

**BOARD OF GOVERNORS OF THE
COLORADO STATE UNIVERSITY SYSTEM MEETING
Colorado State University-Global Campus, Greenwood Village
August 1, 2017**

CALL TO ORDER

Vice Chair Tuor called the meeting to order at 8:32 a.m.

ROLL

Governors present: D. Rico Munn, Chair; Nancy Tuor, Vice Chair; Jane Robbe Rhodes, Treasurer; Dennis Flores; Mark Gustafson; William Mosher; Dean Singleton; Jake Harmon, Student Representative, CSU-Pueblo; Keith Knies, Student Representative, CSU-Global Campus; Margarita Lenk, Faculty Representative, CSU; Josh Silva, Student Representative, CSU; David Volk, Faculty Representative, CSU-Pueblo; Tony Vrba, Faculty Representative, CSU-Global Campus

Administrators present: Tony Frank, Chancellor, CSU System, and President, CSU; Amy Parsons, Executive Vice Chancellor, CSU System; Timothy Mottet, President, CSU-Pueblo; Becky Takeda-Tinker, President, CSU-Global Campus; Jason Johnson, General Counsel, 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; Susy Serrano, Director of Internal Auditing, CSU System

System Staff present: Melanie Geary, Executive Assistant; Wayne Hall, IT Technician; Allen Sneesby, IT Technician; Sharon Teufel, Executive Assistant to the General Counsel

Guests present: Lszusa Balogh, Ace Fellow, CSU; Jon Bellum, Provost and Executive Vice President, CSU-Global Campus; Anne Cleary, Psychology Professor, CSU; Johnna Doyle, Deputy General Counsel, CSU-Pueblo; Kathleen Henry, President/CEO, CSURF; Christin Holliday, Vice President, Enrollment Management and Student Affairs, CSU-Pueblo; Mike Hooker, Director, Public Relations, CSU; Blanche Hughes, Vice President of Student Affairs, CSU; Rick Kreminski, Provost and Executive Vice President for Academic Affairs, CSU-Pueblo; Cheryl Lovell, CSU System; Tom Milligan, Vice President for External Relations, CSU; Barry Smith, Faculty, CSU-Global Campus; Karl Spiecker, Vice President for Finance and Administration, CSU-Pueblo

Vice Chair Tuor reported that Chair Munn and Governor Mosher would be joining the meeting shortly.

EVALUATION COMMITTEE

Vice Chair Tuor convened the committee meeting and asked for a motion to move into executive session. **Motion/Action:** Governor Flores made the motion; Governor Robbe Rhodes seconded; and the motion carried unanimously. General Counsel Johnson read the meeting into executive session for the purposes of discussing and evaluating public staff and to receive legal advice, confidential pursuant to statute as set forth in the meeting notice. The meeting convened in executive session at 8:33 a.m. and reconvened in open public session at 12:30 p.m.

The meeting recessed for lunch with the CSU-Global Campus Advisory Council. Chair Munn called the regular business meeting to order at 1:33 p.m. and reviewed the agenda.

PUBLIC COMMENT

Chair Munn confirmed that no one had signed in to address the Board.

BOARD CHAIR'S AGENDA

General Counsel Johnson administered the oath of office for Governor Harmon.

FY 2017-18 Meeting Calendar: Chair Munn reported there was a change in the meeting calendar with the June 2018 retreat to be held May 31st-June 1st at the C Lazy U Ranch.

CSU Foundation/Board Dinner: At the request of the Chair, Dr. Takeda-Tinker provided background on the CSU System Foundation Board and the creation of Beyond Campus Inc. to provide outsource services for education.

Undergraduate Excellence in Teaching Award: Chair Munn explained the award was established by the Board to honor excellence in undergraduate teaching at each of the three campuses. Dr. Bellum then introduced Dr. Smith, the CSU-Global Campus recipient. Chair Munn presented the award to Dr. Smith who expressed his appreciation for the honor.

ACADEMIC AND STUDENT AFFAIRS COMMITTEE

Committee Chair Flores convened the meeting and reviewed the agenda. He then asked Dr. Miranda for his report.

Approval of Degree Candidates: Dr. Miranda recalled that several years ago the Board began granting annual blanket approval of degree candidates in August due to the frequency of conferring degrees for CSU-Global Campus. **Motion/Action:** The motion for approval of Colorado State University degree candidates who satisfy their academic requirements during AY 2017-18 was made, seconded and carried unanimously. **Motion/Action:** The motion for approval of CSU-Pueblo degree candidates for AY 2017-18 was made, seconded and carried unanimously. **Motion/Action:** Governor Gustafson moved to approve the degree candidates for CSU-Global Campus for AY 2017-18. Governor Singleton seconded and the motion carried unanimously.

AY 2016-17 Degrees Awarded: In conjunction with the policy change for annual approval of degree candidates, annual reports on the number of degrees conferred the prior year are presented. Dr. Miranda reviewed the statistics for each of the three campuses with comparisons to prior years.

Approval of Program Review Schedules: Dr. Miranda reported that annually the Board grants approval of program review schedules and approximately half of the degree programs in the CSU College of Liberal Arts will be reviewed during AY 2017-18. **Motion/Action:** Governor Singleton moved to approve; Governor Mosher seconded; and the motion carried unanimously. There are eight academic programs at CSU-Pueblo that will be reviewed in AY 2017-18 and the program review calendar through AY 2022-23 was provided. **Motion/Action:** Governor Singleton moved to approve the program review schedule; Governor Gustafson seconded; and the motion carried unanimously.

Annual Faculty Activity Reports: Every August reports are presented on faculty activity for the prior year that include annual performance reviews, promotions, tenure, and post-tenure reviews.

Colorado State University: The written report provided an overview of the comprehensive hiring process that includes competitive national searches. There is an annual review and appointment process for faculty who are on regular appointments that have not yet acquired tenure. All tenured faculty undergo a

post-tenure comprehensive review every five years unless the review is delayed. For tenured faculty whose performance scores are below expectations, there is a process to create a professional development plan with a tracking mechanism to restore faculty to expected productivity levels. Data was provided on the 1,170 tenured and tenure-track faculty who underwent annual reviews in 2016; the tenure and promotion activity; the comprehensive review summary with four professional development plans implemented; and an eight-year comprehensive review summary.

Dr. Miranda reviewed the faculty undergraduate and graduate workload analysis with comparisons to peers. Faculty demographics reflect a historical level for the number of women faculty and progress has been made for minority faculty. He commented on the faculty compensation comparisons through data sets from IPEDS, AAUP and CUPA with CSU rankings generally in the 90% to 97% range. A separate promotion and tenure report was provided for actions taken for 75 candidates with no denials.

CSU-Pueblo: The report format is similar to CSU's and includes the hiring process, annual reviews and statistics, reappointment process, tenure and promotion statistics with three actions in 2016-17, and fourteen post-tenure reviews in 2016-17 with no management plans. The three-year workload activity data reflects stable student/faculty ratios and extraordinary grant levels for the past several years. Compensation compared to peers and demographics were provided. All peer comparisons were extracted from IPEDS and next year the CUPA methodology which provides comparisons in each discipline will also be utilized.

CSU-Global Campus: The report utilizes IPEDS data and diverges in format from the other campuses due to differences as a fully online campus. Statistics were provided on the number of faculty by program, demographics, and five years of workload analysis which illustrates a steady increase. Comparisons of faculty salaries reflect an 88% average of the peer median and the formal peer group will be reviewed during the coming year to ensure alignment.

Science of Learning Presentation: Dr. Miranda reminded the Board that, based on the June retreat discussions, there will be a series of presentations on how students learn that will include both academic and co-curricular matters. He introduced Dr. Cleary who is an expert in memory issues and is very active in the science of learning.

Dr. Cleary remarked that the science of learning is a broad field and the presentation focused on learning as it pertains to students in higher education settings in order to provide skills to be good self-learners in college and beyond. She explained the pervasive disconnect between impressions and factors that assist with learning and the obstacles to overcome intuition or erroneous beliefs. Examples of learning styles and brain games for distributed learning vs. massing, restudying vs. testing and fluency/accessibility were provided to illustrate this disconnect.

Dr. Cleary reviewed the goals of a science of learning class, PSY 152, and the survey conclusions that indicate the course is successful in changing perceptions and providing techniques to assist learning. Future directions include reaching more students and instructors; working cooperatively with other faculty, on-campus groups and other universities to optimize student learning and outcomes; and developing new research projects. Conversation followed on memory vs. learning, faculty incentives and release times for research, research-infused teaching, and changing student and institutional habits.

CSU-PUEBLO CAMPUS REPORTS

Student Report: Governor Harmon reported upcoming events include Discover Downtown; the opening of Thunder Village with a ribbon-cutting ceremony; and an ASG retreat. Projects to be undertaken include a survey to gather information to help with retention and enrollment rates; a new parking project

to provide special parking for veteran students who received a Purple Heart; and the creation of an orchard through a \$5,000 grant with a remembrance plaque that will provide a tranquil place on campus.

Faculty Report: Governor Volk explained the written report outlines both short and long-term goals for the coming year paired with questions for the Board's consideration. He reflected on the continuing challenges and distinct mission of CSU-Pueblo. Governor Volk extended an invitation to attend the August 26-27 performances of an opera he had written which was a personal life goal.

President's Report: Dr. Mottet indicated the written report outlined university accomplishments during the past several months. During his first month of service, three leadership councils have been established to create a higher level of governance. Work has begun to identify performance metrics on enrollment, retention, graduation and placement of graduates as well as student engagement and employee satisfaction.

Priorities identified that will be validated and mapped to strategic planning initiatives are 1) improving performance metrics; 2) designing a differentiated vision for the university; 3) addressing compensation concerns; 4) enhancing financial stability; 5) creating opportunities for staff development; 6) appropriately marketing and positioning the university; and 7) maximizing organizational efficiencies. A university leadership team retreat with 25 attendees was held to begin addressing the priorities and enhancing leadership competencies. Dr. Mottet offered a convocation message on August 14th to outline initiatives and a pathway forward.

The meeting recessed for a break at 3:35 p.m. and reconvened at 3:48 p.m.

REAL ESTATE/FACILITIES COMMITTEE

Committee Chair Mosher indicated there was an action item related to the revised program plan for the CSU Water Resources Center at the National Western Center (NWC). Ms. Parsons explained the original program plan approved in May 2016 has been expanded with programmatic updates and the acquisition of land parcels for the three CSU NWC projects at an estimated cost of \$27.7 million that includes services to make the sites ready for construction. The full program plan developed in conjunction with Denver Water is available online. Board approval is required to submit the amended program plan to the CCHE and move it forward through the legislative process required by HB 1344 for certificates of participation to fund the NWC projects. **Motion/Action:** Governor Tuor moved to approve; Governor Singleton seconded; and the motion was carried unanimously. The NWC framework agreement is in process and will be finalized.

Committee Chair Mosher reported there was a CSU naming matter to be discussed in executive session and then approved in open session.

EXECUTIVE SESSION

Chair Munn asked for a motion to convene in executive session. **Motion/Action:** Vice Chair Tuor made the motion; Governor Singleton seconded; and the motion carried unanimously. General Counsel Johnson read the meeting into executive session for the purposes of discussing the purchase or sale of property and to receive the litigation report and legal advice, all confidential pursuant to statute as set forth in the meeting notice. The meeting convened in executive session at 3:49 p.m. Vice Chair Tuor assumed leadership when Chair Munn recused himself during the portion of executive session that related to CSU-Global Campus. The meeting adjourned for the day at 4:45 p.m.

**BOARD OF GOVERNORS OF THE
COLORADO STATE UNIVERSITY SYSTEM MEETING
Colorado State University-Global Campus, Greenwood Village
August 2, 2017**

CALL TO ORDER

Chair Munn called the meeting to order at 8:32 a.m.

ROLL

Governors present: D. Rico Munn, Chair; Nancy Tuor, Vice Chair; Jane Robbe Rhodes, Treasurer; Dennis Flores; Kim Jordan; William Mosher; Dean Singleton; Jake Harmon, Student Representative, CSU-Pueblo; Keith Knies, Student Representative, CSU-Global Campus; Margarita Lenk, Faculty Representative, CSU; Josh Silva, Student Representative, CSU; David Volk, Faculty Representative, CSU-Pueblo; Tony Vrba, Faculty Representative, CSU-Global Campus

Administrators present: Tony Frank, Chancellor, CSU System, and President, CSU; Amy Parsons, Executive Vice Chancellor, CSU System; Timothy Mottet, President, CSU-Pueblo; Becky Takeda-Tinker, President, CSU-Global Campus; Jason Johnson, General Counsel, 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; Susy Serrano, Director of Internal Auditing, CSU System

System Staff present: Melanie Geary, Executive Assistant; Wayne Hall, IT Technician; Allen Sneesby, IT Technician; Sharon Teufel, Executive Assistant to the General Counsel

Guests present: Jon Bellum Provost and Executive Vice President, CSU-Global Campus; Lisa Cooper, Student, CSU-Global Campus; Rebecca Chopp, Chancellor, University of Denver; Johnna Doyle, Deputy General Counsel, CSU-Pueblo; Joe Folda, Athletic Director, CSU-Pueblo; Kathleen Henry, President/CEO, CSURF; Margaret Henry, Treasurer, CSU System; Christin Holliday, Vice President, Enrollment Management and Student Affairs, CSU-Pueblo; Mike Hooker, Director, Public Relations, CSU; Anne Hudgens, Executive Director, Health Network, CSU; Blanche Hughes, Vice President of Student Affairs, CSU; Susan James, Professor and member, PCWGE, CSU; Rick Kreminski, Provost and Executive Vice President for Academic Affairs, CSU-Pueblo; Cheryl Lovell, CSU System; Kelly Lyell, Reporter, Coloradoan; Rebecca Lynch, Student, CSU-Global Campus; Tom Milligan, Vice President for External Relations, CSU; Kerry Mitchell, Faculty, CSU-Global Campus; Joe Parker, Athletic Director, CSU; Karli Peterson, Faculty, CSU-Global Campus; Barry Smith, Faculty, CSU-Global Campus; Karl Spiecker, Vice President for Finance and Administration, CSU-Pueblo; Michael Stanton, Student, CSU-Global Campus; Jason Warr, Associate Vice President of Finance and Compliance, CSU-Global Campus

Chair Munn convened the meeting and reviewed the agenda.

STRATEGIC MAPPING

Ms. Parsons reviewed the mission, three strategies, work areas and outcomes in the revised CSU System strategic map that incorporated the discussion at the June retreat. The institutional strategic plans that will feed into and support the strategic map will be presented during the coming year as follows: October, CSU; December, CSU-Global Campus; and February, CSU-Pueblo.

Dr. Miranda reported the first CSU FutureLearn course titled “Water Scarcity: Crisis and Response” went live two weeks ago and a second course with the working title of “Water for People: Gender, Human Rights and Diplomacy” to address the social justice aspect of water issues is in process. The courses are to be marketed jointly with FutureLearn and are non-credit, mini-MOOC courses.

Ms. Parsons reported work area progress includes a recent meeting on the integration of IT systems across all three institutions in areas such as student and HR systems. Ways to increase engagement opportunities for the campuses are being explored and include apprising CSU-Pueblo of the National Western Center (NWC) projects.

CSU-GLOBAL CAMPUS REPORTS

Faculty Report: Governor Vrba offered to answer questions on the written report. Faculty members Drs. Smith, Peterson and Mitchell then shared their personal experiences of working at CSU-Global Campus.

Student Report: Governor Knies indicated his written report included his personal story of how CSU-Global Campus is helping him to achieve his American dream. Ms. Cooper, Mr. Stanton and Ms. Lynch shared their personal learning experiences at CSU-Global Campus. Governor Knies shared data from the CSU-Global Campus Outreach Advocates Program: 75% of all post-secondary students are non-traditional students; nearly one-third of all CSU-Global Campus students are from underserved populations; and over 40% of the students are first generation. In response to a question, each presenter explained how they were introduced to the structure of online learning.

President’s Report: Dr. Takeda-Tinker recalled how the Board approved the \$12 million loan to create CSU-Global Campus ten years ago. Positive contributions the university has made to Colorado and the nation include:

- CSU-Global Campus has graduated over 10,000 students and currently serves over 18,000 students in every US state and territory, and 55 countries.
- Over 19,000 Colorado students have either graduated or are actively taking classes, and students and alumni are in 63 out of 64 counties in Colorado. Over 445,000 credits have been provided that has saved the state millions in COF.
- Nearly 700,000 semester credits have been transferred towards bachelor’s degrees for Colorado students. Student success is facilitated through dual enrollment, IB and AP credit for more than double the established rate at about 69% vs. the industry average of 27%.
- The economic benefits for students based on a third-party commissioned study totals \$160 million in Colorado and \$394 million nationally. The tax benefit in higher tax revenue is \$81 million for Colorado and \$335 million nationally. Social benefits through improved health, lower crime and unemployment savings equate to \$791 million in Colorado and \$1.2 billion nationally.
- Total positive economic impact is \$1 billion for Colorado and \$1.97 billion nationally.
- CSU-Global Campus is partners with the Colorado Work Force, other education advancement initiatives, the Colorado Community College system, 250 Colorado businesses and military bases, and over 500 military bases across the country.
- Based on Equifax data, five years after graduation CSU-Global Campus bachelor degree students are making an average salary of \$79,000 vs. the national average of \$59,000, and master degree alumni earn \$93,000 vs. the national average of \$69,000.
- CSU-Global Campus provides high quality, affordable education with guaranteed tuition for students that maintain active status. There are no student fees; free tuition planning is provided; live tutoring and tech support, access to the Career Center and library resources are available 24/7; and every course is offered every month in eight-week terms. Average class size for undergraduates is thirteen and nine for graduate students.

- The university also offers competency-based and prior learning programs and internships integrated into apprenticeship programs for college credit.
- Of the highly educated faculty, 86% have terminal degrees and 93% have work experience in areas of their doctorates.
- The newest expansion is serving freshmen in all states except Colorado and freshmen 1st to 3rd term retention over six trimesters is 78.8%

A handout was provided on recent online college rankings. CSU-Global ranked #1 in the 2017 Military Advanced Education & Transition Guide; #15 for 2016 Best Online Bachelor Degree Programs, U.S. News and World Report; and #3 Top 50 Best Value for online graduate schools for 2017, Value Colleges.

When asked about major changes over the past ten years, Dr. Takeda-Tinker responded on the demographical changes, behaviors and types of support as the student population has shifted from Baby Boomers to the Gen Z. When asked about what might have been done differently, Dr. Takeda-Tinker responded “running more live experiments since that is the key to the future.”

ATHLETIC REPORTS

Colorado State University: Mr. Parker commented on the positive, productive year in 2016 for intercollegiate athletes at CSU. Under academic performance, he reviewed the student-athlete graduation rates with CSU second in the Mountain West (MW); graduation rates compared to peers; the Academic Progress Rate with ten of sixteen sports scoring a perfect 1000 score; team GPAs with the second highest cumulative GPA on record; and school records with 152 student-athletes earning academic all-MW recognition for 3.0+ GPAs and 90 MW scholar-athlete awards for 3.5+ GPA. Athletic performance achievements included several coaching milestones; three MW championships; ten NCAA postseason competitions and thirteen programs in postseason events; the third-best combined winning percentage in the nation for four revenue-producing sports; and several individual honors in men’s track and field.

Mr. Parker reviewed the expenditures and revenues in the 2016-17 financial report with a balanced budget. He remarked on the enthusiasm for the new stadium with season ticket sales having almost reached the goal of 15,000. Dr. Frank commented on the positive return on the net university investment. He explained the distribution for financial aid that is paid back to the university as scholarship revenue and noted projections for the stadium have exceeded the highest financial model.

CSU-Pueblo: Mr. Folda reviewed highlights of the 2016 academic performance that included the overall student-athlete GPA was 3.06; 120 student-athletes earned academic all-RMAC recognition; four individuals earned all-American recognition; and one individual earned an NCAA Elite 90 award for the second time. The 47% federal graduation rate is above the overall student population and the average team GPA was 3.0. There is a new student academic success coordinator that will be assisting with tracking student-athlete success.

Athletic performance highlights included the football team won the RMAC conference championship for the 5th time in the past six years; the women’s soccer team participated in NCAA tournament for the first time in school history; the women’s basketball team finished the season with a record 28 wins and hosted the NCAA South Central Region tournament; the men’s wrestling team won the RMAC championship; and both the men’s and women’s track and field teams participated in post-season NCAA events. The new strength and conditioning facility was completed; the training room and first floor in the field house were revitalized with funds raised by the Friends of Football; and there are new lights in Massari Arena. Through collaboration within the CSU System, there is new turf at the ThunderBowl and the video board was replaced with the one from the now defunct Hughes Stadium.

The meeting recessed for a break at 10:10 a.m. and reconvened at 10:28 a.m.

AUDIT AND FINANCE COMMITTEE

Committee Chair Robbe Rhodes convened the meeting and asked Ms. Serrano to begin the audit report.

Status of FY 2017-18 Audit Plan: Ms. Serrano reviewed the four audits in progress: CSU IT Disaster Preparedness; CSU Management of Financial Commitments; CSU-Pueblo Office of International Programs; and an Internal Audit Quality Assurance Review. The CSU IT Data Centers audit evolved into a consolidation project with the IT audit manager participating through a subcommittee and the audit has now been closed. Dr. Frank commented on the importance of the financial commitment audit that includes the faculty start-up packages.

Audit Reports and Recommendations: Ms. Serrano summarized the recommendations in the four audit reports that were issued since the last Board meeting. The recommendation for the CSU-Global Campus Financial Reporting Controls audit has been implemented and the audit is closed. Five of the six compliance recommendations for the CSU Athletics audit in the areas of financial aid administration, playing and practice seasons, and travel have been implemented. The audit of CSU's hiring process focused largely on the talent management software program and the recommendation to improve user friendliness is being evaluated by Human Resources. There was one recommendation to improve controls related to risk assessment for the CSU Office of Sponsored Programs.

Past Due Audit Recommendations: Currently there are six overdue recommendations at CSU-Pueblo and one at CSU. Each unit has been contacted and progress is being made towards implementation.

Higher Education Funding and Model Update: Ms. Johnson explained how the 2% budget reduction required by SB 17-267 for all principle departments in the State's general fund could potentially impact tuition revenue. Budget scenarios to be brought forward beginning with the October meeting will reflect the anticipated 2% revenue reduction to the funding that is allocated through the Long Bill. The DHE has started the cost driver analysis and potentially there may be adjustments in the funding model related to remediation, first generation students, and other areas.

Based upon the June economic forecast, the state's general fund revenues are expected to moderately grow at a projected 6.1% rate. With SB 17-267 and the removal of the hospital provider fee from under TABOR, the overall TABOR cap has been reduced by \$200 million. There is uncertainty on the federal budget which could also have budget implications for higher education, particularly in research activities if there are reductions in the facilities and administrative recovery limits related to federal grants.

FY 19 Campus Incremental E&G Budget Presentations: Through data extrapolated from the annual CSU financial accountability report that is developed from the audited financial statements, Dr. Frank commented on the cost shifting that has occurred with reductions in state support. He reviewed the revenue and expenses of the overall \$1.2 billion budget that includes restricted funds through research grants and foundation philanthropic funds. The \$25+ million incremental E&G budget, a relatively small amount of the overall campus budget, includes student tuition and state support and is critical to the overall teaching mission with the related institutional support and quality investments. Employee compensation, financial aid and academic incentive funding account for approximately 84% of the previous year's E&G budget with the remainder for mandatory expenditures.

Colorado State University: Ms. Johnson explained the academic incentive funding is driven by enrollment growth and is directed to the academic units to provide the necessary resources to support the growth. The FY 19 E&G budget has been drafted on a 2.8% inflationary adjusted basis and flat enrollment for the

initial discussions. She reviewed the new revenue resources with a 2.8% increase in all tuition categories except the PVM program at 7%; a 2% reduction in state funding, excluding tuition, through SB 17-267; and, under expenses, a 2.8% increase for staff compensation, resulting in a net deficit of \$9.6 million. No adjustments for multi-year investments and quality enhancements were included in the draft inflationary adjusted budget.

Colorado State University-Pueblo: Mr. Spiecker explained the inflationary adjusted budget was prepared similarly to CSU's draft budget and includes the potential 2% state funding reduction. He reviewed new resources, financial aid and new expenses with a 2.8% increase in staff compensation, resulting in a net deficit of approximately \$1.7 million. Discussion followed on budgeting for flat enrollment instead of declining enrollment at CSU-Pueblo, and consistent and comparable budget formatting across the CSU System.

CSU-Global Campus: Mr. Warr reported CSU-Global Campus utilizes a different budget approach due to monthly enrollments with a mix of new and continuing students and monthly metrics to track progress. He reviewed the assumptions in the draft FY 19 E&G budget for new resources and expenditures with a target of 11,025 new students; a graduate to undergraduate ratio of 31%-69%; and a net of \$3.3 million in new resources. Adjustments with the dynamic enrollment will be made as necessary. Dr. Takeda-Tinker explained expenditures are slightly higher with increased faculty and leadership costs, and the net overall operating income should be at 33% this current fiscal year compared to last year's target of 34%.

Dr. Frank reiterated that these draft budgets are the first for FY 19 to begin the annual budgeting process. The budgets will be updated and presented at all upcoming Audit and Finance Committee meetings.

Approval of Institutional Plans for Student Fees: Ms. Johnson explained both CSU and CSU-Pueblo are required on an annual basis to submit to the DHE institutional plans for student fees that are developed in conjunction with student leadership and the student fee review boards. For CSU, there are a few editorial and formatting modifications. For CSU-Pueblo, the most significant change is to increase the number of student representatives on the student fee review board from six to ten. **Motion/Action:** Governor Mosher moved to approve; Governor Flores seconded; and the motion carried unanimously.

Update on CSU System Treasury: Ms. Henry reported an investment advisory committee has been formed with four community members and Governor Robbe Rhodes serving as the Board member. The first committee meeting will be held on August 15th and the agenda will be to review the draft investment policy, the committee charter and an RFP to search for an investment advisor. The funds are currently invested with the state treasury and, excluding bond proceed funds, the total for the new CSU System treasury approximates \$600 million. Ms. Johnson explained there will be three liquidity tiers for long-term, mid-term and operating capital. Dr. Frank commented on the potential to improve return on investments.

Variable Rate Debt Management: Ms. Henry recalled that there was \$66 million in variable rate debt issued within the total \$235 million bond issuance for the new CSU stadium. A committee was formed to continually monitor the variable rate which has increased and the related potential impact on the stadium pro forma. Options are being considered to "fix-out" the variable rate which involves the inclusion of a swap contract. A swap contract would require due diligence by the Board due to SEC requirements for training on the associated risks that would need to be conducted by North Slope Capital, the System's Financial Advisor. Another requirement is to have a derivative/swap policy; the current Board derivative policy has been reviewed by bond counsel and North Slope Capital, and deemed to be adequate.

Ms. Henry clarified the action would be a contract, not a refunding, and the existing variable rate private placement bond would remain intact. She also clarified that North Slope Capital would only be an advisor

to find an independent third party. Annual charges for the swap contract and service fees for the variable debt would be calculated into the pro forma and there are ways to mitigate risks associated with a swap contract. The term for the variable rate debt is amortized at 40 years along with the other debt associated with the stadium. The due diligence will continue with an update and potential training at the October meeting.

12th Supplemental Resolution: Ms. Henry listed the projects that were to be funded through the approval of the 11th Supplemental Resolution in October 2016. Also included within that resolution was approval of short-term bridge financing to cover construction costs as pledge payments are received. The option of utilizing a commercial paper program is being pursued but the process will not be completed within the stipulated twelve months. Accordingly, the 12th Supplemental Resolution is being brought forward to extend the approval. **Motion/Action:** Governor Flores moved to approve; Governor Mosher seconded; and the motion carried unanimously.

Approval of Five-Year State Capital Construction Plan: Ms. Johnson explained the five-year capital construction plan approved in May 2017 has been revised to include the land and updates on the CSU Water Center at the NWC. Another modification is the refinement on the overall costs for the renovation of the CSU Shepardson building. **Motion/Action:** Governor Mosher moved to approve; Governor Singleton seconded; and the motion carried unanimously.

CHANCELLOR'S REPORT

Dr. Frank indicated the written report would stand as submitted.

National Western Center: Ms. Parsons reported work continues on finalizing the framework agreement and the CSU Water Resources program plan. As part of HB 1344, the annual progress report to the Governor was due the previous week. In addition to participating in numerous committees, internally CSU is organizing around the NWC programming and there are numerous upcoming events in September that include the Ag Innovation Summit, the Ag Day football game and a plenary session at the Biennials of the Americas. In April 2018, there will be a water symposium.

The meeting recessed for lunch at 12:17 p.m. and reconvened at 1:00 p.m.

WOMEN'S INITIATIVE

Chair Munn reconvened the meeting after lunch and asked Dr. Frank to begin the presentation. Dr. Frank recalled his challenge to the campus a few years ago to make CSU the best higher education institution for women to work and learn. Previously, under President Yates, a President's Commission on Women and Gender Equity (PCWGE) was created and a subcommittee chaired by Dr. Ellen Fisher, the Standing Committee on the Status of Women Faculty (SCSWF), has more recently been established. Other activities are occurring under the direction of the Director of the Women's Initiatives with collaborations across the campus. Salary equity studies have been undertaken and there are external groups that have been providing input. Dr. Frank introduced Dr. James, a member of the PCWGE, and Dr. Chopp, co-chair of the President's External Advisory Council on the Status of Women.

Dr. James provided an overview of the mission and work of the PCWGE and the SCSWF to address the challenges for women faculty. Activities include campus-wide climate surveys; policy review and development, such as new bullying and parental leave policies; a women faculty qualitative research project with published results; and the creation of the President's External Advisory Council.

Dr. James reviewed major findings based on the survey data, such as gender-based inequities and bias, disproportionate service loads; recommendations for accountability, consistency and transparency; and the work to be addressed moving forward. The complete list of recommendations is available on the website. An invitation was extended to attend the 20th anniversary celebration of the PCWGE on October 3, 2017.

Dr. Chopp commended Dr. Frank for creating the external commission and listed the members of the committee. She reflected on the opportunity to discuss equity in the workforce and the need for higher education to be a leader in addressing inequities. Research shows diverse teams are more productive and, conversely, there is still a discrepancy in recruiting, promoting and retaining women faculty. To move forward proactively, recommendations include develop clear strategic goals and objectives with metrics and an implementation plan; training; policy review to create consistency; internal climate transformation and utilization of male champions; and diversify senior leadership.

CHANCELLOR'S REPORT (*continued*)

Student Health Insurance Presentation: Ms. Hudgens explained that most large colleges and universities aspire to offer health insurance. CSU has offered health insurance plans since 1964 and has required international students to carry health insurance since 1968. The university works to find the right balance between making students have health insurance by offering a plan that is less expensive than the insurance marketplace but also honoring existing coverage for students that are covered on family plans until age 26. There is a variety of students who enroll in the CSU plan including those who are lower income as well as older, nontraditional or graduate students who are often international students.

Ms. Holliday reported the standards for regional comprehensive institutions are different. CSU-Pueblo ended its health insurance plans in spring of 2013 when enrollment dropped by double digits and the costs increased significantly for both the university and students. Most of the students have coverage either through family plans or are working adults with their own coverage. There are also students who are covered by Medicaid. There has not been much interest by the students for a university health insurance plan and there is a process in place for referrals within the local area for coverage. The university has also examined requirements for similar institutions in Colorado. CSU-Pueblo does require health insurance coverage for student-athletes and nursing students and assists these student with finding coverage. International students are also required to either purchase a plan or provide evidence of self-pay. The student health center on campus provides many services for \$10 or less.

Stadium Report: Ms. Parsons reported the project remains on-time and on-budget; premium seating is sold out; season tickets and three-pack game tickets have exceeded the pro forma; and the VIP passes are sold out. Scope has not been overrun and the expenditure of the contingency funds, as outlined in the written report, are approximately \$2.5 million for code; \$400,000 for add-alternate cosmetics such as more seatbacks; and \$600,000 for additional health and safety requests that are above and beyond code. The expenditures for the academic and alumni portions of the stadium are segregated and both remain on-time and on-budget.

Ms. Johnson added that MOUs on splitting the operating costs for the academic areas are being developed between the academic departments. Dr. Frank provided an overview of how the operating pro forma will be populated to track expenses and revenue generated upon commencing stadium operations to demonstrate the university is meeting its commitment to use no general funds, tuition, fees or state support. The pro forma was designed with excess revenues to be designated to the reserves bucket with a possibility to deploy the excess reserves to academics and thereby reduce the investment in athletics programs.

Approval of CSUS Board Policy Amendments: General Counsel Johnson reported the last substantial update of the policy manual was in 2013. He reviewed the substantive changes in policies 100, 112 and 113 and the new policy 404 for in-state tuition.

Approval of CSU-Pueblo Discrimination, Protected Class Harassment, Sexual Misconduct, Intimate Partner Violence, Stalking and Retaliation Policy: Dr. Mottet explained the new policy is a combination of three existing policies that were last revised in May 2011. The Office of Equal Opportunity and Affirmative Action/Title IX Coordinator at CSU-Pueblo worked with Deputy General Counsel Doyle to ensure alignment with changes in law and best practices. In addition to general enhancements, there are clear definitions and clarification on reporting and investigating complaints.

Motion/Action: Governor Tuor moved to approve the amended CSU System Board policy manual and the CSU-Pueblo discrimination policy. Governor Jordan seconded and the motion carried unanimously.

Government Relations Update: Dr. Frank reported there was nothing to report on the state level at this time and work continues with the federal lobbyists.

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Student Report: Governor Silva outlined ASCSU priorities that include collaboration with the city on the Fort Collins Master Plan and Transportation Plan, and collaboration with various partners through a new position focused on innovation and technology as a central point of contact. He continues to participate on the Game Day committee and is working on the student tailgating experience. Other initiatives include expand the Ram Ride program; enhance civic engagement; promote sustainability in the collegiate readership program; and, through a new food security specialist position, explore a campus-wide health fair.

Faculty Report: Governor Lenk noted highlights in the written report from the May Faculty Council meeting include an increased focus on initiatives for student success in learning and engagement; advancements through the Unizen consortium for digital data storage; and changes to the faculty evaluation process to improve responses. Two factoids presented in the report were the MURALS project for faculty mentoring through projects and presentations, and changes to the Honors Program with global and cross-cultural aspects that include seminars to expand critical thinking, accountability and leadership for the future. Dr. Miranda shared his appreciation for the MURALS program and the valuable partnership between the Office of Student Affairs and the faculty.

President's Report: Dr. Frank indicated the written report would stand as submitted.

APPROVAL OF CONSENT AGENDA

Chair Munn indicated the remaining item on the consent agenda is the approval of the June minutes.

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

EVALUATION COMMITTEE (*continued*)

Governor Tuor reported the work of the committee includes the evaluation of the individual performances and consideration of salaries and compensation, including direct salary benefits and incentive compensation, with comparisons to peer organizations. There is no standard contract for the presidents and each has different terms on salary and incentive compensation. **Motion:** Governor Tuor moved to approve incentive compensation in the amount of \$90,000 for Dr. Takeda-Tinker, in accordance with her

employment contract, to be deferred into the executive longevity plan and deferred compensation accounts in accordance with the annual limits imposed by the federal tax laws. For Dr. Frank, in the dual role of Chancellor and President of CSU, the recommendation in accordance with his employment contract is approval of \$150,000 as incentive compensation which will be funded by donor-directed monies in the CSU Foundation Leadership Excellence Fund. For General Counsel Johnson, the recommendation is approval of a \$20,000 increase in his annual base compensation. **Action:** Governor Flores seconded and the motion carried unanimously.

REAL ESTATE/FACILITIES COMMITTEE *(continued)*

Motion/Action: Governor Mosher moved to approve the naming action item related to the hall within the CSU Alumni Association. Governor Tuor seconded and the motion carried unanimously.

With no further business to come before the Board, the meeting was adjourned at 2:22 p.m.