-up information for the 2017-2020 CSU-Global Campus strategic plan that was presented at the December meeting to illustrate how the three goals of the university's plan fit within the overall System strategic plan. Targeted outcomes and defined activities associated with each of the goals were outlined.

## **COLORADO STATE UNIVERSITY CAMPUS REPORTS**

*Student Report:* Governor Sydoriak reported initiatives for the spring semester include creation of a Campus Safety Advisory Committee in collaboration with the CSU administration and CSU police department, and an ASCSU trip to Todos Santos during spring break with a report to be disseminated to the student body. He explained the reasons why the ASCSU will not be contributing \$6500 this year towards teaching course surveys. Language for reforming Fort Collins' U+2 ordinance has been drafted and an ASCSU diversity bill has been drafted to remove barriers and allow better access to the Senate.

Governor Gustafson commended Governor Sydoriak on the initiative for campus safety and suggested regular reports be made at the Board meetings. Dr. Frank noted there is an annual campus safety report. This new committee was a modification of the original proposal for a citizens review board for the police department and is directed towards greater involvement for identifying ways to improve campus safety.

*Faculty Report:* Governor Doherty noted his written report highlights the work of the December Faculty Council meeting. The February meeting was cancelled due to the weather and the Faculty Council Executive Committee will be meeting later this month. Twelve faculty have been selected as Global Teaching Scholars for the Semester at Sea program. Faculty have concerns on the impact of potential budget cuts on salary levels, retention, and workloads, and how the reductions will be implemented. The Faculty Council is aware of the students' issues with the course surveys and have two committees working on how to provide student feedback to faculty for course improvements and suggestions for evaluating teaching.

*President's Report:* Dr. Frank indicated the written report provides highlights in a variety of areas. He commented on the shift in funding for American higher education with universities becoming more dependent on enrollment and tuition for fiscal solidarity and sustainability. Enrollment projections for FY17 are positive with the potential of another record year in terms of total enrollment and diversity.

*Stadium Update:* Ms. Parsons reported construction is on budget and on schedule. Major RFPs including for technology have been distributed and responses are expected within approximately four weeks. The Stadium Advisory Group and Game Day Experience Committee are focused on transportation, parking and tailgating plans with input from campus and community stakeholders and recommendations will be made to the Stadium Executive Committee. Loge box sales have exceeded the pro forma.

## **CSU-PUEBLO CAMPUS REPORTS**

*Student Report:* Governor Zarr reported ASG initiatives include developing a “things to do before you graduate” list; partnering with the Forensics Team for open debates; developing new facility projects particularly around the residence halls; and planning a Fiesta with Faculty event. During the winter break, Governor Zarr participated in presentations to the Information Technology Board at the state capitol to request more funding. Other activities include developing an Ask for Help campaign and a higher education funding awareness campaign. The annual spring student concert held recently had a record turnout.

*Faculty Report:* Governor Mincic commented on the importance of having more full-time tenured and tenure-track faculty to ensure there is buy-in to accomplish all of the additional duties in order to move the institution forward. Dr. Kreminski explained the number of tenured faculty has decreased by 10% between 2012 and 2014. There are searches underway to replace some of the visiting faculty with tenure-track faculty.

*President’s Report:* Dr. Di Mare reported efforts for the Center for Securities Studies and the Cannabis Institute have moved forward in the past month. She thanked Dr. Orscheln and highlighted accomplishments at the university achieved during his tenure. Dr. Orscheln expressed appreciation for the opportunity to serve CSU-Pueblo and the CSU System.

## **CHANCELLOR’S REPORT**

*Todos Santos:* Dr. Frank asked Governor Doherty to report on Todos Santos activities. Governor Doherty explained how high impact practices lead to mastery of learning objectives, increased retention and graduation rates, and experiential learning. Immersive field experiences and education abroad provide maximum opportunities for effective high impact learning. CSU has made a commitment to increase annually the number of students with international experience by graduation from 17% to 23% by 2020.

There are a limited number of STEM education abroad experiences for both students and faculty. Participation in such programs through the Dept. of Fish, Wildlife and Conservation Biology (FWCB) has doubled from 2013 to 2014 and is expected to continue to increase. In addition to experiential learning, immersive field experiences and education abroad, the Todos Santos programs provide opportunities to compare and contrast with ecosystems not found in Colorado and conservation practices.

With the Todos Santos initiative, a FW 382 course was developed for two weeks over winter break. The first year there were 18 students which exceeded the expectation of 15 students; this year there were 16 which exceeded the anticipated number of 10 students. In addition to FW 382, the FWCB 10-weeks semester program for 16 credits was implemented in January 2016 with 15 students. The program is being taught by six CSU faculty with guest lectures and research involvement by Baja California Sur scientists. During the first two weeks of January, approximately 5% of FWCB undergraduates and a third of the faculty were participating in the two programs.

Governor Doherty commented on the controversies including environmental impact; sustainability and affordability challenges for continuation of the FWCB Todos Santos programs; and the extensive efforts made to educate and prepare students for potential risks. Governor Doherty concluded his report by acknowledging the various departments and other partners who have collaborated on the Todos Santos Center.

When asked about the Todos Santos controversies, Dr. Frank commented on the opposition to the broader development and the pressure to compromise the developer and the project. Dr. Frank commended

Governor Doherty and the other faculty for their assistance to a student who is a veteran that had a health issue while at Todos Santos to ensure she was transported to a VA hospital.

*National Western Center (NWC):* Ms. Parsons pointed out the NWC newsletter that was included as an addendum to the meeting materials. There was great attendance at the National Western Stock Show (NWSS) on CSU Day. CSU participated in several significant NWSS events and jointly with the City and County of Denver had a booth in Exposition Hall to present NWC information. On January 22<sup>nd</sup>, CSU hosted a Legislators Day at the NWSS. A new NWC office has been created and the Denver City Council is moving forward with the first bond issuance for the NWC and the convention center. The City will be hosting a day-long retreat where RFPs for program and project managers will be reviewed. Plans for the CSU Water Center continue to be developed with the expectation of presenting a program plan to the Board this spring.

*Legislative Update:* Ms. Parsons commented on the focus of the federal delegation on the Fiscal 2017 appropriations with President Obama to submit his final budget the following week. A new task force focused on curing cancer is being created and CSU is poised to apply for any new federal grants for cancer research. The Higher Education Reauthorization Act will be up for renewal and could have an effect on financial aid and other areas such as online education.

Dr. Frank commented that, on the state level, there continues to be discussions on the hospital provider fee and overall issues are more polarized this session due to the presidential election. Confirmation hearings for Governor-Appointee Singleton and the reappointments of Governors Mosher and Munn will be scheduled in the near future. The CSU System continues to track legislation with engagement of the System legislative team, campus leadership and the Office of General Counsel, and to reply to fiscal notes. Ms. Parsons noted the bill for a liquor license exemption for the fermentation program has passed the House. A bill defining tuition status for unaccompanied homeless youth for in-state tuition continues to be tracked.

## **CONSENT AGENDA**

Chair Mosher reviewed the items to be approved on the consent agenda. **Motion/Action:** Governor Munn moved to approve; Governor Gustafson seconded; and the motion carried unanimously.

## **BOARD MEETING EVALUATION**

Chair Mosher reminded the Board that the next meeting is scheduled for May 5-6 at CSU and thanked CSU-Global Campus for hosting the meeting. With no further business to come before the Board, the meeting was adjourned at 1:47 p.m.

**BOARD OF GOVERNORS OF THE  
COLORADO STATE UNIVERSITY SYSTEM  
EXECUTIVE COMMITTEE OF THE BOARD OF GOVERNORS MEETING  
Via Conference Call  
April 28, 2016**

**CALL TO ORDER**

Chair Mosher called the meeting via conference call to order at 9:01 a.m.

**ROLL**

**Governors present:** William Mosher, Chair; D. Rico Munn, Vice Chair; Scott Johnson, Secretary; Nancy Tuor, Treasurer; Jane Robbe Rhodes, At-Large Member; Joseph Zimlich

**Administrators present:** Tony Frank, Chancellor, CSU System, and President, CSU; Amy Parsons, Executive Vice Chancellor, CSU System; Jason Johnson, Deputy General Counsel, CSU System

**System Staff present:** Sharon Teufel, Executive Assistant to the General Counsel

Chair Mosher convened the meeting and an oral roll call was conducted. He explained the purpose of the meeting was to consider two naming proposals for Colorado State University that were time-sensitive.

**EXECUTIVE SESSION**

Deputy General Counsel Johnson read the meeting into executive session for the purposes of consideration of proposals for the naming of any building for a person or persons and to receive legal advice, all confidential as set forth in the meeting notice. **Motion/Action:** Governor Robbe Rhodes moved to convene in executive session. The motion was seconded and carried unanimously. The meeting convened in executive at 9:04 a.m. and reconvened in open session at 9:10 a.m.

**OPEN SESSION**

Chair Mosher asked for a motion to approve the first naming resolution discussed in the executive session. Deputy General Counsel Johnson read the motion to approve the naming in recognition of a gift for the Alumni Center within the Colorado State University Alumni Association. **Motion/Action:** Governor Munn moved to approve, Governor Tuor seconded, and the motion carried unanimously.

Chair Mosher asked for a motion to approve the second naming resolution. Deputy General Counsel Johnson read the motion to approve the naming in recognition of a gift for the Natural Resources Building expansion within the Warner College of Natural Resources. **Motion/Action:** Governor Tuor moved to approve, Governor Robbe Rhodes seconded, and the motion carried unanimously.

Dr. Frank indicated a press release would be issued announcing the naming gifts. Chair Mosher noted the actions of the Executive Committee would be reconfirmed at the upcoming May Board meeting. With no further business to conduct, the meeting was adjourned at 9:12 a.m.