

Resolutions for Board of Governors Action – October 4, 2013

1. Real Estate/Facilities Committee: Real Property: Approval of water rights portfolio transactions. *(2014-0023-100413A)*
2. Real Estate/Facilities Committee: Land: Oil & Gas Lease on Approximately 160 Mineral Acres in Washington County, Colorado. *(2014-0024-100413A)*
3. CSU-Fort Collins: Approval of the Acceptance of Gifts and Naming Opportunity *(2014-0025-100413A)*
4. CSU-Pueblo: Approval of Revisions to the Naming Policy. *(2014-0026-100413A)*
5. CSU-System: Approval of the Colorado State University System Board of Governors Policy and Procedures Manual. *(2014-0018-100413A)*
6. Certification of the Consent Agenda *(2014-0027-100413A)*

Board of Governors of the
Colorado State University System
Meeting Date: October 4, 2013
Action Item

Approved

Stretch Goal or Strategic Initiative: N/A. Board approval of this administrative action is required by statute, CCHE, Board, or university policy.

MATTERS FOR ACTION:

Real Property: Approval of water rights portfolio transactions.

RECOMMENDED ACTION:

MOVED, that the Board of Governors of the Colorado State University System (Board) hereby approves the transactions related to the acquisition, sale, transfer, and dedication of water rights as generally described below per parameters discussed in executive session of the Board.

FURTHER MOVED, that the President of Colorado State University, in consultation with the Office of General Counsel, is hereby authorized to sign implementing contracts and other documents as may be necessary and appropriate to consummate the transactions.

EXPLANATION:

Presented by Dr. Tony Frank, President.

The University owns a number of water rights throughout the State. These water rights are a valuable asset to our agricultural instruction and research programs. However, as the University grows and changes, our needs for specific water rights change. Recent decisions regarding property, changes in State regulations for ground water, as well as campus development have generated the need to acquire and dispose of water rights to meet a variety of needs.

Consistent with the Water Rights Management Plan approved by the Board in May 2001, the University recommends taking the following actions related to the water rights portfolio.

- Acquisition: Transfer of a gifted share consolidating ownership with the Board and enhancing administrative efficiencies.
 - ½ share of Rocky Ford Ditch Company from the Colorado State University Research Foundation (CSURF).

- Dedication for Augmentation: In order to operate wells in areas of the State where there is a shortage of water, augmentation plans are required. These court approved plans provide surface water to replace river depletions resulting from well usage, avoiding injury to downstream water rights owners.
 - 10 Shares of Santa Maria Reservoir Company
 - 8 Shares of Cache La Poudre Reservoir Company
 - 4 Shares of New Cache La Poudre Irrigating Company

- Sales/Transfers for Development Credit: Only water shares with no current or projected long-term use will be used for sale or development credit. Dedication for development credit will allow maximum realization of share value through avoidance of cash payment to municipalities.
 - Up to 120 shares of Arthur Irrigation Company.
 - Up to 185 shares of Sherwood Reservoir Company.
 - Up to 2 shares of Sherwood Irrigating Company.
 - Up to 6.45 shares of Larimer County Canal No 2 Company
 - Up to 656 Shares of Fire Mountain Canal & Reservoir Company
 - 1 Preferred Right in Fossil Creek Reservoir

Approved

Denied


Board Secretary

Date

10/4/13

Approved

Stretch Goal or Strategic Initiative: Additional Revenue, #38 Comprehensive Financial Management. Board approval of this administrative action is required by statute, CCHE, Board, or university policy.

MATTERS FOR ACTION:

Land: Oil & Gas Lease on Approximately 160 Mineral Acres in Washington County, Colorado.

RECOMMENDED ACTION:

MOVED, that the Board of Governors of the Colorado State University System (Board) hereby approves the lease of approximately 160 mineral acres in Washington County, Colorado.

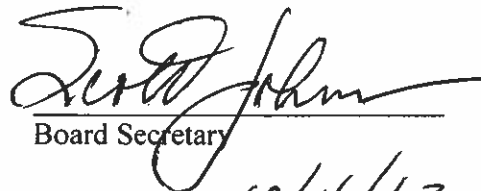
FURTHER MOVED, that the President of Colorado State University, in consultation with the Office of General Counsel, is hereby authorized to sign implementing contracts and other documents as may be necessary and appropriate to consummate the transaction.

EXPLANATION:

Presented by Dr. Tony Frank, President.

The University wishes to enter into an oil & gas lease, at market rate, for approximately 160 mineral acres in Washington County, Colorado. The property is an area of sporadic activity for the oil & gas industry. Lease terms will be negotiated following the general parameters discussed in executive session.

Approved Denied


Board Secretary
Date 10/4/13

MATTERS FOR ACTION:

CSU: Approval of the Acceptance of Gifts and Naming Opportunities

RECOMMENDED ACTION:

MOVED, that the Board of Governors approve the acceptance of gifts and the naming in recognition of gifts relating to the Conference Room in the Suzanne and Walter Scott, Jr. Bioengineering Building in the College of Engineering.

EXPLANATION:

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

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

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

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

Approved

Denied


Board Secretary

10/4/13
Date

Action Item

Stretch Goal: N/A

Strategic Initiative: N/A

Strategic Initiative: N/ A Board approval of this administrative action is required by statute and/or CCHE or Board policy.

MATTERS FOR ACTION:

Approval of Revisions to the Naming Policy.

RECOMMENDED ACTION:

MOVED, that the Board of Governors of the Colorado State University System hereby approve the revisions to the naming policy titled "Policy and Guidelines Governing the Naming of Administrative Units/Facilities/Interior and Exterior Spaces at Colorado State University-Pueblo".

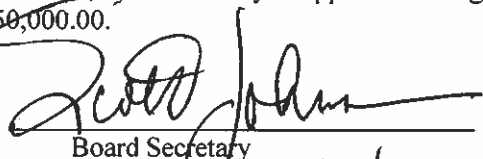
EXPLANATION:

Presented by Dr. Lesley Di Mare, President

At the January 27, 2006 Board of Governors meeting, the Board approved the "Policy on Colorado State University-Pueblo Naming of Properties, Structures and Facilities". This Policy will replace the January 27, 2006 policy and will provide guidelines and parameters for the naming of administrative units, facilities and interior and exterior spaces. This policy also delegates to the President of CSU-Pueblo the authority to approve namings which are requested with a donation of less than \$250,000.00.

Approved

Denied


Board Secretary

10/4/13
Date

Policy and Guidelines Governing the Naming of Administrative Units/Facilities/Interior and Exterior Spaces at Colorado State University-Pueblo

Section 1: Overview and History

I. Purpose

The purpose of these Guidelines is to address the naming of administrative units (colleges, schools, departments, research units, centers, institutes, special units), facilities, and interior and exterior spaces to recognize a particular individual(s) or organization(s). These Guidelines were developed to create consistency and offer parameters for the naming process.

These Guidelines are not intended to address the naming of facilities for the sole purpose of mapping or locating the facility on campus, which authority rests with Facilities Management Services. Nor are they intended for the naming of academic programs for pedagogical purposes. The policy and guidelines found herein are guidelines only to the extent that they address naming of administrative units/facilities/interior and exterior spaces. These guidelines are not intended to address the awarding of honorary degrees.

II. Background

On Aug. 26, 2005, the Colorado State University Board of Governors (BOG) approved a system policy for the approval of named buildings, colleges, departments, facilities, programs, and other major structures. On March 3, 2006, the BOG approved a "CSU-Pueblo Policy on Naming University Properties and Facilities". With the beginning the "On the Move" capital campaign for CSU-Pueblo through the CSU-Pueblo Foundation officially beginning in August, 2013, it was determined that a new naming rights policy needed to be enacted to address the procedures for CSU-Pueblo staff to follow in recommending a "naming" to the president, chancellor and BOG.

III. Statement of Policy

All naming proposals are to be submitted to the Vice President for Finance and Administration (VPFA). The VPFA will forward all honorary and naming gifts valued at \$250,000 and higher to the University Naming Committee (see below) which will forward both positive and negative recommendations to the president within 30 days. If the president approves the recommendation, the naming proposal will be sent to the BOG for final approval. The VPFA will seek independent approval from the president for naming gifts valued at less than \$250,000. These namings will not need approval of the BOG.

Section 2: Responsibility

I. University Naming Committee (UNC):

A. Establishment

The University Naming Committee will be established in 2013 pursuant with this policy, to serve an advisory role to the president for the naming of administrative units/facilities/interior and exterior spaces. The VPFA will direct all honorary naming proposals and those valued at \$250,000 and higher to the UNC.

- B. Role
 1. Review naming proposals for compliance with naming policies, appropriateness, and concurrence with the mission of the institution.
 2. Collaborate with institutional representatives overseeing the facility or program to be named in order to establish support from the primary users and stakeholders.
 3. Recommend formal administrative unit/facility/interior and exterior space names to the president for his/her review prior to advancing for final approval by the BOG.
- C. Membership

The VPFA will serve as chair of the UNC.
Committee – President’s Chief of Staff, Associate Vice-President of Facilities Management, Executive Director of External Affairs, Colorado State University-Pueblo Foundation representative, General Counsel Office representative, and a Faculty member. All individuals will be selected by the President.
- D. Meetings

The chair will call meetings as needed with close attention to the BOG meeting schedule.

Section 3: Naming Guidelines

I. General Guidelines

- A. Administrative units/facilities/interior or exterior spaces may be named for:
 1. Individuals or organizations that have provided or have caused to be provided a significant contribution toward a project – new construction, major renovation, existing facility, academic and/or nonacademic program.
 2. Retired or deceased faculty or staff members who have provided distinctive service to the University and a) have been deceased for one year or longer; or b) have been retired, resigned, or otherwise separated from service of to the University for not less than one year; or c) had a long and illustrious career and exemplified values for which Colorado State University-Pueblo stands; and, d) brought great credit to the University through major scholarly, professional, or public service. If, however, a proposed naming is in response to a financial contribution, the requirement of a delay shall not apply.
 3. Graduates, former students, or individuals who have provided distinctive service to the University and a) had a long and illustrious career and exemplified values for which Colorado State University-Pueblo stands; and b) brought great credit to the University through major scholarly, professional, or public service.
 4. Living or deceased persons dedicated to the purpose, nature, and mission of the University who have achieved outstanding distinction through civic, intellectual, or artistic contributions to the development of the city, county, region, state, nation, and/or world.
- B. In gift-generated naming, pledges paid over a period of time, typically no more than five years, are acceptable for current naming of administrative units/facility/interior and exterior spaces.
- C. Irrevocable planned gifts may generate current naming if current cash flow considerations are not an issue for the requesting administrative unit/facility/interior and exterior space. These gifts will be credited at their present value, and particular emphasis will be given to the predictability of the long-term value of the irrevocable deferred gift.

- D. The donor may ask that the administrative unit/facility/interior and exterior bear his or her name or the names of family members or others the donor may wish to honor, subject to the approval by the UNC the president and the BOG. The VPFA will discuss with the president the donor's intent before any commitments are made.
- E. In the event that the facility or administrative unit to be named involves multiple colleges, divisions, or departments, the heads of all associated organizational units must make a recommendation on naming opportunities and levels prior to submission to the VPFA and the UNC.
- F. In the instance of a corporate or organizational naming, additional due diligence should be taken to avoid any appearance of commercial influence or conflict of interest. Corporate logos as part of naming opportunities are generally prohibited.
- G. If a benefactor or honoree requests a change to the name of an administrative unit/facility/interior or exterior space (e.g. due to divorce or corporate merger), the UNC will consider the request and make a recommendation to the president, who will forward it to the BOG approval. If approved, all replacement signage and other related costs shall be at the donor's or honoree's expense.
- H. The benefactor will not be given authority to control curricular or administrative matters related to the naming or University property usage.

II. Specific Guidelines

A. Naming Administrative Units:

- 1. Administrative units naming opportunities may include:
 - a. Academic units – colleges, schools, and departments
 - b. Centers
 - c. Institutes
 - d. Special units
- 2. Suggested gift amounts for administrative units
 - a. As a guideline, the naming gift should be a minimum of three times the annual total operating budget. National ranking and visibility of the unit, as well as naming gifts of peer units in the discipline or on the University campus should be considered in determining appropriate gift amount; and,
 - b. At least three-quarters of the determined value should be placed in an endowment for the benefit of that unit, preferably with a portion of that amount in the form of unrestricted endowment. This is a general guideline and can be adjusted based on Dean, director, and/or donor needs and approved by UNC.
 - c. Be substantial and significant, even transformational in nature, enabling the unit to improve its competitiveness or distinction.

B. Naming Facilities:

- 1. Facilities naming opportunities may include:
 - a. New facilities that are to be constructed or acquired
 - b. Existing facilities that are undergoing major or minor renovation
 - c. Existing facilities that are not undergoing renovations
- 2. Suggested gift amounts for facility namings:
 - a. At least half of estimated total project cost for constructing or acquiring new facility
 - b. At least half of estimated total project cost for renovating an existing facility
 - c. At least half of the estimated_replacement cost of an existing facility not undergoing renovation as determined by Facilities Services.

The guideline is that a portion of these funds would be placed in an unrestricted endowment to benefit the college/unit.

3. Project cost is determined by square footage of facility to be named multiplied by the cost per square foot.

C. Naming Interior and Exterior Spaces

1. Interior and Exterior naming opportunities may include:
 - a. Interior spaces – rooms, laboratories, centers, or areas within new, existing or renovated facilities.
 - b. Exterior spaces – quadrangles, gardens, recreation fields, water features, walking/biking paths, etc.
2. Donors must provide at least half of project cost determined by the square footage of the area to be named multiplied by the cost per square foot.

Section 4: Duration of Namings

There are two different options for the duration of administrative unit /facility/interior and exterior space namings – perpetuity and term.

I. Perpetuity

- A. Perpetuity is defined by the useful life determination provided by Facilities Management.
- B. The naming of an administrative unit/facility/interior and exterior space will be retained in perpetuity, unless:
 1. a change is necessary to continue the appropriate recognition;
 2. a major renovation/addition is funded with significant support from another donor and it is appropriate to alter the name; in which case the original donor will be notified in advance;
 3. demolition, replacement, redesignation of purpose, or similar modification to a named facility/administrative unit/interior and exterior space;
 4. the individual or organization for whom the administrative unit, facility, or interior or exterior space is named falls into disrepute; or
 5. the BOG takes action to change the name in order to meet the best interests of Colorado State University-Pueblo.

II. Term

- A. In appropriate instances, most often involving a corporate benefactor, an administrative unit/facility/interior and exterior space naming may be granted for a predetermined fixed term.
 1. The gift agreement should clearly specify the period of time for which the facility or unit will be named.
 2. Term namings are limited to terms of 10, 15, or 25 years. A 5 year option is permissible for naming administrative units.
 3. Term namings are based on useful life of the named facility, typically, 50 years. Facilities Management will determine the useful life of the facility.
 4. The term naming gift is factored over the specified term to generate at least the 50 percent or greater guideline over the useful life of the facility.
 5. The subsequent term values will be determined once the initial term naming is established. The initial term value is determined by dividing the useful life of the facility by the term. The perpetual naming value is then divided by that number.

6. Subsequent term values are determined by the Future Value of Money formula – interest rate multiplied by years since initial naming established multiplied by initial naming cost, plus initial naming cost.
 7. These guidelines can be adjusted by the UNC to determine appropriate naming terms.
- B. The naming of an administrative unit/facility/interior and exterior space will be retained for its predetermined term, unless:
1. a change is necessary to continue the appropriate recognition;
 2. a major renovation/addition is funded with significant support from another donor and it is appropriate to alter the name; in which the donor will be notified in advance;
 3. demolition, replacement, redesignation of purpose or similar modification to a named facility/administrative unit/exterior space;
 4. the individual or organization for whom the administrative unit, facility or interior and exterior space is named falls into disrepute; or
 5. the BOG takes action to change the name in order to meet the best interests of Colorado State University-Pueblo.

Example:

*Facility with: 50-year useful life
\$10 million naming value
10-year terms
Established 2013*

Initial 10-year term naming would be \$2 million – 50-year useful life divided by 10-year term = 5 divided into \$10 million = \$2 million.

In 2023, a 10-year term naming would be \$2.6 million determined by Future Value of Money formula – Interest rate (3%) × years (10) × Present value (\$2 million) + Present value \$2 million = \$2.6 million.

In 2033, a 10-year term would be \$3.2 million (3% × 20 × \$2 million + \$2 million = \$3.2 million)

In 2043, a 10-year term would be \$3.8 million

In 2053, a 10-year term would be \$4.4 million

Total value of term naming would be \$16 million.

Section 5: Naming Process:

Step 1:

College/unit generates a list of naming opportunities based on criteria set forth in this policy and submits to VPFA. The VPFA will keep a master list of all campus naming opportunities – both available and already named.

If the naming gift meets the guidelines/criteria, gift negotiations are allowed to be conducted with individual or organization in parallel with this process. However, to ensure clear communication, the proposing college/unit must inform the VPFA VPUA of ongoing conversation around naming gift.

If the potential naming gift does NOT meet the guidelines/criteria set forth in this document, the naming proposal must be submitted PRIOR to gift negotiations with the individual or organization.

Step 2:

Naming request shall be made in the form of a written proposal. The proposing unit develops the proposal for submittal. The proposal must list the reason for the request, justification of the naming in accordance with the policy and guidelines/criteria, and the amount of any donation or description of service or contribution that would accompany approval of the naming proposal. A submitted proposal triggers a background check. If the naming is an honorary naming or one valued at \$250,000 or higher, the proposal must be presented to the VPFA for review by UNC.

If the naming is less than \$250,000, the proposal is submitted directly to VPFA who will review, recommend, and seek presidential approval directly.

Step 3:

In reviewing the naming opportunity, the UNC will assess: (a) the relationship of the individual or organization to the institution; (b) the amount of the donation or value of the contribution; (c) an assessment of the donor's financial situation and the likelihood of fulfilling the pledge, if a donation is given partly as a pledge; (d) character of the donor; (e) potential for additional gifts or contributions from the donor; and (f) possible academic enhancement to the institution as a result of the donation.

Step 4

The UNC will make a recommendation for approval to the president. A denial by the president is final. The VPFA will notify the appropriate college/unit of the president's recommendation. If the president approves the request, the UNC will submit the formal naming proposal for review by the chancellor, pursuant to CSU System and University policy, and forward to the BOG for consideration.

Step 5:

At the next scheduled BOG meeting, the naming proposal will be presented and the BOG will make a decision. If proposal is approved, president and VPFA will sign the Naming Policy Agreement along with other needed documentation (MOU, gift/fund agreement). The VPFA's office will send executed documents to the proposing college/unit.

Step 6:

The college/unit will finalize documentation with all parties and work with campus entities to develop appropriate recognition and announcement.

Created: month, day, year

CERTIFICATION OF CONSENT AGENDA ITEMS

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

That with a unanimous affirmative vote of the voting members of the Board of Governors at a duly held meeting thereof on October 4, 2013, the consent agenda items listed below were referred for consideration of approval and were adopted:

A. Colorado State University System

- Minutes of the August 1, 2013 Evaluation Committee Meeting
- Minutes of the August 1, 2013 Academic and Student Affairs Committee Meeting
- Minutes of the August 1, 2013 Audit and Finance Committee Meeting
- Minutes of the August 1, 2013 Real Estate/Facilities Committee Meeting
- Minutes of the August 2, 2013 Board of Governors Breakfast Meeting
- Minutes of the August 2, 2013 Board of Governors Meeting
- Minutes of the August 21, 2013 Board of Governors Special Meeting
- Minutes of the August 21, 2013 Evaluation Committee Meeting

B. CSU-Fort Collins

- Posthumous Degree Candidate (*referred by Academic and Student Affairs Committee*)

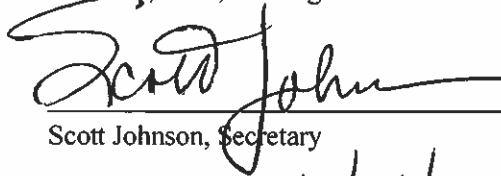
C. CSU-Pueblo

- Approval of Appointment of Vice President of Student Services and Enrollment Management

D. CSU-Global Campus

- Approval of Degree Candidates (*referred by Academic and Student Affairs Committee*)

The consent agenda items together with a record of the votes for the resolutions have been recorded and will be entered into the full minutes of the duly held October 4, 2013, meeting of the Board of Governors.



 Scott Johnson, Secretary

Date

10/4/13
