

**BOARD OF GOVERNORS OF THE  
COLORADO STATE UNIVERSITY SYSTEM  
EVALUATION COMMITTEE MEETING MINUTES  
Occhiato Student Center, Colorado State University-Pueblo  
August 1, 2013**

**CALL TO ORDER**

Board Chair Dorothy Horrell called to order the Committee meetings at 8:00 a.m. and reported Governor Bill Mosher was unable to attend due to a prior commitment. She turned the meeting over to Evaluation Committee Chair Mary Lou Makepeace.

**ROLL**

**Committee members present:** Mary Lou Makepeace, Chair; Mark Gustafson, Vice Chair; Dennis Flores; Dorothy Horrell; Scott Johnson; Ed Haselden; Demetri “Rico” Munn; Joseph Zimlich

**Administrators present:** Michael Martin, CSUS Chancellor; Tony Frank, President, CSU-Fort Collins; Lesley Di Mare, President, CSU-Pueblo; Becky Takeda-Tinker, President, CSU-Global Campus; Allison Horn, CSUS Director of Internal Auditing; Michael Nosler, CSUS General Counsel.

**System Staff present:** Adam Fedrid, IT Manager; Sharon Teufel, Executive Assistant to the Board.

Committee Chair Makepeace convened the Evaluation Committee. She reviewed the agenda that will begin with an overview of the process and policies by CSUS General Counsel Nosler followed by convening in Executive Session to meet individually with the Appointees, Chancellor and Presidents.

General Counsel Nosler explained there were two evaluation policies that were adopted by the Board. There is an Appointee Policy for the annual performance evaluations for the direct Board reports that are conducted on the fiscal year basis. The current Appointees are Allison Horn, CSUS Director of Internal Auditing; CSUS Chancellor Michael Martin; and General Counsel Nosler. The Appointees submit on July 1<sup>st</sup> a self-evaluation for the past fiscal year to the Chair of the Evaluation Committee in accordance with the policy. The Board then convenes the Evaluation Committee to review the materials and solicit other input. The committee then meets with the Appointees to provide feedback and set performance goals for the next year.

The same procedure is followed for the Presidents except the Chancellor solicits input and provides comments to the Board on the Presidents’ performance. The committee then meets with the Presidents and, with input from the Chancellor, sets the goals for the coming fiscal year.

General Counsel Nosler reported that, in conjunction with the proposed Board Policy Manual based upon discussions with the Chancellor and Board Chair Horrell, the policy for the presidential evaluations is being modified to include a periodic comprehensive 360 review, wherein input is solicited from faculty, students and the campus community, every three years or upon renewal of a contract. The Chancellor would set up the procedures for the 360 review.

Committee Chair Makepeace commented that the proposed change had been previously discussed and inquired as to the annual input from students and faculty. General Counsel Nosler confirmed that input for the past fiscal year was received at the May Board meeting and was positive. Chancellor Martin remarked

that students and faculty can annually provide comments and the 360 review will have a more formalized response to ensure conformity across the campuses.

Governor Horrell noted that the proposed change in policy will reduce the burden on the Presidents in that the annual evaluation will not need to be quite as comprehensive. The Board can identify particular issues or concerns if necessary. General Counsel Nosler reported one other proposed change in the policies is the Board can call for a special evaluation meeting for any of its reports. The suggestion was made to conduct the 360 reviews every three years and in the year before a contract expires. General Counsel Nosler responded the contracts are five years and a schedule will be developed.

With no further discussion on the policies, Committee Chair Makepeace asked General Counsel Nosler to read the meeting into Executive Session. General Counsel Nosler read the meeting into Executive Session for the purposes of discussing and evaluating public officials and professional staff employees of the Board relating to all matters set forth and made confidential pursuant to C.R.S. § 24-6-402 (3) (b) (I) (2012) and to receive legal advice on specific legal questions which may arise. **Motion/Action:** The motion to convene in Executive Session was made, seconded and carried. The Evaluation Committee convened in Executive Session at 8:13 a.m. and adjourned at 12:20 p.m.

**BOARD OF GOVERNORS OF THE  
COLORADO STATE UNIVERSITY SYSTEM  
ACADEMIC AND STUDENT AFFAIRS COMMITTEE MEETING MINUTES  
Occhiato Student Center, Colorado State University-Pueblo  
August 1, 2013**

**CALL TO ORDER**

Board Chair Dorothy Horrell called to order the Open Session of the committee meetings at 12:35 p.m.

**ROLL**

**Committee members present:** Demetri “Rico” Munn, Chair; Mark Gustafson; Mary Lou Makepeace; Alexandra Bernasek, Faculty Representative, CSU-Fort Collins; Ann Leslie Claesson, Faculty Representative, CSU-Global Campus; Nigel Daniels, Student Representative, CSU-Fort Collins; Vanessa Emerson, Student Representative, CSU-Pueblo; Frank Zizza, Faculty Representative, CSU-Pueblo.

**Governors present:** Dennis Flores; Dorothy Horrell; Scott Johnson; Ed Haselden; Joseph Zimlich.

**Administrators present:** Michael Martin, CSUS Chancellor; Tony Frank, President, CSU-Fort Collins; Lesley Di Mare, President, CSU-Pueblo; Becky Takeda-Tinker, President, CSU-Global Campus; Allison Horn, CSUS Director of Internal Auditing; Rick Miranda, CSUS Chief Academic Officer and Provost and Executive Vice President, CSU-Fort Collins; Michael Nosler, CSUS General Counsel; Rich Schweigert, CSUS Chief Financial Officer.

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

**Guests:** Tanya Baird, Interim Executive Assistant to the Provost, CSU-Pueblo; Jon Bellum, Provost, CSU-Global Campus; Candice Bridgers, Audit Manager, CSU-Pueblo; Rick Callan Senior Real Estate Analyst, Colorado State University Research Foundation; Craig Cason, Associate Vice President, Facilities Management, CSU-Pueblo; Stephanie Chichester, CSUS Financial Advisor, North Slope Capital; Johnna Doyle, CSUS Deputy General Counsel, CSU-Pueblo; Chris Fendrich, Interim Director of Auxiliary Services, CSU-Pueblo; Erin Frew, Assistant Provost, CSU-Pueblo; Mark Gill, Chief of Staff, CSU-Fort Collins; Marty Hanifin, Vice President, Finance and Administration, CSU-Pueblo; Kathleen Henry, President/CEO, Colorado State University Research Foundation; Blanche Hughes, Vice President of Student Affairs, CSU-Fort Collins; Steve Hultin, Facilities Director, CSU-Fort Collins; Jason Johnson, CSUS Deputy General Counsel, CSU-Fort Collins; Lynn Johnson, Chief Financial Officer, CSU-Fort Collins; Geri Koncilja, RAGE, CSU-Pueblo; Rick Kreminski, Dean, College of Science and Math, and Acting Director, Institutional Research, CSU-Pueblo; Tom Milligan, Vice President, External Affairs, CSU-Fort Collins; Jennifer Mullen, Chief of Staff, CSU-Pueblo; Amy Parson, Vice President, Operations, CSU-Fort Collins; Kristy Proctor, Dean, Graduate Studies and Research, CSU-Pueblo; Mike Rush, University Architect, CSU-Fort Collins; Gus Skinner, Vice President, Finance, CSU-Global Campus; Niki Whitaker, External Affairs, CSU-Pueblo; Carl N. Wright, Provost, CSU-Pueblo; Cora Zatel, External Affairs, CSU-Pueblo.

Board Chair Horrell welcomed new faculty representatives Dr. Alexandra Bernasek, CSU-Fort Collins, and Dr. Ann Leslie Claesson, CSU-Global Campus. She apologized for the delay in starting the Academic and Student Affairs Committee due to the extended Evaluation Committee meeting and asked Committee Chair Rico Munn to convene the Academic and Student Affairs Committee. Committee Chair

Munn convened the committee meeting and asked Dr. Rick Miranda, CSUS Chief Academic Officer, to review the new degrees for CSU-Fort Collins.

*New Degrees – CSU-Fort Collins:* Dr. Miranda reported both new degrees, the Doctor of Philosophy (Ph.D.) in Toxicology and the Plans A and B Master of Science in Toxicology in the College of Veterinary Medicine and Biomedical Sciences have been offered for several years in the Department of Environmental and Radiological Health Sciences. The recommended actions are to move the degrees out from under the more generic names as has been done with several specializations. The degrees would be the same programs under different names. By renaming and elevating the degrees, the programs are more recognizable and accurate as to what degrees are being attained and allows for better recruitment.

**Motion/Action:** Governor Makepeace moved to forward for Board approval the new degree programs. The motion was seconded and carried.

*Miscellaneous Items – CSU-Fort Collins:* Dr. Miranda explained that the degree of Performing Arts Major, College of Liberal Arts, with a specialization in Theatre or Dance, has been replaced by the Theatre Major and the Dance Major that were previously approved with no change in curricula or budget requests. Consequently there is no longer a need for the Performing Arts Major. **Motion/Action:** Governor Makepeace moved to forward for Board approval the action item to drop the major. Governor Gustafson seconded and the motion was carried.

Dr. Miranda explained the amended Faculty Manual policies were provided in the meeting materials. The changes are to clean up language and, in some cases, there are more substantive changes. He reviewed the changes as follows:

- Section B: References to statutes are replaced as appropriate.
- Section C.2.1.9.2 and C.2.1.9.6.a: Changes were made in terminology.
- Section C.2.1.9.5.h: Voting rights on the Committee on Strategic and Financial Planning are given to the Chair of the Classified Personnel Council who has been serving as a non-voting member.
- Section E.2.1: The State legislature last year gave institutions of higher education the ability to appoint faculty members to multi-year contracts. Changes in language were necessary to provide the mechanisms and procedures and to change the existing incompatibility with faculty as at-will employees only. There will be three types of non-tenure track faculty: temporary; special faculty that has the ability for all ranks and relationships, either at-will, an unspecified appointment with no ending date, or a multi-year contract with an end date; and senior teaching appointments which are a form of special faculty but a separate category, many of whom have a long-term relationship with the university and expectations for curriculum development and service to the department.
- Section E.10.4.1.2: Revisions to language on extension of the probationary period are not substantive.
- Section E.12.1: Revisions to language on performance reviews are not substantive.
- Section E.14: Revisions to language on performance reviews are not substantive.
- Section F.3.2.1: Revisions to language on leave accruals are not substantive.
- Section G.1: Revisions to language on study privileges are not substantive.
- Section I.6.2: Revisions to language on performance reviews are not substantive.
- Section K: Revisions were made to clarify the precise duties and expectations of the Grievance Panel and the Grievance Panel Chair; the duties of the University Grievance Officer; and the Mediator workload and pay policies.
- Appendix 3: Changes were made in the Family Medical Leave policy to better align with federal law, particularly to benefits for veterans, which were not in the appendix on FML.

Dr. Miranda reported all changes were proposed by Faculty Council committees and approved by the Faculty Council Executive Committee, the Office of General Counsel, and by the full Faculty Council on a vote of the floor. He has been in close observation of the process throughout and supports all of the changes. President Frank has also reviewed the revisions. **Motion/Action:** Governor Makepeace made the motion to forward the Faculty Manual changes to the Consent Agenda. The motion was seconded and carried.

Dr. Miranda reported a summary of the modifications to the Honorary Degree Policy is included in the meeting materials. The major changes are the 1) the number of honorary degrees at any one commencement is being limited to one in order to highlight the individual in a unique ceremony; 2) the criteria for awarding the degree, especially for philanthropic acts, has been modified in the process documentation; and 3) the process documentation clarifies the eligibility criteria to highlight the preference given to individuals who have a significant connection to CSU.

President Frank noted that, the last time honorary degrees were awarded, the Board had asked that the policy be reviewed and clarified. The changes being implemented are a result of the Board's request. Dr. Miranda pointed out the meeting materials include a custom research brief on honorary degree policies at similar institutions across the country that he had commissioned from the University Leadership Council. **Motion/Action:** Governor Makepeace moved to forward the Honorary Degree Policy modifications to the Consent Agenda. The motion was seconded and carried.

Dr. Miranda reported the Program Review Schedule informs the Board of the programs that will undergo review during the current academic year. **Motion/Action:** Governor Makepeace moved to forward the Program Review Schedule to the Consent Agenda. The motion was seconded and carried.

*Miscellaneous Items – CSU-Pueblo:* President Lesley Di Mare introduced Dr. Carl Wright, the new Provost for CSU-Pueblo. Dr. Wright commented he had only been with the university for three weeks and asked Dr. Rick Kreminski, who had served as the Interim Provost, for assistance. Dr. Kreminski reported the Faculty Handbook changes are provided in the meeting materials and are being made to provide more information and clarification for faculty. He reviewed the amendments as follows:

- Section 1.2.3: Changes in shared governance reflect language modifications, defining three types of committees: Board, Councils and State Committees; and to request responses be provided in writing.
- Section 2.8: Changes were made to faculty responsibilities for classroom accommodations with regard to the Americans with Disabilities Act (ADA) and to work with the Disability Resource Office.
- Section 2.92: The section is a new addition of a midpoint review for tenure-track faculty. Tenure is typically a six-year process and the utilization of a three-year tenure-track review has varied by department. The addition will make the midpoint review mandatory across the campus.

**Motion/Action:** Governor Makepeace moved to forward the CSU-Pueblo Faculty Handbook amendments to the Consent Agenda. The motion was seconded and carried.

Dr. Kreminski reported the Board approves degree conferrals for CSU-Pueblo for August, December and May graduations. There is no graduation ceremony, but transcripts will note the students graduated in August. **Motion/Action:** Governor Makepeace moved to forward approval of the summer Degree Candidates to the Consent Agenda. The motion was seconded and carried.

Dr. Kreminski reported four to six programs are reviewed annually. All programs need to be reviewed every five years unless there is an exemption by an accrediting body. The Program Review Calendar submitted for CSU-Pueblo is through 2019-2020. **Motion/Action:** Governor Makepeace moved to forward the Program Review Calendar to the Consent Agenda. The motion was seconded and carried.

*Miscellaneous Items – CSU-Global Campus:* Dr. Jon Bellum, Provost, CSU-Global Campus, reported degrees are conferred every eight weeks and approval is requested at almost every Board meeting. The Fall 2013 A Term ending September 1<sup>st</sup> has 128 potential graduate candidates. **Motion/Action:** Governor Makepeace moved to forward approval of the Degree Candidates to the Consent Agenda. The motion was seconded and carried.

*Policy Manual Changes:* Committee Chair Munn asked Dr. Miranda to review the changes. Dr. Miranda reported the Academic Affairs (300 series) and Student Affairs (400 series) sections of the Policy Manual were circulated and reviewed by numerous individuals, including Dr. Blanche Hughes, Vice President for Student Affairs. There were no new policies in either section. The changes in the Academic Affairs policies were largely clarifications and not substantive. There were no changes in the Student Affairs policies.

Governor Horrell noted that the Board has delegated authority for approval to the Presidents, i.e., for sabbaticals, and inquired how the delegated authority was captured in the policies for Academic Affairs. Dr. Miranda reported there were three delegations in the past few years: sabbaticals, general leaves, and emeritus designations. The authority was granted with the expectation of reports to the Board. Policy 310 defines the sabbatical leave policy. General Counsel Nosler explained the amended Policy Manual appendix summarizes all of the Board's delegations with a statement of amendment as of August 1, 2012, for emeritus, sabbatical and other leaves. Following discussion, the recommendation was made to include a Policy 312 pertaining to emeritus designations. Leave policies are more relevant to Human Resources, not specifically Academic Affairs, since any employee can apply for leave.

Committee Chair Munn inquired as to the process for approval of the policies. General Counsel Nosler explained the intent is to have each committee review the appropriate sections of the Policy Manual. All modifications will be promulgated for Board approval. The policies will be published and the campuses and other institutions can then issue conforming policies. Governor Horrell indicated the intent is to approve the Policy Manual at the Board meeting the next day unless there are substantive changes.

Governor Haselden remarked that an important function of the Board is to set policy and suggested waiting until October to act on the Policy Manual to allow more time for review. Dr. Miranda commented that the manual is not replacing prior policy made by formal resolution of the Board, but is essentially enunciating the procedures of each policy. General Counsel Nosler explained the process for updating the Policy Manual and noted there were two new policies in finance on post-issuance compliance and municipal securities that need to be adopted before any new bonding can be completed.

In response to a question on the timeframe for program review in policy 303, Dr. Miranda explained the seven years was taken from the CCHE guidelines. He recommended allowing flexibility to align internal program reviews with any specialized accreditation reviews by different professional societies and accreditation bodies.

Committee Chair Munn clarified the understanding that, at least as related to the Academic Affairs and Student Affairs sections, there were no substantive changes in existing policy, but there is a proposal for adopting procedures to implement those policies. **Motion/Action:** Governor Makepeace moved to

forward for approval the Academic Affairs and Student Affairs policies. The motion was seconded and carried.

*Calendar of Activities for the Academic and Student Affairs Committee:* Dr. Miranda explained the calendar was developed to begin discussion on when the committee would like specific reports. Traditionally reports on faculty activities and the program review schedule have been presented in August; the prior year program reviews and sabbatical reports are presented in December; and teaching awards and promotion/tenure reports are presented in May. Enrollment data would not be available until the December meeting due to the timing of the fall census.

Chancellor Martin added that the intent is to integrate into a work plan all reports, including academically-timed reports, to inform the Board and seek guidance if necessary. The reports are tied to the business of the individual campuses. The campuses are not on exactly the same calendar for all units, i.e., the athletic programs at CSU-Fort Collins and CSU-Pueblo are in different conferences. The Chancellor, Presidents and System staff will continue to further define the work plan.

*South Metro Initiative:* Chancellor Martin commented on the issues brought forward at the June retreat relative to the prospect of moving forward with a new model to deliver educational programs in Denver, i.e., the National Western Center and the South Metro Initiative. He recounted how the CSU System was approached by business leaders in South Metro Denver. From that conversation, the CSUS team began the process to define a new model to deliver flexible, adaptable programs in collaboration and in partnership with other entities, such as businesses and community colleges with a 2+2 articulation, to meet individual student needs.

Chancellor Martin commented on the various meetings held with community colleges and businesses. An Action Committee chaired by the Dean of the College of Business at CSU-Fort Collins has been created to look at both the implementation of the business plan and the partnerships.

The guiding principles for the project include taking existing resources and infrastructure to create a low-cost, nimble model that can expand organically to meet a need expressed by the community. Each of the CSUS campuses will participate. The project will not be a CSUS operation, but an umbrella for the three campuses to recruit and educate students that otherwise would not likely be recruited. It will be demand-driven and potentially provide degrees at the undergraduate, graduate and certificate level. The intent is to build not only a great educational opportunity, but also develop political and community support.

Dr. Miranda explained the initial effort will be to provide curriculum in three different areas: undergraduate Nursing, undergraduate Business, and graduate education in Systems Engineering. Conversations with community colleges and other industry representatives indicate those markets seem to be robust and will allow launching an effort in the South Metro area in the healthiest way. Eventually other areas of needs could be identified and matched with the capabilities of the three campuses.

Mr. Rich Schweigert, CSUS Chief Financial Officer, explained the development process for the business plan that was distributed at the June meeting. The intent is for the initiative to grow organically for the first two years and then infuse funding for an aggressive marketing effort. Revenue generated will offset expenses and approximately \$500,000 in additional funding would be needed for the first two years.

When asked about degree requirements and partnering with community colleges, Chancellor Martin responded that those components are to be determined with the intent to deliver the services at the lowest possible cost in the most student-centric manner to a broad range of students. There will be blend of both

online and onsite programs. He acknowledged President Takeda-Tinker for incorporating into the new CSU-Global Campus office space the capability to offer classrooms for onsite teaching.

Chancellor Martin commented on the CSUS footprint that already exists in Denver and pointed out the National Western Center and the South Metro initiative provide an opportunity to bracket the community with the three parts of the CSU mission: teaching, research and engagement. He asked Mr. Tom Milligan, Vice President for External Relations, CSU-Fort Collins, to comment on the branding strategy.

Mr. Milligan commented on marketing efforts during the past five years that were focused on the Denver Initiative to expand brand awareness of CSU. He provided comparisons between CSU and CU and the improvements made in the Denver Metro area for top of mind awareness and willingness to recommend. The South Metro initiative would provide an opportunity for improved visibility and to build awareness.

Chancellor Martin asked President Frank to comment on the two Denver initiatives. President Frank explained how each of the two initiatives fit within the four questions that are addressed when considering new campus programs: 1) does it align with our mission; 2) does it help expand our brand; 3) what is the potential return on investment (ROI) vs. the costs, including time and energy, dollars, resources, opportunity costs and capacity; and 4) is the opportunity synergistic with the institution and with the sister institutions vs. internal competition?

Chancellor Martin asked Governor Haselden to comment on land that may be available in the future should a physical presence be needed in South Metro Denver. Governor Haselden commented on the general location on a potential site with the land possibly donated. Consideration would need to be given on how the location would fit within the overall Master Plan. He recommended that, at the point in time when space is needed, the opportunity should not be overlooked.

Chancellor Martin summarized that the South Metro initiative would be created without a large front-end investment and then would grow organically through market response. He noted the South Metro initiative is only a campus to the extent that it will host the true campuses to deliver the programs. A resolution was presented to indicate to the community that the CSU System was serious in pursuing the project. Should approval be given to move forward, the funding issues would then be addressed.

There was discussion on whether there would be a Memorandum of Understanding with community partners and the parameters on the initial funding. The recommendation by the committee was the resolution would be brought forward for Board approval with modifications to reflect a maximum initial capital expenditure of \$500,000 and a 24-month timeframe to evaluate the program to determine continuation with regular reports made to the Board on the progress.

*Faculty Report – CSU-Fort Collins:* Dr. Miranda indicated the reports from all three campuses were included in the meeting packet. Information was provided on faculty activity including how faculty is hired; annual reviews; reappointment processes; tenure and promotion processes and statistics; post-tenure review mechanisms, policies, and recent statistics; workload issues; compensation issues; and demographic statistics, including gender and minority percentages.

Dr. Miranda highlighted that the demographic statistics for CSU-Fort Collins reflect minority faculty has increased by 40% in the past five years and the number of female faculty has increased significantly. The total number of faculty has risen slightly over the past five years with recovery from the downturn in 2008-09. President Frank pointed out that, in the table for five different measures of teaching workload, CSU-Fort Collins compared to peers is slightly higher in all parameters and significantly higher in

research funding per faculty member which, spread across all faculty, is a marker of scholarship. Governor Makepeace commended CSU-Fort Collins' efforts to increase diversity.

*Faculty Report – CSU-Pueblo:* Dr. Kreminski indicated the CSU-Pueblo report is similar to the CSU-Fort Collins report. Significant efforts were made during the past six years to increase diversity. The percentage of female full-time faculty has increased by 33% and under-represented minority groups have increased by 40.7%. He explained that, in the data provided relative to the peer set approved by the Board, the top institution, Augusta State University in Georgia, merged with Georgia Health Sciences in January 2013 and now has a medical school so it is no longer an appropriate peer.

Referencing the presentation on the South Metro initiative, Dr. Kreminski clarified that the RN to BSN program is not technically a nursing program, is almost exclusively online, and is generally a 2.5+1.5 program rather than a 2+2 program because the RN students would bring in over 70 credit hours.

Governor Horrell commended Dr. Kreminski and CSU-Pueblo on the progress made on the rigor of the faculty evaluation process. She noted that the effort reflects CSU-Pueblo is paying attention to the issues and the processes of identifying where faculty can improve. Dr. Kreminski remarked that there was extensive campus discussion on the issue and the Deans worked with the Department Chairs to ensure existing policies were carefully scrutinized.

*Faculty Report – CSU-Global Campus:* Dr. Jon Bellum, Provost for CSU-Global Campus, explained that the entire faculty is part-time; therefore the metrics and data are different from the other campuses. CSU-Global Campus has high qualifications for faculty and all faculty teaching at the graduate level must have a terminal degree. All faculty, regardless of what level of teaching, must have a minimum of 18 graduate hours in the particular field they would like to be assigned to teach.

Dr. Bellum reviewed the three-step hiring process, the availability of additional paid training; and the compensation levels. In lieu of a raise this past year, the decision was made as a group to decrease the overall student cap in each class. Faculty receives additional pay for each student above the cap and data indicates most faculty members actually received more compensation due to having extra students in classes. Faculty feedback on the compensation has been positive.

Faculty has many opportunities for non-instructional activities and there is a Global Exchange that brings faculty together approximately every 12 weeks to provide an opportunity to examine a topic together as peers. Every year faculty members undergo a 360 performance evaluation with a self-evaluation, evaluation by a training manager, and student evaluations. Peer mentors are provided for three weeks in one of their classes with the faculty identifying an area to work on such as using technology tools better.

The data for the past year indicates there were approximately 20-25 new part-time faculty every month and there were 353 faculty on roster at the time the report was written. The diversity goal in the strategic plan is 25% with diversity at 26% for 2013. Faculty not in communication with CSU-Global Campus for six months is removed from the rosters. The number of faculty hired and trained every month has increased and the number with terminal degrees has increased from 80 to 84%. Retention of faculty is typically 94-95% with 92% for this past year. Faculty leaves for a variety of reasons. In some cases faculty do not meet expectations and are not reassigned.

With no further business to come before the committee, Committee Chair Munn asked for a motion to adjourn. **Motion/Action:** Governor Makepeace made the motion that was seconded and carried. The meeting was adjourned at 2:24 p.m.

**BOARD OF GOVERNORS OF THE  
COLORADO STATE UNIVERSITY SYSTEM  
AUDIT AND FINANCE COMMITTEE MEETING MINUTES  
Occhiato Student Center, Colorado State University-Pueblo  
August 1, 2013**

**CALL TO ORDER**

Committee Chair Flores called to order the Audit and Finance Committee meeting at 2:40 p.m.

**ROLL**

**Governors present:** Dorothy Horrell, Chair; Dennis Flores, Treasurer; Scott Johnson, Secretary; Mark Gustafson; Ed Haselden; Mary Lou Makepeace; Demetri “Rico” Munn; Joseph Zimlich; Alexandra Bernasek, Faculty Representative, CSU-Fort Collins; Ann Leslie Claesson, Faculty Representative, CSU-Global Campus; Nigel Daniels, Student Representative, CSU-Fort Collins; Vanessa Emerson, Student Representative, CSU-Pueblo; Frank Zizza, Faculty Representative, CSU-Pueblo.

**Administrators present:** Michael Martin, CSUS Chancellor; Tony Frank, President, CSU-Fort Collins; Lesley Di Mare, President, CSU-Pueblo; Becky Takeda-Tinker, President, CSU-Global Campus; Allison Horn, CSUS Director of Internal Auditing; Rick Miranda, CSUS Chief Academic Officer and Provost and Executive Vice President, CSU-Fort Collins; Michael Nosler, CSUS General Counsel; Rich Schweigert, CSUS Chief Financial Officer.

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

**Guests:** Tanya Baird, Interim Executive Assistant to the Provost, CSU-Pueblo; Jon Bellum, Provost, CSU-Global Campus; Candice Bridgers, Audit Manager, CSU-Pueblo; Rick Callan Senior Real Estate Analyst, Colorado State University Research Foundation; Craig Cason, Associate Vice President, Facilities Management, CSU-Pueblo; Stephanie Chichester, CSUS Financial Advisor, North Slope Capital; Johnna Doyle, CSUS Deputy General Counsel, CSU-Pueblo; Chris Fendrich, Interim Director of Auxiliary Services, CSU-Pueblo; Erin Frew, Assistant Provost, CSU-Pueblo; Mark Gill, Chief of Staff, CSU-Fort Collins; Marty Hanifin, Vice President, Finance and Administration, CSU-Pueblo; Kathleen Henry, President/CEO, Colorado State University Research Foundation; Blanche Hughes, Vice President of Student Affairs, CSU-Fort Collins; Steve Hultin, Facilities Director, CSU-Fort Collins; Jason Johnson, CSUS Deputy General Counsel, CSU-Fort Collins; Lynn Johnson, Chief Financial Officer, CSU-Fort Collins; Geri Koncilja, RAGE, CSU-Pueblo; Rick Kreminski, Dean, College of Science and Math, and Acting Director, Institutional Research, CSU-Pueblo; Tom Milligan, Vice President, External Affairs, CSU-Fort Collins; Jennifer Mullen, Chief of Staff, CSU-Pueblo; Amy Parson, Vice President, Operations, CSU-Fort Collins; Kristy Proctor, Dean, Graduate Studies and Research, CSU-Pueblo; Mike Rush, University Architect, CSU-Fort Collins; Gus Skinner, Vice President, Finance, CSU-Global Campus; Niki Whitaker, External Affairs, CSU-Pueblo; Carl N. Wright, Provost, CSU-Pueblo; Cora Zatel, External Affairs, CSU-Pueblo.

Committee Chair Dennis Flores reviewed the committee membership and asked for a motion to convene the meeting. **Motion/Action:** Governor Zimlich made the motion, Governor Haselden seconded, and the motion was carried. Committee Chair Flores reported the meeting would consist of two parts: Audit and Finance. He asked Ms. Allison Horn, CSUS Director of Internal Auditing, for her report.

*FY 2014 Audit Plan:* Ms. Horn reported progress on the Fiscal Year 2014 audit plan is being made with several projects carried over from the previous fiscal year nearing completion. She reviewed four reports issued since the previous meeting: NCAA Compliance, CSU-Fort Collins; Accounts Payable, Human Resources, Strategic Planning, Policies and Procedures, CSU-Global Campus; Research Innovation Center, CSU-Fort Collins; and the Self-Assessment, CSUS Internal Audit Department. Ms. Horn introduced Candice Bridgers, the new Internal Auditor at CSU-Pueblo.

Ms. Horn reported audits in process are Centers, Institutes and Other Special Units, CSU-Fort Collins; IT Data Centers, CSU-Fort Collins; Payroll, CSU-Fort Collins; Tax Issues, CSU-Fort Collins; and Continuing Education, CSU-Pueblo. The normal practice is the audit plan for the upcoming fiscal year is approved in June. In order to implement the plan, interim approval was sought from and given by the Committee Chair. Committee Chair Flores indicated action for approval of the FY 2014 Audit Plan will need to be taken at the Board meeting.

*Past Due Recommendations:* Ms. Horn reported there were five past due recommendations that were the same as the last meeting. In some cases, the target implementation dates were changed and not yet reached and/or the recommendations are complicated. There were no red flags or concerns.

*Update on Internal Auditing Department (IAD):* Ms. Horn reported the IAD is now completely staffed and new software is being implemented. The self-assessment was a valuable process, partly because it reinforces that the IAD is doing a good job and to help chart the future. The IAD is in the process of working on internal structure. Due to turnover, there were areas of expertise that need to be regained, particularly in fraud and IT. Staff will be receiving professional development and certification in those areas.

Another recommendation from the self-assessment is the Audit Charter, Policy 111, needed to be updated to indicate that the information and the identity of individuals reporting suspected malfeasance will be treated with discretion, but there is no guarantee of confidentiality or privilege. The Office of General Counsel can confer confidentiality or privilege on reports made through the OGC. Ms. Horn disclosed to the Committee that IAD was not in compliance with the Standard requiring a Quality Assurance Review at least once every five years, as the last self-assessment was completed in 2000. Although the IA Department was generally compliant with the other Standards, limited resources were deployed to perform audits and provide support to management during the period since 2000. The recent review brings the IA Department into compliance with the IIA Standards for Professional Practice.

In response to a question on identification of risks in IT, such as cyber-attacks, Ms. Horn reported the IAD generally checks to ensure general controls are in place to identify and address the risks. The IAD does not test for vulnerabilities. President Frank added that the IT employees systematically probe the systems to assess security.

When asked about the process for determining the audits for the FY Audit Plan, Ms. Horn confirmed that a similar risk assessment as done in the past was used to determine which audits were selected. Other factors are input from managers and the System, and the length of time since an audit was conducted for a unit. **Motion/Action:** Governor Haselden made the motion to move forward the FY 2014 Audit Plan for Board approval. Governor Zimlich seconded and the motion was carried.

Committee Chair Flores asked Mr. Rich Schweigert, CSUS Chief Financial Officer, for his report on the financial issues.

*College Opportunity Fund and State Revenue Update:* Mr. Schweigert provided an overview of the quarterly state revenue projections and noted the ongoing debate of whether the economy has improved or whether the additional revenues are one-time funds. Most recent forecasts indicate excess revenues with the potential for additional higher education funds for either operating funds or capital construction projects. A more detailed conversation on the issue will be held during the System wide discussion at the Board meeting the next day.

Mr. Schweigert explained the College Opportunity Fund (COF) was a funding mechanism passed in 2005 and put in place in 2006. COF is provided for resident undergraduate students and assists higher education institutions in calculations against TABOR. State funding for higher education is provided through COF stipends and fee-for-service contracts with the current reimbursement rate at \$64 per credit hours or \$1,920 per full time student. For the current fiscal year, the CSU System received approximately \$40 million in stipends and \$70 million in fee-for-service funding that is split internally based upon enrollment.

*Bond Refinancing:* Mr. Schweigert reported a refunding was completed in March and CSUS maintained its current Moody's and S&P ratings. There was a cash flow savings of \$38.7 million and present value savings of \$11.3 million. An internal escrow account that was not performing well was eliminated. The bond refinancing gives debt service relief for CSU-Pueblo Housing as CSU-Pueblo rebuilds enrollment. A borrowing cost comparison with prior bond issuances was provided in the meeting materials and the outstanding revenue bond balance is \$529 million.

Mr. Schweigert explained the Board adopted a Master Resolution in 2007 that lays out all parameters for borrowing from the market. The Board is being asked to adopt the 7<sup>th</sup> Supplemental Resolution to fund the Occhiato University Center renovation with the assumption that CSU-Pueblo will add an additional \$4 million from student fees collected during the past few years. The CSU-Pueblo Foundation has made a commitment to raise funds for Phase 2 of the project. The maximum interest rate would be 5.5% for a term of 30 years and the bonds will be callable in 10 years.

Mr. Marty Hanifin, Vice President of Finance, CSU-Pueblo, explained the debt service projection for the Occhiato renovation was placated upon the sale of 120,000 credit hours which is the level the institution achieved even at its lowest enrollment. Mr. Schweigert added there is a built-in 25% buffer. Details on the project and prioritization of new projects would be provided during the Real Estate/Facilities Committee meeting later in the day through a presentation on the CSU-Pueblo Master Plan.

**Motion/Action:** Governor Zimlich moved to forward for Board approval the 7<sup>th</sup> Supplemental Resolution. Governor Haselden seconded and the motion carried.

*Campus FY 2015 Budget Updates:* Mr. Schweigert asked the campus presidents to provide the updates.

CSU-Fort Collins: President Tony Frank explained the draft FY 2015 budget was predicated on the assumptions of a tuition increase of 5% for resident undergraduate tuition and 3% for nonresident undergraduate; 1% fee increase that includes an extensive student fee process; and salary increases of 2.5% for faculty and 3% for state classified with increased funding in benefits. The budget is based on flat enrollment with the expectation that, if enrollment increases, the excess funds will be invested in the institution in a variety of ways. Conversely, if there is a shortfall, there is \$1 million in an enrollment reserve that can be cross-collateralized with a \$1 million deferred maintenance reserve. More details on enrollment should be available by the December meeting.

Assumptions under new resources include \$10 million in additional state funding and adjustments can be made if necessary. New expenses include a 1% increase in the defined contribution plan and \$2.7 million in commitments and quality enhancements.

President Frank explained the budget process that begins in August; undergoes an extensive campus review; and the final draft is based upon the finalization of the Long Bill by the State. The process culminates in May when the Board adopts the budget for the upcoming fiscal year.

Governor Horrell raised the subject of the Board, at some point, having a philosophical conversation about tuition. There was discussion on the complexity of the issue, including the true cost of attendance vs. tuition, and the ongoing issue of states defunding higher education and the ability to transform. The suggestion was made that the conversation could be held at the February Board retreat.

CSU-Pueblo: President Lesley Di Mare asked Mr. Hanifin to provide the budget update. Mr. Hanifin began by expressing gratitude for the financial support and the confidence extended to the campus. He reported the FY 2013 expenditures are in line with the support and noted the aggressive savings made across the campus and the debt service savings for Housing.

The FY 2015 incremental budget is partially based on the expectations for FY 2014 with the enrollment numbers unknown until the fall census and the spring draw. There was no tuition increase in FY 2014 and the FY 2015 budget includes a 9% tuition increase which may need to be revisited, and increases in differential tuition which places the university solidly within peers. Other factors in the budget modeling include an integrated and very aggressive enrollment effort that is expected to yield results.

The combined higher enrollment coupled with increased tuition is the basis for forecasting increased resources. New expenses include offsetting the tuition increase with approximately \$1 million or a 20% increase in financial aid. There is a placeholder for strategic initiatives for new programs which have not been available for a number of years. Four new sports programs are expected to yield 130 students. The net expectation is the institution will back out of System support and again be a self-standing institution.

There was discussion on the support for the shortfalls for 2013 and 2014; use of reserves and the potential to rebuild reserves in lieu of adding programs; and the perception of going from no increase to a 9% increase in tuition. President Di Mare, her leadership team and CSU-Pueblo were commended on their efforts to address the financial shortfalls.

CSU-Global Campus: President Becky Takeda-Tinker reported 7,200 new students will be added in the current year with the expectation that the target of 9,000 new students in FY 2015 will be achieved. Retention is projected at 75%; no tuition increase is expected; and the collections rate will be maintained at 97%. Revenue is projected at \$64 million and expenses at \$41 million with a net of \$17.5 million or 36%. The current fiscal year projects \$47.5 million in revenues and \$31 million in expenses for a net of \$16.3 million or approximately 33 to 34%. The previous year netted \$13 million with interest repayment and payment of \$1.2 million to CSU-Fort Collins for retained earnings of approximately \$12 million. Market place competition is projected to be more aggressive and could impact future growth.

President Takeda-Tinker reported CSU-Global Campus will be moving to a new location in the same general area the third week in October. The new location will accommodate growing staff and anticipated growth. There will be five conference rooms with two connected and another set of three connected to the lobby to allow for classes. A presentation will be made during the regular Board meeting the next day.

*FY 2014 Institutional Plan for Student Fees and Charges:* Mr. Schweigert reported the Board, under CCHE policy, is required to adopt annually an Institutional Student Fee Plan that defines the parameters under which fees are developed and reviewed. There is extensive student input into the fee process and the fees are adopted with the annual budget. **Motion/Action:** Governor Zimlich moved to forward the plan for Board approval. Governor Haselden seconded and the motion was carried.

*Line of Credit:* Mr. Schweigert asked President Frank to address the resolution for approval of a short-term construction bridge funding line of credit (LOC). President Frank explained how historically CSU-Fort Collins has been operating with an internal line of credit for short-term funding to complete campus projects. Through discussions with the Colorado State University Research Foundation (CSURF), the intent is to essentially expand the leasing/purchasing program to include short-term bridge funding for smaller capital construction or renovation projects. The interest rate will be linked to the prime rate.

Following questions on the interest rate, Ms. Kathleen Henry, President/CEO for CSURF, indicated the document will have to be reviewed regularly with the floor and ceiling adjusted as necessary. Policies and guidelines will be put in place and there has been legal review. CSURF has reviewed the generalities and will move forward with final action if the LOC is approved by the CSUS Board. **Motion/Action:** Governor Zimlich moved to forward the resolution for Board approval. Governor Haselden seconded and the motion was passed unanimously.

*Policy Manual Review:* Mr. Schweigert explained finance policies were put in place in 2007. With the advice of legal and bond counsel, additional policies agreed upon by the System and campuses, in areas such as finance perspective, budgeting, debt management and reserves, were added. There was one long finance policy that has now been broken into policies 200 to 208. Modifications include:

- Policy 200 is new and reflects the statutory requirements on control of funds and the duty of the Board Treasurer to report with the ability to delegate reporting to the CSUS Chief Financial Officer and further delegation to the Chancellor and Presidents.
- Policy 202 added items in D and H on post issuance compliance to ensure Securities & Exchange Commission compliance with annual certification. The language was structured on the advice of counsel.
- Policy 203 on municipal securities disclosure was added.
- Policy 205 was updated to reflect current practice on monitoring and annually reporting reserves.
- Policy 206 outlines how the System Finance Office operates.

Governor Zimlich suggested that paragraph H on post issuance compliance should be amended to add annual reporting to the Board on outcome or findings. He also suggested a modification to the last sentence in the 1<sup>st</sup> paragraph in Policy 205 for compatibility with Policy 105. Mr. Schweigert and General Counsel Nosler indicated the policies would be adjusted accordingly. Governor Horrell commented that the Board may not be in a position to approve the complete manual the next day. General Counsel Nosler indicated that, at the minimum, action was needed on Policy 202, specifically paragraph H, and Policy 203.

With no further business to be conducted, Committee Chair Flores asked for a motion to adjourn the Audit and Finance Committee. **Motion/Action:** Governor Haselden made the motion; the motion was seconded and carried. The meeting adjourned at 4:24 p.m.

**BOARD OF GOVERNORS OF THE  
COLORADO STATE UNIVERSITY SYSTEM  
REAL ESTATE/FACILITIES COMMITTEE MEETING MINUTES  
Occhiato Student Center, Colorado State University-Pueblo  
August 1, 2013**

**CALL TO ORDER**

Committee Chair Scott Johnson called to order the Real Estate/Facilities Committee meeting at 4:25 p.m.

**ROLL**

**Committee members present:** Scott Johnson, Chair; Ed Haselden; Ann Leslie Claesson, Faculty Representative, CSU-Global Campus; Vanessa Emerson, Student Representative, CSU-Pueblo; Frank Zizza, Faculty Representative, CSU-Pueblo.

**Governors present:** Dennis Flores; Mark Gustafson; Dorothy Horrell; Mary Lou Makepeace; Demetri “Rico” Munn; Joseph Zimlich; Alexandra Bernasek, Faculty Representative, CSU-Fort Collins; Nigel Daniels, Student Representative, CSU-Fort Collins;

**Administrators present:** Michael Martin, CSUS Chancellor; Tony Frank, President, CSU-Fort Collins; Lesley Di Mare, President, CSU-Pueblo; Becky Takeda-Tinker, President, CSU-Global Campus; Allison Horn, CSUS Director of Internal Auditing; Rick Miranda, CSUS Chief Academic Officer and Provost and Executive Vice President, CSU-Fort Collins; Michael Nosler, CSUS General Counsel; Rich Schweigert, CSUS Chief Financial Officer.

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

**Guests:** Tanya Baird, Interim Executive Assistant to the Provost, CSU-Pueblo; Jon Bellum, Provost, CSU-Global Campus; Candice Bridgers, Audit Manager, CSU-Pueblo; Rick Callan Senior Real Estate Analyst, Colorado State University Research Foundation; Craig Cason, Associate Vice President, Facilities Management, CSU-Pueblo; Stephanie Chichester, CSUS Financial Advisor, North Slope Capital; Johnna Doyle, CSUS Deputy General Counsel, CSU-Pueblo; Chris Fendrich, Interim Director of Auxiliary Services, CSU-Pueblo; Erin Frew, Assistant Provost, CSU-Pueblo; Mark Gill, Chief of Staff, CSU-Fort Collins; Marty Hanifin, Vice President, Finance and Administration, CSU-Pueblo; Kathleen Henry, President/CEO, Colorado State University Research Foundation; Blanche Hughes, Vice President of Student Affairs, CSU-Fort Collins; Steve Hultin, Facilities Director, CSU-Fort Collins; Jason Johnson, CSUS Deputy General Counsel, CSU-Fort Collins; Lynn Johnson, Chief Financial Officer, CSU-Fort Collins; Geri Koncilja, RAGE, CSU-Pueblo; Rick Kreminski, Dean, College of Science and Math, and Acting Director, Institutional Research, CSU-Pueblo; Tom Milligan, Vice President, External Affairs, CSU-Fort Collins; Jennifer Mullen, Chief of Staff, CSU-Pueblo; Amy Parson, Vice President, Operations, CSU-Fort Collins; Kristy Proctor, Dean, Graduate Studies and Research, CSU-Pueblo; Mike Rush, University Architect, CSU-Fort Collins; Gus Skinner, Vice President, Finance, CSU-Global Campus; Niki Whitaker, External Affairs, CSU-Pueblo; Carl N. Wright, Provost, CSU-Pueblo; Cora Zattel, External Affairs, CSU-Pueblo.

Committee Chair Johnson reviewed the committee membership and asked for a motion to move into Executive Session. **Motion/Action:** The motion to move into Executive Session was made, seconded and carried. CSUS General Counsel Nosler read the meeting into Executive Session for the purpose of

discussions relating to the purchase of property for public purpose or sale of property at competitive bidding if premature disclosure of such transaction would give a competitive advantage to the other party, confidential pursuant to C.R.S. § 24-6-402 (3) (a) (I) (2012). The Real Estate/Facilities Committee reconvened in the open public meeting at 4:35 p.m.

*CSU Program Plans:* Committee Chair Johnson asked President Frank to comment on the program plans. President Frank explained the approval of the program plans is one of two approvals before any capital construction can proceed. The second required approval by the Board is the finance plan. After approval of the program plan by the Board, the program plans are submitted to the Colorado Commission on Higher Education (CCHE) and are good for five years. After such time, the program plans can be refreshed.

President Frank reviewed the program plans submitted for approval: Engines and Energy Conversion Lab (EECL) Addition; Aggie Village North Redevelopment; Bay Farm Parking Garage; Shields Street Parking Garage; Eddy Hall Revitalization Phase 2; and Relocation of the Plant Environmental Research Center (PERC). President Frank noted that the approval for a potential PERC relocation does not endorse the potential new stadium. He acknowledged the hard work from staff that is required to put together high quality program plans. **Motion/Action:** The motion was made, seconded and carried to forward the program plans for approval the Board.

*CSU-Pueblo Master Plan Presentation:* Committee Chair Johnson asked Mr. Marty Hanifin, Vice President of Finance and Administration, and Mr. Craig Cason, Associate Vice President for Facilities Services, for their presentation. Mr. Hanifin explained the campuses are required by CCHE to have Board approval for the campus Master Plan. The plan is from the present time to 2020 and has been developed through a very inclusive process that started in 2011 and engaged all community stakeholders

Mr. Cason explained the campus Master Plan is a document that helps drive the direction of the university. The project looks at the campus as a canvas to prepare for future generations and is a living document that helps place buildings, links open space, and provides vehicle and pedestrian circulation.

Mr. Cason reviewed the Request for Proposal process to hire a project design company and the creation of a steering committee to provide direction. The main goal is to keep the Master Plan synergistic with the strategic plan and the university's mission with a sustainable campus. Through a PowerPoint presentation, Mr. Cason explained that the future of the campus is driven by the past and provided an overview of what the campus looked like in the 1960s and 1970s.

Mr. Cason reported the first project to be undertaken will be the new academic building that has been approved for state funding. The academic building will be located on the west side of campus and have eight classrooms, four labs and office space for faculty. The RFP and RFQ processes to hire a project manager, architect and general contractor are underway.

The second project is a two-phased renovation to the Occhiato University Center that will provide dedicated student space and better usage of space by the community. Other planned projects include a soccer/lacrosse complex, a Wolf Creek project with recirculation of water through the campus, and a circulation corridor around the campus which will provide convenience and address security issues. The Master Plan has the capacity for 8,000 students and can be expanded if necessary. Each project has been evaluated on how it meets the Master Plan and periodic updates can be made if necessary.

Committee Chair Johnson thanked Mr. Hanifin and Mr. Cason for the presentation. Questions were answered on the timing of the different phases, funding, and working with the city on the roads. In

response to a request from Governor Claesson, a one-page summary on the projects outlining costs will be prepared. Committee Chair Johnson asked for a motion to advance the resolution to approve the Master Plan for CSU-Pueblo. **Motion/Action:** Governor Haselden made the motion; the motion was seconded and carried.

*Review of Policies:* CSUS General Counsel Nosler reported the policies relevant to the committee were 201 and 207, the real estate investment policy. No changes were made to these policies.

With no further business to come before the committee, Committee Chair Johnson asked for a motion to adjourn. **Motion/Action:** Governor Haselden made the motion; the motion was seconded and carried. The meeting was adjourned at 5:03 p.m.

**BOARD OF GOVERNORS OF THE  
COLORADO STATE UNIVERSITY SYSTEM  
BOARD OF GOVERNORS BREAKFAST MEETING MINUTES  
Occhiato Student Center, Colorado State University-Pueblo  
August 1, 2013**

**CALL TO ORDER**

Chair Dorothy Horrell called to order the Board of Governors breakfast meeting at 7:30 a.m.

**ROLL**

**Governors present:** Dorothy Horrell, Chair; Dennis Flores, Treasurer; Scott Johnson, Secretary; Mark Gustafson; Ed Haselden; Mary Lou Makepeace; Demetri “Rico” Munn; Joseph Zimlich; Alexandra Bernasek, Faculty Representative, CSU-Fort Collins; Ann Leslie Claesson, Faculty Representative, CSU-Global Campus; Nigel Daniels, Student Representative, CSU-Fort Collins; Vanessa Emerson, Student Representative, CSU-Pueblo; Frank Zizza, Faculty Representative, CSU-Pueblo.

**Administrators present:** Michael Martin, CSUS Chancellor; Tony Frank, President, CSU-Fort Collins; Lesley Di Mare, President, CSU-Pueblo; Becky Takeda-Tinker, President, CSU-Global Campus; Rick Miranda, CSUS Chief Academic Officer and Provost and Executive Vice President, CSU-Fort Collins; Michael Nosler, CSUS General Counsel.

**Guests:** Mark Gill, Chief of Staff, CSU-Fort Collins.

Chair Horrell explained the strategic plan is an important guiding document and, as follow-up to the June retreat, would be the topic of discussion for the breakfast meeting. She then asked Chancellor Michael Martin to provide the context for the strategic plan discussion.

Chancellor Martin commented on the rapidly changing higher education market. As the economy gets stronger, national enrollment is declining with people opting for the job market instead of college. Other national trends are the cost of higher education continues to rise and the number of qualified students is in decline. He noted the same trends are reflected in Colorado with a smaller percentage of potential resident students choosing Colorado institutions. Some of the better students are leaving the state for more selective institutions with three states – Wyoming, California and Arizona – on the ascent. Within Colorado, there is a shrinking higher education population to serve with excess capacity. Ten of fifteen community colleges and seven of twelve 4-year universities are facing declining enrollment.

Retention and graduation rates have huge impacts for the future. The best way to maintain enrollment is by increasing retention. Another problem is student debt and rising default rates, particularly for students who do not graduate. Philosophically the question becomes does an institution accept a student who has a marginal chance of success or does it invest in new ways to ensure the student’s success. Examples for tactics could include planned 5.5-year degrees instead of the traditional 4-year since some students need more time, and blended opportunities with online education.

Chancellor Martin reported another factor impacting recruitment is the ranking of universities by major publications with a significant part of the ranking based on retention and graduation. He indicated his personal preference is the *Forbes* ranking with the success of the university relative to the predicted graduation rates based on the incoming student population. The most widely read is *US News & World Report* that ranks 200 universities with three in Colorado in the top 200. Other rankings include

*Washington Monthly*, *CBS Money Watch*, the National Survey of Student Engagement (NSSE) which does not occur very frequently, and the National Research Council (NRC) for major research institutions.

Chancellor Martin noted the first tenet of the strategic plan, student success and satisfaction, is the most central to the overarching mission of CSUS. From a policy and innovation perspective, the first tenet is important to what occurs during the next five to ten years for the System to remain healthy. Graduation, retention, time to completion, student debt and high quality instruction are important factors of the equation.

When asked about student athletes at CSU-Pueblo, President Lesley Di Mare responded the student-athletes have an overall higher GPA than the average student. Factors included the amount of time spent helping the student-athletes and student-athletes are a small group with perhaps more at stake. President Di Mare commented on the large number of students that need to be remediated at CSU-Pueblo and the large debt load of transfer students. While a student may not have accrued all of their debt at CSU-Pueblo, the debt follows the student. When an institution's default rate reaches a certain percentage, the institution is thrown into a default management loan program with two years to turn around or financial aid is taken away.

President Becky Takeda-Tinker, CSU-Global Campus, explained there is a \$57,500 lifetime cap for financial aid at the undergraduate level for Independents. If a freshman or sophomore student has to repeat a class, goes to a for-profit and/or pays a large amount of tuition at some other institution, there exists the problem of potentially not having enough funds to finish under federal financial aid caps. While this does not negate the ability to qualify for other secondary or private loans, many of the students at CSU-Global Campus do not qualify for those types of loans.

CSU-Global Campus has taken a position of not allowing students to get into more debt without the funds needed to bring through to graduation. There is planning up-front on how students will finish, such as ensuring all credits are received to close the gap or credit by exam. Efforts to certify for tuition and books and not cost-of-living, per the Dept. of Education, can only be done on a case-by-case basis and only about one in twenty CSU-Global students have so far signed such an agreement.

Chair Horrell noted there are metrics that are being used to track student success and satisfaction, i.e. graduation rates, persistent rates, engagement and satisfaction rates, post-graduate success, student-related debt, and time to graduation. She inquired about aspirations for CSU to be an AAU institution and were there any particular areas of concern.

President Tony Frank commented that, while becoming more selective and raising tuition could drive the perception of demand and quality, the role of CSU as a land-grant institution is to provide access to a high quality education. As such, CSU should pay attention to the fundamentals and do everything possible to ensure student success. Chair Horrell added this was true also for the role and mission of CSU-Pueblo with an HSI designation. President Takeda-Tinker indicated that CSU-Global Campus is also driven towards access and affordability.

Chair Horrell indicated it would be helpful for the Board to collectively determine that the four areas in the System strategic plan are still valid. The campuses have their own plans and the Chancellor is assuring the connection between the institutional efforts and the System with succinct reporting on the identified metrics.

When asked about understanding the student as the consumer, changing student demographics and collaboration with the local schools in Pueblo, President Di Mare responded there is data available to understand every incoming student; CSU-Pueblo is working with the two district superintendents and all

of the high schools in the county; and she participates in a Pueblo Educational Consortium that meets regularly.

Governor Haselden commented that student success is important. However, with the economic downturn since the strategic plan was developed, the focus of the Board has largely been on financial sustainability.

President Frank explained there are basically four “buckets”: the students, scholarship of the institution, financial stability, and community engagement/reputation. The institution has a large pyramid with thousands of metrics that are tracked at various levels, from the president to the chairs, departments and units. He noted, in terms of the strategic plan discussion, a limited number of metrics have been identified for the Board to ensure that the institutions are being effectively managed and fulfilling role and mission.

Chancellor Martin added that, while there is room for improvement, CSU is performing better than Colorado, but Colorado is not performing well. The benefit of the strategic plan metrics is that if the metrics are achieved, rankings are also improved. While the overall concept of strategic planning is complicated, identifying a few specific metrics allows the Board to understand the challenges of each campus and the System as a whole.

Chancellor Martin remarked that traditional universities grew up around the GI Bill and the Baby Boomers with homogenous student populations. Student populations are no longer as homogenous, but the CSU System has the capacity to be the new model for higher education. Various tactics have been discussed including investing in high quality faculty, such as National Academy of Science Scholars that would not only improve rankings, but would also generate funds through contracts and grants that could subsidize other areas on the campus.

When asked if anything more was needed from the Board relative to the first tenet, Chancellor Martin indicated the Board’s affirmation that this is the most significant purpose for the CSU System and that accomplishment of these metrics to meet the new reality will be viewed as significant progress. Discussion followed on creating targets that are attainable and measurable; investing in cultural awareness; the lack of college preparedness in K-12; presenting strategic plan updates in a meaningful manner; frequency of the updates; connecting the updates to annual measurements; and the Board focus on strategy with the tactics to be developed by the Chancellor and Presidents.

Chair Horrell directed the conversation to the other three tenets: creating financial sustainability; expanding statewide presence; and transforming Colorado’s future. She noted there would be a discussion during the regular Board meeting on the potential for additional state higher education funding, and what should be the priorities and acceptable tradeoffs.

On expanding statewide presence, Chair Horrell remarked that Chancellor Martin has identified opportunities, such as the National Western Center and the South Metro initiative. She inquired about parameters and providing guidance to the Chancellor for such endeavors. Chancellor Martin commented on the different dynamics between the National Western Center with CSU as the land-grant university and the South Metro initiative that is a citizen-driven educational enterprise. Suggestions made were to have routine communications; to be strategic in selecting opportunities to ensure success and quality; and to not be drawn into politics.

On transforming Colorado’s future, Chancellor Martin pointed out that, while not easy to measure, having more successful graduates will have an economic and social impact. Other impacts include the research, intellectual property and technology transfer.

Chair Horrell indicated next steps would be for the Chancellor to work with the Presidents to incorporate more measurement; identify any missing criteria; and determine frequency and format to display the measurements. Chancellor Martin indicated the process has already begun and will continue to be refined.

Chancellor Martin commented on a K-12 ballot initiative. As a private citizen who has been in higher education for a long period of time, he personally supports the initiative with the belief that any improvements in K-12 will have a positive impact on higher education. The Board determined not to take a position at this time on the initiative. A special meeting, possibly by teleconference, could be called to address the issue with information on the initiative to be distributed in advance. Chancellor Martin confirmed that, until such action was taken, he would clarify that any public comments he makes in support of the initiative are his personal opinion and not the position of the Board or CSU System.

Chair Horrell remarked that the breakfast meeting was a positive way to have a detailed discussion. She suggested establishing a pattern of holding a working breakfast before the regular Board meeting and asked Board members to contact her with any objections or concerns. During the legislative session, the breakfast could provide an opportunity for updates and discussion of bills coming forward. The working breakfast was concluded at 9:00 a.m. to be followed by the regular Board meeting.

**BOARD OF GOVERNORS OF THE  
COLORADO STATE UNIVERSITY SYSTEM  
BOARD OF GOVERNORS MEETING MINUTES  
Occhiato Student Center, Colorado State University-Pueblo  
August 2, 2013**

**CALL TO ORDER**

Chair Dorothy Horrell called to order the Board of Governors meeting at 9:02 a.m.

**ROLL**

**Governors present:** Dorothy Horrell, Chair; Dennis Flores, Treasurer; Scott Johnson, Secretary; Mark Gustafson; Ed Haselden; Mary Lou Makepeace; Demetri “Rico” Munn; Joseph Zimlich; Alexandra Bernasek, Faculty Representative, CSU-Fort Collins; Ann Leslie Claesson, Faculty Representative, CSU-Global Campus; Nigel Daniels, Student Representative, CSU-Fort Collins; Vanessa Emerson, Student Representative, CSU-Pueblo; Frank Zizza, Faculty Representative, CSU-Pueblo.

**Administrators present:** Michael Martin, CSUS Chancellor; Tony Frank, President, CSU-Fort Collins; Lesley Di Mare, President, CSU-Pueblo; Becky Takeda-Tinker, President, CSU-Global Campus; Allison Horn, CSUS Director of Internal Auditing; Rick Miranda, CSUS Chief Academic Officer and Provost and Executive Vice President, CSU-Fort Collins; Michael Nosler, CSUS General Counsel; Rich Schweigert, CSUS Chief Financial Officer.

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

**Guests:** Tanya Baird, Interim Executive Assistant to the Provost, CSU-Pueblo; John Brackney, South Metro Denver Chamber; Lacy Desmond, Marketing & Development Specialist, CSU-Pueblo Foundation; Johnna Doyle, CSUS Deputy General Counsel, CSU-Pueblo; Joel Edward, Gates Corporation; Shanna Farmer, Community-Based Research Coordinator, CSU-Pueblo; Erin Frew, Assistant Provost, CSU-Pueblo; Jeanne Gibson, ELI Director, CSU-Pueblo; Mark Gill, Chief of Staff, CSU-Fort Collins; Michelle Gjerde, Director, Career Center, CSU-Pueblo; Marty Hanifin, Vice President, Finance and Administration, CSU-Pueblo; Kathleen Henry, President/CEO, Colorado State University Research Foundation; Seth Hoffman, Deputy City Manager, City of Lone Tree; Jeff Holwell, South Metro Denver Economic Development; Blanche Hughes, Vice President of Student Affairs, CSU-Fort Collins; Jason Johnson, CSUS Deputy General Counsel, CSU-Fort Collins; Lynn Johnson, Chief Financial Officer, CSU-Fort Collins; Sylvester A. Kalevela, Acting Dean, CEEPS, CSU-Pueblo; Geri Koncilja, RAGE, CSU-Pueblo; Rick Kreminski, Dean, College of Science and Math, and Acting Director, Institutional Research, CSU-Pueblo; Patricia Milner, Program Manager, Continuing Education; CSU-Pueblo; Jennifer Mullen, Chief of Staff, CSU-Pueblo; Kelsey Murray, Graduate Assistant, SEAL, CSU-Pueblo; Nick Potter, Scholarship Administrator, CSU-Pueblo Foundation; Kristy Proctor, Dean, Graduate Studies and Research, CSU-Pueblo; Alvin Rivera; Tracy Samora, Director of Alumni Relations, CSU-Pueblo; Kayleen St. Louis, Graduate Assistant, SEAL, CSU-Pueblo; Jennifer Torres, Manager, ISS, CSU-Pueblo; Carl N. Wright, Provost, CSU-Pueblo Cora Zateltel, External Affairs, CSU-Pueblo.

Chair Horrell welcomed new faculty representatives Dr. Alexandra Bernasek, CSU-Fort Collins, and Dr. Ann Leslie Claesson, CSU-Global Campus, and asked them to share information on their duties at their respective campuses. After the introductions, CSUS General Counsel Michael Nosler administered the Oath of Office to the new faculty representatives.

## **PUBLIC COMMENT**

Chair Horrell reported 20 minutes had been allocated for Public Comment and four individuals had signed up to speak. She indicated that 15 minutes was allocated for the three individuals who will address the issue of the South Metro initiative and then 5 minutes for the fourth individual.

Mr. John Brackney, CEO of the South Metro Denver Chamber, explained that one of the greatest weaknesses for the South Metro community was the lack of a university and noted that CSU has an excellent reputation. On behalf of the South Metro Denver business community and the 1.5 million people living in the Arapahoe and Jefferson counties, he wholeheartedly welcomed the opportunity for a CSUS South Metro campus.

Mr. Joel Edwards, Vice President, Gates Corporation, explained who Gates Corporation is and that he was excited to have the opportunity to speak on behalf of the South Metro opportunity. Mr. Edwards shared information on CH2M Hill, which is also supportive of the opportunity, and commented on the challenge for businesses in technology, aerospace, oil and gas, and mining to meet workforce needs.

Mr. Jeff Howell, Director of Economic Development, South Metro Denver Chamber, added his support for the project and commented on the economy and demographics of South Metro Denver. He remarked that Arapahoe and Douglas counties are the largest growth sector in both population and businesses for the Denver metropolitan area and have three of the highest performing school districts in the state.

Mr. Brackney submitted letters of support from the Centennial Airport and Merrick & Company and noted other letters will be provided. He commented that the demand in the South Metro area is enormous; the CSU System is the most in tune with Colorado's population; the South Metro Denver initiative will be another major component of the CSU System that will keep Colorado competitive; and the business community is committed for the long-term to help the South Metro initiative succeed. He concluded the remarks by thanking the Board for the opportunity to speak.

Chair Horrell commented that there was a positive discussion the previous day on the South Metro initiative in the Academic and Student Affairs Committee meeting. A resolution would be presented later in the day for the Board's consideration. She thanked Mr. Brackney, Mr. Edwards and Mr. Howell for taking the time to affirm the needs and the support of the community.

Chair Horrell asked Dr. Alvin Rivera for his comments. Dr. Rivera read a prepared statement to call attention to the perceived problem of no Hispanic members on the CSU-Pueblo Foundation Board of Trustees. Chair Horrell thanked Dr. Rivera for presenting his concerns and indicated that Chancellor Martin and President Di Mare would follow-up on his concerns.

## **CHAIR'S AGENDA**

Chair Horrell commented on the productive discussions held at the Board's June retreat and reported she, Chancellor Martin and the leadership team are following up on the issues raised. A substantive discussion on the strategic plan was held at the working breakfast that morning; and consideration of the South Metro initiative was scheduled for later in the Board meeting. She thanked the Board members for their time and efforts, noting the important work being done on behalf of the citizens of Colorado.

A work plan that will include a schedule of reports is being developed for presentation in October. In the back flap of the Board meeting book, a calendar of upcoming events was included and will be updated for each meeting until an electronic calendar is implemented. Chair Horrell reviewed upcoming events and

asked Board members to contact Melanie Geary or Sharon Teufel if interested in attending any of these events.

Chair Horrell indicated that two System wide discussion items were scheduled for the afternoon: (1) the use of funds and tradeoffs for potential additional state higher education funds; and (2) impact and alternatives on upcoming legislation re-introducing the issue of four-year degrees at community colleges.

### **EXECUTIVE SESSION**

Chair Horrell indicated the next agenda item was the Executive Session. **Motion/Action:** The motion was made, seconded and carried unanimously to move into Executive Session. General Counsel Nosler read the meeting into Executive Session for the purposes identified in the Public Notice.

### **FACULTY REPRESENTATIVE REPORTS**

Governor Zizza, Faculty Representative, CSU-Pueblo, reported there was limited activity during the summer and noted the Faculty Handbook changes being presented for approval. He commented that faculty is encouraged by the stability of the CSU-Pueblo leadership team, including President Di Mare and new Provost Dr. Carl Wright; an energetic and enthusiastic Chancellor; and an involved and engaged Board. Governor Zizza expressed appreciation to the Board, Chancellor and Presidents in being able to forego furloughs to address the financial shortfall. Governor Zizza noted some issues related to summer session classes including scheduling and differences in expectation. He concluded with comments about the Noyse Scholarship, which provided new internship opportunities for lower division CSU-P students to teach at a summer academy. The grant is in the second of five years.

Governor Ann Leslie Claesson, Faculty Representative, CSU-Global Campus, reviewed five reasons why CSU-Global Campus is different and why faculty like to work there: (1) faculty support is immediate; (2) smaller class sizes with more time dedicated for students and, as adjunct professors, several classes can be taught during the year; (3) faculty are set up to align with certain programs, but can be shifted according to student needs; (4) grading is done within three days which is good for students and faculty; and (5) utilization of measurements and programs in a variety of ways, including the automated grading and anti-plagiarism programs.

Governor Alexandra Bernasek, Faculty Representative, CSU-Fort Collins, acknowledged her predecessor on the Board, Dr. Carole Makela. She reported there was not much activity by the Faculty Council during the summer and indicated her written report outlined items addressed at the May meeting. The Faculty Council will be examining the issue of student intellectual property and protecting students' work which is a national issue with electronic submissions and technology. Chancellor Martin will be attending a Faculty Council meeting. The faculty is interested in the South Metro proposal and will have questions. Ongoing issues of interest to the faculty include access and affordability for low-income students and student preparation. Governor Bernasek commented on how higher education has changed during the past 20 years with more counseling and mentoring of students. She concluded her remarks by extending an invitation to attend one of her classes.

### **STUDENT REPRESENTATIVE REPORTS**

Governor Vanessa Emerson, Student Representative, CSU-Pueblo, reviewed highlights of her written report including the upcoming Associated Student Government (ASG) retreat; reorganization of the ASG offices; meeting with Interim Provost Kreminski to discuss the most effective way to get student responses for faculty evaluations; and the ASG is revising policies and procedures on campus. She participated in four student orientations and the negotiations for a 3-year contract to continue the *USA*

*Today Readership Program* that is an important tool for students. Governor Zizza commended the student government for its involvement in improving the faculty evaluation process.

Governor Horrell reported that Governor Jerry Purvis, Student Representative, CSU-Global Campus, was unable to attend the meeting. President Takeda-Tinker noted that a written report was included in the Board book and that Governor Purvis would make the planned presentation at the October meeting.

Governor Nigel Daniels, Student Representative, CSU-Fort Collins, reviewed highlights of his written report including the Associated Student Government of CSU (ASCSU) received approximately \$2.1 million through student fees; the goal for a new online interactive student fee process; work on the Community Welcome Program; efforts to maintain the late night bus route; and plans for the Grill the Buffs event. He shared the new For-Ever-Green logo that was voted on and approved during last year's election process. Marketing efforts include expanding beyond the campus to get high schools students and the community involved. The Ram Ride program has been revamped with a more effective dispatch system. The ASCSU hosted the student government from Florida Gulf University and plans to continue expanding the relationship.

### **CHANCELLOR'S REPORT**

Chancellor Michael Martin commented that one aspect of his responsibilities is to examine the challenges and provide diagnosis on how the CSU System can be successful in the competitive higher education environment. He listed several strategies that emerged through comparisons of CSUS' strategic plan with peer institutions. Comparisons with institutions using a CQI approach to measure progress reflected common measures including retention rates, graduation rates, administrative and support efficiency, and extra-mural competitive funding. Several institutions have identified seeking AAU status as a goal.

Chancellor Martin commented on how Arizona State University is one of the most aggressive competitors for CSUS. To understand what is happening within CSUS, the state as a whole, and nationally, Chancellor Martin noted efforts need to be focused on retention. Improvement has been made in graduation rates. Strategies include increasing faculty quality with consideration given to recruiting faculty who are members of the National Academy of Science and supporting faculty who have the potential to gain such recognition. Other strategies include protecting the in-state market and creating new partnership feeder arrangements within and outside of the state.

***Venture Capital Fund (VCF):*** Chancellor Martin outlined the VCF review process and composition of the review panel. One outside review has not yet been completed. A preliminary list of finalists was shared with the Board. Chancellor Martin acknowledged the efforts of Mr. Kyle Henley, CSU Director of Public Relations. Mr. Henley commented on the process and indicated probably seven projects would be funded.

Chancellor Martin asked Governor Haselden, as a member of the review panel, to comment on the VCF process. Governor Haselden remarked that when the notion of a venture capital fund was conceived, the idea was to recognize creative, entrepreneurial startups outside of the mainstream. Most of the proposals received were for existing programs looking for additional funding. He commented on the risk taken in the creation of CSU-Global Campus and that the Board should keep this in mind as a filter for future endeavors. Governor Makepeace concurred that innovation was the intent and suggested possibly not disbursing the full amount if projects did not meet the criteria. She noted how the first selections will help develop the culture and set the tone for future years.

Chair Horrell and Chancellor Martin shared observations from previous experiences with innovation funding. President Frank commented on standard research and development practices within higher

education and noted a few of the proposals were very different from what is being done in higher education. President Di Mare added that innovation can be viewed differently by the different institutions and clarification needs to be added. Chancellor Martin reported there was national and local press coverage on the VCF.

***Website Redesign and Marketing:*** Chancellor Martin asked Mr. Henley for a report. Mr. Henley explained how the website is being redesigned as part of the marketing campaign. While the CSUS webpage does not get the same traffic as the campuses, the individuals who visit the CSUS website tend to be influence-makers. The goals for the update include providing a stronger link to the campuses; improving user interface; assisting campuses in recruitment; and ensuring the audience is better served.

Mr. Henley reviewed the redesign process from selection of a vendor through a bidding process and the creative process with System and campus input. He demonstrated the navigation tools on the new CSUS landing page that includes a campus picker which is a self-select recruitment tool to assist potential students. The new web page will be launched in October/November with a message of promoting the campuses as part of the System and individually. Chancellor Martin acknowledged Mr. Henley and others who participated in the web page development.

The meeting was recessed for a lunch break at 11:43 a.m. and reconvened at 12:00 p.m.

## **PRESIDENTS' REPORTS**

***CSU-Pueblo:*** President Lesley Di Mare introduced Dr. Carl Wright, the new Provost. She acknowledged Dr. Rick Kreminski for his service as the Interim Provost and noted he is now the IR Director and Dean of Mathematics and Sciences.

President Di Mare reported CSU-Pueblo is in the process of preparing a strategic plan for 2013-2018 which will coincide with the Higher Learning Commission accreditation site visit. The strategic plan will be presented for Board approval in December. President Di Mare reported a new MS degree in Engineering with an emphasis on Mechatronics and Railroad Engineer will begin in fall 2013. She introduced Dr. Sylvester Kalevela who explained that the program is a unique specialty within the transportation sector and offered only at CSU-Pueblo.

President Di Mare explained that CSU-Pueblo will be matching the college community system tuition rate for concurrent enrollment. She thanked Governor Flores and Chancellor Martin for their assistance in hosting Dr. John Moder from the Hispanic Association of Colleges and Universities (HACU) for a two-day visit to CSU-Pueblo. The visit included an opportunity to explain that CSU-Pueblo has all three TriO and migrant programs and the success in retaining students who enter the programs.

President Di Mare reported almost 400 people attended the Lobster Bake the previous evening that was a kick-off for fall sports. She commented on the good relationships between student-athletes and faculty and acknowledged the success of the CSU-Pueblo Head Football Coach, John Wristen, who spoke at the annual Colorado Springs Sports Corp Football Kickoff Luncheon.

***CSU-Global Campus:*** President Becky Takeda-Tinker reported that from July and August term enrollment, there were over 1,000 new students and 9,200 active students. There will be 128 students who will graduate at the end of August. She thanked Governor Flores for the introduction to the Pueblo community for online adult learners with 78 new students from the area and 200 potential students currently in the enrollment process. A pilot project for live, virtual faculty interaction was launched which resulted in a 3% increase in first term retention. Learning outcomes achievement for fall is at 90% at an 85% or higher achievement level.

Preparations including faculty cross-training are being made to strategically extend outreach to military populations beginning in October. President Takeda-Tinker will be meeting with military leaders in Washington DC. Currently at CSU-Global, military students are part of the underserved population which has retention rates at 73% and an average degree completion time of two years.

President Takeda-Tinker reported CSU-Global Campus would be relocating at the end of October into a custom build-out location. Through a PowerPoint presentation, she illustrated the new office space and floor plan.

**CSU-Fort Collins:** President Tony Frank reviewed highlights of his written report including CSU was recognized as being among the best in the nation for first-generation college students; the university was ranked as one of the top 25 for agriculture and forestry by a British ranking system; the Flint Animal Cancer Center received a \$2 million multi-year grant from the Anchutz Foundation; and Dr. John Belisle, a leading tuberculosis researcher, received the annual CSU Scholarship Impact Award.

President Frank reported CSU hosted the Colorado Biotech Association. A video on CSU's intellectual property and contributions to biotechnology was shared with the Board. President Frank explained how the intellectual property and technology transfer concept began ten years ago in collaboration with the CSU Research Foundation and has had a major economic impact and improved lives.

President Frank acknowledged Governor Bernasek who has administrative experience in addition to being a scholar and educator. He highlighted new key personnel and scholars from his written report.

President Frank reported that a crucial component to retention is to make a student feel connected and one of the first steps is through orientation with 20 different orientation sessions offered at CSU. The first Ram Pride Service Award had previously been presented to the Office of Orientation and Transition Programs. Statistics reflect that 95% of new students agree/strongly agree that they feel prepared and 96% agree/strongly agree that they have a strong sense of belonging.

President Frank commented that Fort Collins as a location is a great asset to CSU and reflected on the value of the relationship with the City of Fort Collins. Efforts focused on ensuring the community knows that it is valued by CSU include the first annual President's Ice Cream Social to be held on August 14<sup>th</sup> and a fall President's community lecture series.

President Frank remarked on tuition challenges and, while the financial accountability report published annually provides good data, the message on tuition needs to be presented more strategically. A new video to explain the tuition story has been developed and was shared with the Board. The video will be posted on the website and social media; sent electronically to parents; and utilized in other venues.

President Frank presented private support comparisons with peer institutions. He reported FY 2013 will be the best year ever in terms of total dollars, number of donors, cash donations and alumni participation. President Frank provided a comparison to the University of Colorado System and by campus totals. He acknowledged Chancellor Martin and Chancellor Emeritus Blake for their assistance.

## **COMMITTEE REPORTS**

**Evaluation Committee:** Committee Chair Makepeace reported the committee met the previous day with the Appointees and the three Presidents to review performances for the past year and expectations for the coming year. The committee was pleased with the results of the review. A written summary will be composed and provided to the Appointees. Chancellor Martin will be developing his goals and working

with the Presidents to develop their goals for presentation to the committee at the October meeting. Committee Vice Chair Gustafson encouraged that the goals be measurable in order to provide data that can be tracked thus resulting in more meaningful evaluations. .

***Academic and Student Affairs Committee:*** In the absence of Committee Chair Munn, Committee Vice Chair Makepeace was asked to present the report. Committee Vice Chair Makepeace reported there was discussion on several action items that were recommended to be approved on the consent agenda. Dr. Rick Miranda, CSUS Chief Academic Officer, reviewed the action items and the consent agenda items from the three campuses.

Committee Vice Chair Makepeace reported the South Metro initiative was discussed and received positive support. Chancellor Martin commented that the business community feels the South Metro initiative is important to their continued economic development. The South Metro initiative is reflective of a land grant institution being engaged by the community. General Counsel Nosler noted the South Metro initiative resolution was amended to include a maximum initial capital expenditure of \$500,000 over the next 24 months and evaluation of the program with a determination on whether to continue the initiative to be made by the Board in August 2015.

Dr. Miranda reported the Higher Learning Commission accreditation site visit for CSU will occur in November. Colorado State University is seeking comments from the public about the university in preparation for its periodic evaluation by its regional accrediting agency. The College will host a visit November 4-6, 2013, with a team representing the Higher Learning Commission of the North Central Association. Colorado State University has been accredited by the Commission since 1925. The team will review the institution's ongoing ability to meet the Commission's Criteria for Accreditation.

The public is invited to submit comments regarding the university. The address is: Third-Party Comment on Colorado State University, The Higher Learning Commission, 230 South LaSalle Street, Suite 7-500, Chicago, IL 60604-1411. The public may also submit comments on the Commission's website at [www.ncahlc.org](http://www.ncahlc.org). Comments must address substantive matters related to the quality of the institution or its academic programs. Comments must be in writing. All comments must be received by October 4, 2013.

Chair Horrell indicated the site visit would be added to the calendar. Dr. Miranda noted the Board would receive more information as to when the Board members would be asked to meet with the review team.

***Audit and Finance Committee:*** Committee Chair Flores reported the committee met the previous day. Ms. Allison Horn, CSUS Director of Internal Auditing, provided updates and detailed the changes in the Internal Auditing Department during the past year. Committee Chair Flores recognized Ms. Horn for flexibility during the past year and the ability to conduct audits on a pro-active basis to improve the CSUS campuses. An action item for approval of the 2014 Audit Plan was positively moved forward for Board approval.

Committee Chair Flores reported Mr. Rich Schweigert, CSUS Chief Financial Officer, provided an update on budget projections at the state level with the potential for additional funds. A COF presentation was made to assist the new members. The committee discussed the benefits of re-bonding to help cash flow and reduce payments. An action item for the Seventh supplement to the Master Resolution on issuance of the CSUS enterprise revenue bonds was moved forward. The re-bonding needs to be completed to fund the CSU-Pueblo student center renovation. Other action items were to adopt the institutional plan for student fees, and to change and adopt a line of credit for CSU-Fort Collins from the CSU Foundation. The committee briefly reviewed section 200 of the policy manual. Committee Chair Flores concluded his remarks by requesting that all action items be approved.

General Counsel Nosler clarified that, for the purpose of this meeting, as a result of the committee's discussion on the policies, only the amended Debt Management Policy on post issuance compliance with a revised paragraph H and the Board's Municipal Securities Policy were moved forward for approval. A new action item reflecting these actions was substituted for item #18 on the list of resolutions to be approved.

**Real Estate/Facilities Committee:** Committee Chair Johnson reported the committee convened immediately in executive session. Upon reconvening in open session, the committee received a report from President Frank and Ms. Kathleen Henry, President/CEO, CSURF, on the action item to approve the sale of land located in Hotchkiss, Colorado. The programs plans reviewed included a parking structure, Aggie Village, Eddy Hall, and the potential relocation of the Plant Environmental Research Center. Mr. Marty Hanifin, Vice President of Finance, and Mr. Craig Cason, Associate Vice President for Facilities, presented the CSU-Pueblo Master Plan. General Counsel Nosler noted that a resolution for the CSU-Pueblo Master Plan was added to the action items to be approved. Committee Chair Johnson concluded by indicating all resolutions presented were moved forward positively.

Chair Horrell noted that the draft minutes from the committee meetings will be sent to the committee chairs for their review.

**Board Resolutions:** General Counsel Nosler explained there were 21 resolutions that were moved forward for action and an updated list of Resolutions for Board Action – August 2, 2013 with summaries had been distributed. With the Chair's permission, General Counsel asked that the resolutions be approved en masse. Chair Horrell confirmed that the approval would include the consent agenda and all the items listed therein. General Counsel Nosler explained that, once approved, the signed resolutions would be posted on the CSUS web page. He confirmed that a specific resolution could be pulled for individual discussion and action if there were any concerns. Chair Horrell inquired if there were any specific resolutions that needed further discussion. Hearing none, she called for the motion.

**Motion/Action:** The motion to approve all of the resolutions was made, seconded and unanimously carried.

## **POLICY MANUAL**

Chair Horrell explained that discussion and approval of the policy manual was postponed until the October meeting. Board members were asked to retain the draft manuals for review with particular attention to be given to the specific committee areas and general governance. Any changes were to be submitted to General Counsel Nosler by September 1<sup>st</sup>. Governor Zimlich noted that updated pages included a new table of contents and revised section 200 policies had been distributed. The meeting was recessed for a break at 1:26 p.m. and reconvened at 1:39 p.m.

## **SYSTEM WIDE DISCUSSION ITEMS**

Chancellor Martin explained there were two issues to bring to the Board's attention for discussion and guidance (1) possible new funding for higher education, the tradeoffs, alternatives and acceptable parameters, and (2) potential legislation to expand the role of community colleges.

**Higher Education Funding:** Mr. Schweigert was asked to provide an overview. Mr. Schweigert pointed out the legislative digest published on the CSUS web page that lists the bills and outcomes, and commented on how the CSUS Legislative Committee tracks numerous bills each legislative session.

Mr. Schweigert referred to a Dept. of Higher Education Summary posted on the CSUS website to define the budget question. State funding went from a high in 2009 of \$706 million to \$544 million in 2014. The

state put in an additional \$36 million this past year. CSUS received no capital construction funding during this time period until this past year when \$16.3 million was received for a new academic building at CSU-Pueblo. A chemistry building at CSU-Fort Collins has been on the capital construction list for four years and could be a piece in the CSUS strategy should more funding become available.

Mr. Schweigert summarized how flexibility for governing boards to set undergraduate resident tuition increases up to 9% was allowed in 2010 under Senate Bill 003 for a five-year period. By submitting a financial accountability plan to the Colorado Commission on Higher Education (CCHE), the CSUS was one of two systems to receive permission to set the undergraduate resident tuition increases up to 12% with unlimited tuition differentials. A graph on the history of inversion of state funding vs. tuition illustrated that ten years ago, on average, the state funded 65% of tuition for undergraduate resident students and the students funded 32% whereas now the student pays 65% and the state funds 32%. Adjusting tuition based on inflation, CSU is charging only \$600 more in tuition than 14 years ago.

Mr. Schweigert explained the budget process that begins with the Governor preparing a budget to be submitted to the legislature by November 1<sup>st</sup> and then the legislative process goes through numerous cycles from November to May. The state is going into the fourth year where revenues have exceeded expenditures and the Governor has asked for input for the 2015 budget. Mr. Schweigert asked if additional higher education funding were available, did the Board have a preference for capital construction, operating funds, or a mix of the two, and what tradeoffs, if any, such as limitations on setting tuition, would be acceptable.

Chair Horrell thanked Mr. Schweigert for his comments and noted the potential additional funding is viewed as one-time revenue. Discussion followed on whether capital construction, operating or a combination would be preferred; the risk of receiving one-time operating funding with the tradeoff of losing tuition flexibility should state funding decline or should the state defund higher education; and what, if any, would be acceptable tradeoffs.

The Board also considered how one-time capital construction funds result in buildings that serve the citizens for decades; the perception of new buildings when tuition continues to rise; the issue of construction helping to stimulate the economy, but there being empty campuses due to decreased enrollment; the concept of creating an endowment, instead of buildings, with the interest to support operations; the recent success in raising private support and the potential to raise private money for buildings with state-support invested in faculty; and the risk of losing control over such items as salaries and benefits with budget line items.

Chair Horrell summarized the Board's position as wanting to maintain flexibility as the budget process moves forward and, while there is no desire to turn down new funding, the Board wants to maintain its authority to set tuition and compensation increases. Secondly, the Board does not favor adding line items. Governor Flores observed that the state generally has three commitments – corrections, K-12 and Medicaid – and higher education is always vulnerable to the economy.

**Community College Expansion:** Chair Horrell asked Chancellor Martin to introduce the next discussion item. Chancellor Martin explained last year Senate Bill 265 that would have allowed community colleges to offer four-year degrees was defeated in the House Education Committee. The CSU System has been alerted that a similar bill will be proposed during the coming legislative session. Chancellor Martin stated that he continues to be opposed on the basis that such a direction is bad public policy for the state's higher education system. He asked Mr. Schweigert for his comments.

Mr. Schweigert explained how the bill last year was limited to a bachelor of applied sciences with a broad interpretation of what the degree would entail. A meeting to discuss the legislation with higher education CEO's has been scheduled for August 13<sup>th</sup> by Senator Nancy Todd and Representative Jim Wilson.

Chair Horrell commented on the issue being viewed from a public policy perspective; the distinct role and missions for community colleges, four-year institutions and research universities; the lack of progress on the ongoing historical issue of how the community colleges and four-year universities work together; and the confusion created for students. She remarked that CSUS could be a model for the state in responding to the needs of the Colorado citizens.

Mr. Schweigert noted that CSUS is reaching out; under Chancellor Martin's direction, a summit to discuss what is happening in the state system of higher education has been initiated; and Arapahoe Community College has been included in discussions about the South Metro initiative. Chancellor Martin pointed out there are successful examples of partnerships between community colleges and 4-year universities in other parts of the country.

President Di Mare reported CSU-Pueblo does not get funding for remedial courses and commented on the necessity to provide remedial courses or face a large drop in enrollment. Pueblo Community College previously had been on the CSU-Pueblo campus to teach remedial courses, but backed off when the legislature allowed community colleges to begin receiving COF funding for teaching remedial courses. Attempts to re-establish the arrangement have been unsuccessful to-date.

The Board discussed taking a firm stance when necessary; the need to be flexible and understand the politics; continuing the dialogue; identifying ways to create synergy; and providing leadership in transforming higher education in Colorado. Chair Horrell concluded the discussion by thanking the Board for the conversation and insights.

## **BOARD EVALUATION**

Chair Horrell asked for comments or suggestions. Governor Makepeace commented positively on the suggestion to dedicate a full morning for the Evaluation Committee when the formal evaluations are conducted. On a broader issue, she noted sufficient time should be allotted on the agenda to allow for presentations since time is invested in preparing the report. Alternatively, there may not need to be so many presentations. Chair Horrell remarked that the full committee agendas are not always available when the agenda is drafted and efforts will be made to have more realistic timelines.

Governor Gustafson commented on the redundancy that occurs with a full day of committee meetings and then committee reports during the next day. Chair Horrell noted that, while the reports were necessary in order to take action on the resolutions, consideration will be given to how to address the issue. President Di Mare expressed appreciation for the opportunity to hear from the Board and colleagues and to express her opinions on important issues. Governor Zimlich added the discussion held during the working breakfast was helpful and supported continuing to hold such sessions.

Chair Horrell thanked President Di Mare and her staff for their work in hosting the meeting and acknowledged the work of the System staff. The next meeting is scheduled for October 3-4 in Fort Collins. President Frank indicated the Board would be invited to the dinner at the International Colloquium on Wednesday evening, October 2<sup>nd</sup>. A stadium update will be made at the Board meeting and the Board will have the opportunity to recognize Dr. Dianna Wall, one of the world's leading environmental scientists, during dinner on Thursday evening.

With no further business to come before the Board, the meeting was adjourned at 2:54 p.m.

**BOARD OF GOVERNORS OF THE  
COLORADO STATE UNIVERSITY SYSTEM  
EVALUATION COMMITTEE MEETING MINUTES  
Via Conference Call  
August 21, 2013**

**CALL TO ORDER**

Committee Chair Mary Lou Makepeace to order the Evaluation Committee meeting at 2:15 p.m.

**ROLL**

**Committee members present:** Mary Lou Makepeace, Chair; Mark Gustafson, Vice Chair; Dorothy Horrell; Dennis Flores; Demetri “Rico” Munn.

**Administrators present:** Michael Martin, CSUS Chancellor; Tony Frank, President, CSU-Fort Collins; Lesley Di Mare, President, CSU-Pueblo; Becky Takeda-Tinker, President, CSU-Global Campus; Rick Miranda, CSUS Chief Academic Officer and Provost and Executive Vice President, CSU-Fort Collins; Michael Nosler, CSUS General Counsel; Rich Schweigert, CSUS Chief Financial Officer.

**System Staff present:** Adam Fedrid, IT Manager; Melanie Geary, Executive Assistant to the Chancellor; Sharon Teufel, Executive Assistant to the Board of Governors.

Committee Chair Makepeace explained the committee would convene in Executive Session and then move back into the open public meeting.

**EXECUTIVE SESSION**

Committee Chair Makepeace asked for a motion to move into Executive Session. **Motion/Action:** Governor Gustafson made the motion that was seconded and carried. General Counsel Nosler read the meeting into Executive Session for the purpose of discussing and evaluating public officials and professional staff employees of the Board relating to all matters set forth and made confidential pursuant to C.R.S. § 24-6-402 (3) (b) (I) (2013) and to receive legal advice on specific legal questions which may arise in connection with the discussions pursuant to C.R.S. § 24-6-402 (3) (a) (II) (2013). Staff except for Chancellor Martin and General Counsel Nosler was asked to disconnect from the conference call.

**OPEN PUBLIC MEETING**

Committee Chair Makepeace reported the Evaluation Committee had moved out of Executive Session into the Open Public meeting. She explained the committee had convened to finish the work from the August meeting regarding performance evaluations for the Director Reports including Chancellor Martin and the campus Presidents. The committee was ready to act on incentive compensation and salary adjustments as follows.

**CSUS Chancellor Martin:** Committee Chair Makepeace asked for a motion to award Chancellor Martin the full incentive compensation amount as set forth in his employment agreement. **Motion:** Governor Gustafson made the motion and the motion was seconded.

Governor Horrell remarked that the action was being taken based on the conversation at both the August and today’s meetings to acknowledge the contributions of Chancellor Martin in the past year, particularly in leadership on behalf of higher education in Colorado and as an education statesperson. She pointed out

his outreach with other constituents and groups across Colorado. Governor Horrell also commented on the assistance and support Chancellor Martin has given the campus Presidents in dealing with various issues and challenges. Chancellor Martin thanked the Board.

Committee Chair Makepeace added that it was a delight to watch Chancellor Martin “hit the ground running” in providing leadership not only to higher education, but all education in Colorado. She thanked Chancellor Martin for his work. **Action:** Committee Chair Makepeace called for the vote and the motion was passed unanimously.

**President Lesley Di Mare, CSU-Pueblo:** Committee Chair Makepeace asked for a motion to award President Di Mare the full incentive compensation amount as set forth in her employment agreement. **Motion:** Governor Flores made the motion and Governor Gustafson seconded the motion.

Governor Flores remarked that President Di Mare certainly deserved the additional compensation for her work in the past year to address the institution’s financial concerns and to recognize her for an excellent job in focusing CSU-Pueblo on the issues of educational quality and success. Governor Horrell added that the challenges have been significant. She noted that faculty, students and community leaders acknowledge the strong leadership President Di Mare has brought to the institution. President Di Mare has done a very effective job of maintaining community support and strengthening faculty morale. She concluded that President Di Mare is ideally matched to the needs of CSU-Pueblo and the Board is grateful to have her in the position.

Committee Chair Makepeace added that President Di Mare’s problem-solving is significant. President Di Mare has a vision for CSU-Pueblo that engages the community, students and faculty and is moving the institution forward.

**Action:** Committee Chair Makepeace called for the vote and the motion was passed unanimously.

**President Becky Takeda-Tinker:** Committee Chair Makepeace asked for a motion to award President Takeda-Tinker the full incentive compensation amount as set forth in her employment agreement and that \$50,000 of that amount be directed to the Presidents’ Deferred Compensation Account on her behalf. **Motion:** Governor Gustafson made the motion and Governor Horrell seconded the motion.

Governor Gustafson remarked that in the short time he has worked with President Takeda-Tinker, he is very impressed with her business acumen, clear focus, and attention to results. He further noted that CSU-Global Campus needs her entrepreneurial spirit in a very competitive market, and that she is uniquely qualified for this time. What President Takeda-Tinker has achieved is very commendable and she is a notable asset to the CSU System.

Committee Chair Makepeace added that President Takeda-Tinker is an incredible visionary and she has taken CSU-Global Campus from a concept to the powerhouse it has become. She remarked that in her opinion, President Takeda-Tinker has earned every bit of the incentive compensation.

Governor Horrell remarked that in addition to her accomplishments at CSU Global, President Takeda-Tinker should be acknowledged for her leadership on a national basis through her work with the U.S. Department of Education and other national groups. The CSUS flag is present in numerous places because of President Takeda-Tinker involvement and leadership at that level.

Chancellor Martin added that President Takeda-Tinker raised the level of the game through her strength of personality and relentless commitment to get things done.

**Action:** Committee Chair Makepeace called for the vote and the motion was passed unanimously.

**President Tony Frank, CSU-Fort Collins:** Committee Chair Makepeace asked for a motion to award President Frank \$20,000 as merit incentive compensation. **Motion:** Governor Horrell made the motion and Governor Gustafson seconded the motion.

Governor Gustafson remarked that the quality of President Frank as president is unparalleled. He pointed out President Frank's NCAA leadership, particularly in the Mountain West Conference (MWC) where a serious, negative situation was turned positive through his experience and ability that were above and beyond the call. President Frank's efforts benefited not only CSU but all the schools within the MWC.

Governor Horrell noted that because of the Board's great respect for President Frank and to acknowledge the criticality of his leadership to CSU, particularly at this point in time, contract negotiations were done early. President Frank's previous contract called for incentive compensation and the new contract makes the incentive compensation discretionary. Awarding the incentive compensation recognizes the significant value President Frank provides to CSU, the CSU System and the state of Colorado.

Committee Chair Makepeace remarked that the Board is very fortunate with all of the Appointees; that "everyone is a star"; and it is a delight to work with such high performers. She reflected that she has worked with President Frank the longest and, through every contact with him, she continues to be impressed anew with his ability to problem solve and to negotiate a complex, difficult situation to a positive outcome which is a rare talent. She commented that the Board is fortunate to have President Frank lead CSU.

Chancellor Martin thanked the Board for accepting his recommendation and noted that President Frank brings much more than the traditional role of campus president to the CSU System, the state, and beyond.

**Action:** Committee Chair Makepeace called for the vote and the motion was passed unanimously.

**Allison Horn, CSUS Director of Internal Auditing:** Committee Chair Makepeace asked for a motion to increase Ms. Horn's base pay by \$30,000 as a market and performance adjustment. The committee was advised that Ms. Horn's pay has fallen behind in the market. **Motion:** Governor Gustafson made the motion and Governor Flores seconded.

Governor Gustafson remarked that he is impressed with Ms. Horn's involvement in external peer reviews. Ms. Horn does outstanding work and is extremely well respected. She has faced challenges with new hires. Ms. Horn is a good team player and, in her audit role, is looking to provide help. He added that the Board needs to make sure she is fairly compensated. Ms. Horn does an excellent job for the CSU System and the whole audit system.

Committee Chair Makepeace commented on the amount of work Ms. Horn completes and Ms. Horn's approach and attitude that she is there not to punish, but to help. Ms. Horn and her staff are well received when they come to do an audit.

Chancellor Martin added that this is a case where the CSU System needs to heed the market reality and compensate a valued professional at the appropriate level. He is comfortable that this is the right thing without being extravagant by being fair to a professional from whom the CSU System benefits enormously. Chancellor Martin noted that Ms. Horn will appreciate the increase not only for the additional income, but for the powerful message the increase conveys.

**Action:** Committee Chair Makepeace called for the vote and the motion was passed unanimously.

Committee Chair Makepeace indicated that there was no further business to come before the Evaluation Committee. **Motion/Action:** The motion to adjourn was made, seconded and carried.