

**BOARD OF GOVERNORS OF THE
COLORADO STATE UNIVERSITY SYSTEM
EVALUATION COMMITTEE MEETING MINUTES
Lory Student Center, Colorado State University-Fort Collins
October 3, 2013**

CALL TO ORDER

Board Chair Dorothy Horrell convened the Board meeting at 8:02 a.m. and reviewed the October 3rd meeting agenda. Board Chair Horrell asked Committee Chair Mary Lou Makepeace to convene the Evaluation Committee.

Committee Chair Mary Lou Makepeace called to order the Evaluation Committee meeting at 8:05 a.m.

ROLL

Committee members present: Mary Lou Makepeace, Chair; Mark Gustafson, Vice Chair; Dennis Flores; Dorothy Horrell; Scott Johnson; Ed Haselden; William Mosher; Joseph Zimlich; Michael Nosler, CSUS General Counsel (assigned staff).

Governors present: Alexandra Bernasek, Faculty Representative, CSU-Fort Collins; Frank Zizza, Faculty Representative, CSU-Pueblo; 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; 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.

Committee Chair Makepeace first reported that the committee met with the Chancellor, Presidents and Appointees during the August meeting with a follow-up letter sent summarizing the committee's findings. The remaining work for the committee is to discuss goals for the coming year.

Committee Chair Makepeace asked CSUS General Counsel Nosler to read the meeting into executive session. 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). **Motion/Action:** The motion was made, seconded and carried unanimously to convene in Executive Session. The meeting went into executive session at 8:08 a.m. and reconvened in the open public session at 9:50 a.m.

Committee Chair Makepeace reported the goals were presented to and accepted by the Evaluation Committee with a few modifications suggested. She noted this was the first time in many years that a process was fully implemented, laying the groundwork for effective evaluation feedback. Committee Chair Makepeace commented on the outstanding CSU System leadership and thanked the Chancellor, Presidents and Appointees for their hard work.

With no further business to conduct, the Evaluation Committee adjourned at 9:56 a.m.

**BOARD OF GOVERNORS OF THE
COLORADO STATE UNIVERSITY SYSTEM
ACADEMIC AND STUDENT AFFAIRS COMMITTEE MEETING MINUTES
Lory Student Center, Colorado State University-Fort Collins
October 3, 2013**

CALL TO ORDER

Committee Vice Chair Mary Lou Makepeace called to order the Academic and Student Affairs Committee meeting at 9:58 a.m.

ROLL

Committee members present: Mary Lou Makepeace, Vice Chair; Mark Gustafson; 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; Rick Miranda, CSUS Chief Academic Officer and Provost and Executive Vice President, CSU-Fort Collins (assigned staff).

Governors present: Dennis Flores; Ed Haselden; Dorothy Horrell; Scott Johnson; William Mosher; 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; 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: Jon Bellum, Provost, CSU-Global Campus; Johnna Doyle, CSUS Deputy General Counsel, CSU-Pueblo; Marty Hanifin, Vice President of Finance and Administration, CSU-Pueblo; Kathleen Henry, President/CEO, Colorado State University Research Foundation; Blanche Hughes, Vice President of Student Affairs, CSU-Fort Collins; Nancy Hurt, Managing Director, Colorado State University Research Foundation; Jason Johnson, CSUS Deputy General Counsel, CSU-Fort Collins; Lynn Johnson, Chief Financial Officer, CSU-Fort Collins; Rick Kreminski, Acting Director of Institutional Research, CSU-Pueblo; Jennifer Mullen, Chief of Staff, CSU-Pueblo; Paul Orscheln, Vice President of Academic and Student Affairs, CSU-Pueblo; Alan Rudolph, Vice President for Research, CSU-Fort Collins; Carl Wright, Provost, CSU- Pueblo.

Prior to convening the Academic and Student Affairs Committee meeting, Board Chair Dorothy Horrell asked President Lesley Di Mare to introduce the CSU-Pueblo management team. President Di Mare introduced Paul Orscheln, the new Vice President of Academic and Student Affairs; Carl Wright, Provost; Jennifer Mullens, Chief of Staff; Marty Hanifin, Vice President of Finance and Administration; and Rick Kreminski, Dean of the College of Science and Math and Institutional Research Director. Board Chair Horrell asked Governor Makepeace, Vice Chair of the Academic and Student Affairs Committee, to convene the meeting since Committee Chair Rico Munn was unable to attend the meeting.

Posthumous Degree: Committee Vice Chair Makepeace convened the meeting and reported the first agenda item was consideration of approval on the consent agenda of a posthumous degree. Information on

the posthumous degree was provided in a confidential packet to be discussed during the executive session the next day in the regular Board business meeting. President Tony Frank, CSU-Fort Collins, explained that the Board had approved the process for moving forward a posthumous degree and all steps in the process were completed.

Approval of Degree Candidates: Dr. Rick Miranda, CSUS Chief Academic Officer, asked Dr. Jon Bellum, Provost, CSU-Global Campus, to present the consent agenda item for approval of degree candidates. Dr. Bellum reported that approval of degree candidates is brought to the Board six times per year. The approval was being sought for the Fall C term that ends October 27, 2013, with 225 potential candidates. The only formal commencement is held in the spring with the most recent ceremony held in June. Approval of the degree candidates was moved forward on the consent agenda.

Dr. Miranda introduced Dr. Alan Rudolph, the Vice President for Research at CSU-Fort Collins. Dr. Rudolph expressed his excitement and appreciation for the opportunity to join the faculty at CSU. He noted faculty is an important asset to research and his role is to facilitate, mobilize, and motivate the faculty.

Enrollment Reports: Vice Chair Makepeace indicated the next agenda item was the campus reports for enrollment.

CSU-Fort Collins: Dr. Miranda reported the vital statistics for the enrollment report for CSU-Fort Collins was provided in the three categories of undergraduate, graduate and professional veterinary medicine. The Fall 2013 census report reflects over 27,000 students which is an enrollment record and is slightly higher than the previous year. Five-year changes have occurred in every category. Minority enrollment increased by 6% from the previous year. International enrollment for the first time exceeded 1,500 due to the internal efforts of CSU and the INTO program. The gender balance remains stable at 49% male/51% female.

There was a slight decrease in new freshmen which was the only category that decreased from the previous year. Nonresident freshmen enrollment is stable and minority enrollment increased by 5% from the previous year. The average ACT score is stable at 24.7 and the average high school class GPA increased slightly. CSU will be examining the resident recruitment from the past year and the yield rate from applicants remains stable.

Chancellor Martin noted that the most recent Colorado Commission Higher Education (CCHE) report to the legislature indicated a slight decline in total high school graduation and a slight increase in the number leaving the state. There is also a general decline in the average ACT scores so there are fewer qualified students remaining in the state.

Dr. Miranda added that another factor is, as the economy has improved, more students have opted to go out of state. The number of the returning sophomores reflects an all-time high of 86.6% which is 2% higher than the previous year. Dr. Miranda commented on President Frank's challenge to the campus to improve the retention rate to 90% by 2020 and attributed the improvement in retention and graduation rates to the campus leadership and community by putting into place an array of academic and co-curricular support mechanisms.

President Frank indicated that between now and the December meeting the National Clearinghouse data will be analyzed including an analysis of why CSU and other Colorado universities are losing resident students. Improvements in diverse enrollment are of critical importance in looking to the future, and the changes in the state demographics and international trending are good. The five-year enrollment growth at

8% puts into perspective the projected enrollment growth by 2020. Focusing on non-residents may be a good fiscal perspective; however, the role and mission of CSU as the state's land grant institution is to provide access to Colorado.

When asked about the overall underrepresented minority rate, Dr. Miranda responded that the rate is between 11% and 13% for the entire institution and continues to increase annually, especially with the incoming freshmen. President Frank indicated a detailed enrollment report is posted on the institutional research website annually and the link will be sent to the Board when the report is available for the current year. CSU has one of the lowest gaps between diverse and non-diverse students in the country and, when economic status is factored in, the gap is essentially zero.

CSU-Pueblo: Dr. Carl Wright explained that CSU-Pueblo has a very diverse population, from honor students to migrant workers. As a Hispanic Serving Institution, more than 30% of the students have a Hispanic background and there are students who are not international whose first language is not English. Retention strategies are diverse and retention has improved since the previous year. There is a culture at CSU-Pueblo that understands retaining students, not just recruitment, can increase enrollment. Efforts are being put in place to deal with issues such as remediation. Dr. Wright asked Dr. Rick Kreminski to review the enrollment report.

Dr. Kreminski reported there was growth over the past five years at both the undergraduate and graduate level. The enrollment report pertains to resident instruction which has an official state definition for state funding for undergraduate classes and typically face-to-face graduate classes, and not literally Colorado residents. There are a significant number of students taking resident instruction classes, including continuing education, that are not seeking a degree.

Dr. Kreminski reported enrollment remains stable in gender with the retention rate significantly higher for females. The undergraduate FTE for Hispanics is at 31% which exceeds the federal requirement for a Hispanic Serving Institution of 25%. The student population is generally financially needy with over half of the students Pell eligible which has been consistent over the past several years. One-quarter of the students self-identify as first generation.

The First-Time-Full-Time (FTFT) retention rate has rebounded from under 60% last year to 63.2%. Retention rate for Hispanics is 65%; 67% for African Americans; and 61% for white females which is 7 to 8 points higher than males. International enrollment has increased to 100 and the English Language Institute enrollment has increased but was not counted since these are not degree seeking students. Academic preparedness has been stable. The average ACT score is 20.7 and the average high school GPA has increased from 3.10 last year to 3.17. Graduation rates for six years remain consistent.

When asked about why freshmen students do not return, Dr. Kreminski responded there were a multitude of reasons including finances, transferring to community colleges or out of state, moving, and military connections. The deans have tasked the department chairs to conduct consultations, but half of the students did not respond. The National Clearinghouse data will be reviewed.

CSU-Global Campus: Dr. Jon Bellum, Provost, CSU-Global Campus, reported that, with new students every month, the fall enrollment period does not close until the last term at the end of December. There has been stable and reasonable growth over the past five years with an overall growth of 387%. The report does not include Fall 2008 when students first began to enroll.

There has been progressive growth in under-represented minorities, which includes racial and ethnic minorities, with an overall percentage of enrollment at 22% for Fall 2012. The largest group represented

is Hispanic at 10.7%. The female to male ratio fluctuates around the 50-50 mark. Charts on retention and graduate rates were provided. Initially there were high retention rates and low graduations rates that have moved towards more stable retention and increased graduation.

Data on new student demographics was provided for 2012-13 which was the most recent complete academic year. As of the end of June 2013, new enrollment for both undergraduate and graduate was at 4,338 with approximately 362 per term. Demographics include 43% self-report as first generation; 18% military; 25% under-represented minorities; 52% are from Colorado; and the cohort continues to change rapidly.

President Becky Takeda-Tinker reported a new support group that falls between student advising and enrollment has been initiated to ensure new students receive extra attention. Efforts are also being made to stabilize and increase retention. Continuous re-engagement has also been reinstated to move students towards graduation.

Governor Horrell observed that the consistent format for the three reports was helpful.

Accreditation Site Visit: Dr. Miranda reminded the Board of the upcoming Higher Learning Commission accreditation site visit in early November. The site visit team will meet with the Board on Tuesday, November 5th, at noon at a location to be determined on the CSU-Fort Collins campus. Flash drives with the self-study were distributed to the Board.

With no further business to conduct, the meeting adjourned at 10:37 a.m.

**BOARD OF GOVERNORS OF THE
COLORADO STATE UNIVERSITY SYSTEM
AUDIT AND FINANCE COMMITTEE MEETING MINUTES
Lory Student Center, Colorado State University-Fort Collins
October 3, 2013**

CALL TO ORDER

Committee Chair Dennis Flores called to order the Audit and Finance Committee meeting at 10:38 a.m.

ROLL

Committee members present: Dennis Flores, Chair; Joseph Zimlich Vice Chair; Ed Haselden; Alexandra Bernasek, Faculty Representative, CSU-Fort Collins; Nigel Daniels, Student Representative, CSU-Fort Collins; Allison Horn, CSUS Director of Internal Auditing (assigned staff); Rich Schweigert, CSUS Chief Financial Officer (assigned staff).

Governors present: Dorothy Horrell; Mark Gustafson; Scott Johnson; Mary Lou Makepeace, William Mosher; Ann Leslie Claesson, Faculty Representative, CSU-Global Campus; 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.

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: Jon Bellum, Provost, CSU-Global Campus; Johnna Doyle, CSUS Deputy General Counsel, CSU-Pueblo; Marty Hanifin, Vice President of Finance and Administration, CSU-Pueblo; Kathleen Henry, President/CEO, Colorado State University Research Foundation; Blanche Hughes, Vice President of Student Affairs, CSU-Fort Collins; Nancy Hurt, Managing Director, Colorado State University Research Foundation; Jason Johnson, CSUS Deputy General Counsel, CSU-Fort Collins; Lynn Johnson, Chief Financial Officer, CSU-Fort Collins; Rick Kreminski, Acting Director of Institutional Research, CSU-Pueblo; Jennifer Mullen, Chief of Staff, CSU-Pueblo; Paul Orscheln, Vice President of Academic and Student Affairs, CSU-Pueblo; Alan Rudolph, Vice President for Research, CSU-Fort Collins; Carl Wright, Provost, CSU- Pueblo.

AUDIT REPORT

Committee Chair Flores reviewed the audit agenda items and asked Ms. Allison Horn, CSUS Director of Internal Auditing, for her report.

Status of FY 2014 Audit Plan: Ms. Horn reported no reports have been issued since the last meeting. Exit meetings have been scheduled for a few audits and the reports will be forthcoming. There are six audits in progress. The Internal Audit Department (IAD) has implemented the first of two new software tools and the staff has attended training. From a professional standard, the new software will assist to make the audits more thorough and consistent.

Past Due Recommendations: Ms. Horn was pleased to report there was only one past due recommendation which is related to the strategic plan for the College of Veterinary Medicine due to the deadline being set to allow time for the new Dean. The fact that there is only one past due recommendation is attributable to the hard work of numerous people. When setting goals for the IAD office for the coming year, the challenge was to consider what are audits supposed to do, and how does IAD measure whether the audits added value, and provided information and reassurance to management and the Board that mitigates risks at the CSUS institutions. Ms. Horn commented the energy and focus that people have put forward in implementing these audit recommendations may be the measure.

Current IAD Projects: Ms. Horn reported one of the IAD goals for the coming year is related to professional development. The staff turnover during the past year resulted in a change in the professional certifications with the loss of the certified fraud examiner and the need for a certified information systems auditor. There is an auditor that will soon receive certification in fraud examination.

Committee Chair Flores inquired about the carry forward audit from last year on tax issues. Ms. Horn explained that, while overall as a state entity the institutions are tax exempt, there are activities that are taxable, i.e., payroll taxes, tax for unrelated business income, and sales tax on some operations. The audit was basically a survey of what issues are out there and to determine that there programs in place to ensure compliance with all of the relevant statutes. Ms. Horn indicated a report will probably be issued before next meeting.

FINANCE REPORT

Committee Chair Flores reviewed the finance agenda items and asked Rich Schweigert, CSUS Chief Financial Officer, for his report.

Update on State Revenues: Mr. Schweigert explained how the quarterly state revenue projections for the current and coming year are forecast by the Governor's Office of State Planning and Budgeting (OSPB) and the Legislative Council. The September forecast from the Legislative Council is projecting over \$1 billion in new additional revenue; the OSPB forecast projects under \$675 million. The quarterly projections for the past year have continued to increase. There are statutory funding requirements for K-12, Medicaid and other areas, and the potential for additional higher education funding appears positive. Mr. Schweigert reviewed the Legislative Council's September 2013 General Fund Overview.

Historical Higher Education Per Student Funding: Mr. Schweigert remarked that Colorado ranks nationally between 48th and 50th on funding for higher education on per student basis. Conversely Colorado is one of the most efficient states in degree granting which is not generally universally accepted by the rating agencies. Mr. Schweigert commented on how filters such as income statements, balance sheets and ratios can affect debt capacity.

State funding comparisons on a per student basis from FY 2001 to FY 2013 for Colorado institutions and by type of institution were provided. There has been a general decline in enrollment at all institutions in Colorado with only three institutions experiencing an increase. Mr. Schweigert noted that, adjusted for inflation, a student at CSU is being educated for approximately the same amount as 10 years ago. State funding of higher education, especially in the research system, is being replaced with tuition charges and improving the bottom line has largely occurred through increased efficiency.

Bond Financing Update: Mr. Schweigert reported that a bond sale for renovation of the CSU-Pueblo University Student Center (USC) occurred since the last Board meeting and interest rates increased from 3.3% in March to 5%. A portion of the sale was done on a taxable basis due to the private corporations

that provide services in the USC to allow these entities to continue and expand operations. A financing packet for projects at CSU will be presented for the Board's consideration at the December meeting.

Debt Capacity Presentation: Mr. Schweigert provided an overview on how rating agencies determine debt capacity with only 30% of the rating based on financial statement analysis. Both Moody's and Standard and Poor's will be holding meetings with the senior management team on the CSU campus to discuss the forecast for the next 10 years which will account for 20% of the debt capacity rating. Continuing challenges with the rating agencies include the view that enrollment growth is an indicator of a healthy institution and the issue of state funding.

Mr. Schweigert provided an overview of the Moody's and Standard and Poor's rating scales and indicated the CSUS ratings were currently at Aa3 and A respectively. Generally CSUS has experienced great investor interest with several massive institutional investors, which is positive for selling fixed rate debt and for consistently coming into the market. In several years, CSUS bond sales experienced triple over subscription or three buyers for every bond to be sold.

Mr. Schweigert explained the state intercept and underlying rates. The majority of CSUS projects are sold under the state intercept program. Currently based on a statutory formula, the CSU System has \$1.1 billion additional capacity under the state intercept program. While there is a statutory limit of pledging 10% of tuition revenues, there have been conversations on allowing governing boards to raise that limit based on internal calculations and thereby increasing debt capacity.

The Master Resolution approved by the CSUS Board defines how bonds are sold and the debt service coverage. As an organization, CSUS is very diligent and conservative. Before presentation to the Board, internally a ten-year pro forma is created on every single project with an average of 125% coverage ratio to ensure adequate coverage with a sufficient revenue source to cover the debt payments which are typically over 30 years. When asked for an example of when a project was voted out of intercept, Mr. Schweigert responded the USC at CSU-Pueblo in order to get the project to market before rates increased.

Mr. Schweigert reviewed a FY 2008 to FY 2012 chart of revenues pledged to investors and noted that investors want to see diverse and reliable sources of revenue. There is the potential for legislation during the coming year to allow greater flexibility for higher education governing boards on net pledged revenue. Discussion followed on whether such legislation will include all higher education institutions in Colorado and the large amount of debt per student being incurred at some state institutions.

Mr. Schweigert reported that independent studies from underwriters and the CSUS financial advisor reflect a general agreement that CSUS has \$400 million to \$450 million debt capacity left before there would be a rating downgrade. A graph on the growth of the CSUS debt burden from 2008 to 2013 indicates CSUS has \$628 million in outstanding debt as of September 15, 2013.

Mr. Schweigert reviewed a range of current anticipated capital needs for 2014-2017 and reported that a list of projects in the \$135 million to \$146 million debt financing range might be brought to the Board at the December meeting. President Frank provided clarification on the PERC greenhouses that are tied to the potential new stadium and explained the generic placeholders from the CSU 2020 model, such as an academic building and utilities. The Board was previously presented the CSU Master Plan and campus parking plan with parking as an ongoing issue.

In response to questions, President Frank explained the program plans approved and to be brought forward for financing in December include the Aggie Village, two parking structures and the Eddy Hall renovation. The addition to the Natural Resources building is being designed and would be 50% donor funded. The chemistry building had been at the top of the state's capital construction list until capital

funding was frozen four years ago and would not have an impact on the CSUS debt burden if the state moves forward with funding. The biology building has also been one of the highest priority academic buildings for the past several years.

Ms. Amy Parson, Vice President for Operations, CSU, explained there are also smaller renovations around the campus for aging buildings that will be occurring. The chemistry building program plan will be updated and program plans are available on the facilities website.

Mr. Schweigert described how the capital construction list previously was a more formalized process through the Colorado Commission on Higher Education (CCHE) and flexibility has been given to governing board through subsequent legislation. With the current revenue forecasts, there appears to be a good potential for funding of capital construction. The CSU chemistry building for which \$44 million was requested is number three on the list.

When asked about the Belmont Residence Hall at CSU-Pueblo, President Di Mare explained that the facility is still functional and asked Mr. Marty Hanifin, Vice President of Finance and Administration, CSU-Pueblo, to comment. Mr. Hanifin indicated that Belmont is an older residence facility that had been placed on the anticipated capital needs list as a placeholder. The facility can probably be maintained for the next three to five years before any major capital repairs are needed. At that point, discussion may need to occur on whether to renovate Belmont, build more campus housing or develop more partnerships.

Currently there are approximately 300 students living in Belmont. Besides the view, providing single occupancy rooms and the sports area in the downstairs make the facility attractive to some students. Current capacity is approximately 400 but, depending on the configuration, capacity could be increased to potentially 1200. Occupancy in the new campus housing is at 80 to 90%. Refunding was completed in March to level off the debt payment to provide time to improve enrollment.

Mr. Schweigert explained the bond issuance procedures are very dynamic and thorough; the procedures can work in sequence or be ongoing at the same time. He highlighted that, once a program plan has been presented to and approved by the Board, the project is approved to move forward and initiates all the subsequent processes, including the financing plan that requires Board approval.

Governor Horrell suggested that a tracking system on program plans be developed and periodically updated for the Board, and inquired about how often a program plan is refreshed. Mr. Schweigert indicated a list could be developed and updated on an ongoing basis. There is the two-year cash fund list that is approved annually during the budgeting process. Mr. Schweigert reviewed the process to receive all of the statutorily required approvals. Other factors such as donor participation or student preferences may also result in the plan being refreshed.

Mr. Schweigert explained how the market may influence the timing of the actual financing package. A Master Resolution was approved by the Board that defines how bonds will be sold. Each supplemental resolution is specific on the projects to be funded and is an official statement to the investment community. There are occasions when provisions need to be amended. The funding package is very involved with input from underwriters, financial advisors and legal counsel. Once the funding package has been approved, a date is selected and the bonds are sold, initiating an internal accounting process during the construction including reports to the IRS. Mr. Schweigert reiterated that approval of the program plan is the key point as to how the whole process is initiated.

In response to questions on the two projects at CSU-Pueblo, Mr. Schweigert explained the academic classroom building has been approved for state funding and the \$26.5 million bond sale was completed on

the University Student Center. Bid packets are being prepared and the Request for Proposals will be sent out soon.

In a response to a question, Mr. Schweigert confirmed that the two-year list of anticipated capital needs and the Master Plan are two ways of providing visibility before a program plan is presented to the Board for approval. Given the Master Plan is an extensive omnibus, a list to provide the Board with information on an intermediate planning basis will be developed.

Mr. Schweigert provided in-state comparisons with sister higher education institutions on debt service as a percentage of operations, debt to operating revenue, and debt per FTE. Discussion followed on debt ratios and construction at various institutions; aging facilities; the possibility of granting greater latitude to governing boards on debt incurred; the national trend of how increasing debt helps ratings; how the state intercept rating is structured; and the dynamics of how highly leveraged institutions in the state can have an adverse effect on good management within the CSU System.

Mr. Schweigert provided an overview on the CSUS ratio analysis at the current debt level with comparisons to the Moody's median. Comparisons on expendable resources to debt at peer institutions for CSU were provided. While state support is significantly greater for some of the larger peer institutions, improvements in endowments at CSU have been and will continue to be made. Mr. Schweigert commented on the difficulty in comparisons to institutions such as Texas A&M where state FTE funding is \$10,000 compared to \$1,900 for CSU. President Frank added that the peer list includes AAU institutions and noted that, to put the ratios in perspective, CSU is one of the smallest institutions on the list.

Conversation followed on the peer comparisons in terms of the location on the spectrum; the impact on rating due to the amount of state funding; comparison with the University of Colorado that has a medical school; and additional debt without building capacity. President Frank pointed out that the CSU 2020 plan was a road map, not a specific year-by-year plan, and that debt will not be taken on if the growth does not occur. Mr. Schweigert commented on the stringent due diligence done internally to ensure a project can be paid for and the high standards of the Board on coverage ratios. Only 25% of tuition is pledged towards projects. Additional debt of \$400-\$450 million could be assumed without changing the CSUS bond rating.

With no further business to conduct, the Audit and Finance Committee meeting was adjourned at 12:15 p.m.

**BOARD OF GOVERNORS OF THE
REAL ESTATE/FACILITIES COMMITTEE MEETING MINUTES
Lory Student Center, Colorado State University-Fort Collins
October 3, 2013**

CALL TO ORDER

Committee Chair Scott Johnson called to order the Real Estate/Facilities Committee meeting at 1:00 p.m.

ROLL

Committee members present: Scott Johnson, Chair; William Mosher, Vice Chair; Ed Haselden; Ann Leslie Claesson, Faculty Representative, CSU-Global Campus; Frank Zizza, Faculty Representative, CSU-Pueblo; Vanessa Emerson, Student Representative, CSU-Pueblo Kathleen Henry, President/CEO, Colorado State University Research Foundation (assigned staff).

Governors present: Dennis Flores; Mark Gustafson; Dorothy Horrell; Mary Lou Makepeace; Alexandra Bernasek, Faculty Representative, CSU-Fort Collins; Nigel Daniels, Student Representative, CSU-Fort Collins;; 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: Jon Bellum, Provost, CSU-Global Campus; Doug Brobst; Chris Carter; Jean Christman, Attorney, CSUS Office of General Counsel; Johnna Doyle, CSUS Deputy General Counsel, CSU-Pueblo; Marty Hanifin, Vice President of Finance and Administration, CSU-Pueblo; David Haase, Blanche Hughes, Vice President of Student Affairs, CSU-Fort Collins; Steve Hultin, Facilities Director, CSU-Fort Collins; Nancy Hurt, Managing Director, Colorado State University Research Foundation; Jason Johnson, CSUS Deputy General Counsel, CSU-Fort Collins; Lynn Johnson, Chief Financial Officer, CSU-Fort Collins; Rick Kreminski, Acting Director of Institutional Research, CSU-Pueblo; Ben Morgan; Jennifer Mullen, Chief of Staff, CSU-Pueblo; Kris Nulander, Paul Orscheln, Vice President of Academic and Student Affairs, CSU-Pueblo; Alan Rudolph, Vice President for Research, CSU-Fort Collins; Carl Wright, Provost, CSU-Pueblo; Bob Vangermeersch, SOSH; Linda Vrooman, SOSH; Bill Woods, CSU-Pueblo; Anita Wright, SOSH.

Committee Chair Johnson reviewed the meeting agenda and explained the procedure for the stadium report by President Frank would be any Board member can ask questions or comment during the report, but no questions would be accepted from the public. Members of the general public can comment during the time designated for public comment at the Board meeting the next day.

Stadium Report: President Frank distributed a written report that would be posted on the website. The report addresses six key points: 1) what has been done to decrease costs; 2) additional non-athletic uses; 3) an update on the timeline; 4) update on the finances; 5) update on issues related to Hughes Stadium; and 6) next steps. President Frank reported that it had been a year since his written recommendation was

articulated to the campus and the community. The Board at that time supported the recommendation to go forward with the fundraising and planning on the new stadium.

Cost: During the past year, the project management team has been able to decrease the \$246 million projected cost in the feasibility study to \$226.5 million. The basic design, location, quality standards, availability of seating products, and revenue assumptions will be maintained.

Facility Uses: Ms. Amy Parsons, Vice President of Operations, CSU-Fort Collins, reviewed four renderings of the new design for the proposed stadium in the same location with the same orientation. The design was modified to include 55,000 sq. ft. of academic space.

President Frank reported the design allows for a variety of events, including retreats and conferences. The CSU 2020 projections anticipate the need for 1 million sq. ft. of new academically oriented space over the next 10 to 12 years to maintain current ratios if growth expectations are met. By utilizing the infrastructure of the stadium facility, the academic space can be built more economically. The cost for building the academic space is \$17.5 million, or approximately 73 cents on the dollar for stand-alone space, resulting in a savings of \$6.5 million. Academic units have expressed interest in the space and the typical campus allocation process on how the space is assigned would be followed. The cost of the athletic portion of the stadium does not include the academic space.

In response to questions, President Frank confirmed the new design was created with the potential academic space, but could be redesigned if the decision was made not to include the academic space. The savings is forecasted in today's dollars for a 2014 purchase with escalation and a 5% contingency.

When asked about the stadium location and the long term Master Plan on desirability of academic space, President Frank responded the stadium site is centrally located so alumni will come back and see the investments that have been made on the campus. The desirable central location is also the main driver for the discussion on the academic space.

President Frank reported discussions on potential uses for the stadium facility have included such areas as fashion merchandising that uses large bays; health/exercise science and training programs; additional dining capacity; and the university's teaching restaurant for the hotel and restaurant management program. Other than location, there would be no advantage or disadvantage to having classrooms in the facility. Chancellor Martin commented on two successful models at other universities with such a location for the universities' hospitality programs.

Finances: President Frank reported that different financial models have been examined, but there is no reason to move away from the 50-50 model for the athletic portion of the facility with 50% through private sources including philanthropy and 50% through bonding against revenues of the new stadium. With the redesign, the revenue scenarios still reflect the ability to support \$125 million in bonds based on the low case scenario of the revenue model. Fundraising efforts continue and there is a reasonable level of confidence that one-third of the goal will be achieved by the end of this year. When asked about costs for offsite improvements included in the initial cost proposal, President Frank responded that no additional detail can be added at this point.

Timeline: The schematic design phase that was entered based on the fundraising success in July will end in November. During the next 30 to 60 days, based on the fundraising results, a decision will need to be made on whether to enter the design development phase that would run through April 2014. During the design development phase, CSU will work closely with the City of Fort Collins on such issues of impacts, mitigations, and engagement of the neighborhoods.

When asked about parking, President Frank confirmed that parking is a separate issue from the stadium and, through the Master Plan and the Parking Master Plan, program plans have been brought forward for three separate parking garages. While the argument could be made that the proposed new stadium would impact parking, the overall growth of the university with or without the stadium is driving the parking discussions and the parking funding models.

When asked about fundraising without specifics, President Frank responded that the amount of both cash and pledges, including some irrevocable pledges, provides the confidence to move forward with the schematic design and the design development phases. There are conceptual pledges that could turn into actual funding amounts if the stadium goes forward. President Frank commented that Jack Graham, CSU Athletic Director, has been leading the fundraising effort and asked Mr. Graham to comment.

Mr. Graham reported the fundraising has been almost exclusively in the quiet phase with potential donors who have the economic capability to give significant gifts. The process requires a long lead time for relationship building and education. There has been interest and curiosity as to the design, and general enthusiasm to have the stadium on the campus. Mr. Graham expressed confidence in achieving success.

Mr. Brett Anderson, Vice President for University Advancement, CSU-Fort Collins, agreed with Mr. Graham that large gifts for the university's fundraising require long lead times. He reported the stadium campaign was going well and momentum appears to be building.

Hughes Stadium: President Frank reported that a CSU facilities report and an independent third party analysis of that report resulted in slightly different but close cost projections. Essentially Hughes Stadium will need close to \$30 million in deferred maintenance over the next decade, which includes basic infrastructure improvements such as plumbing.

Next Steps: President Frank reported his next step would be to move forward with the design development phase. Several Board members commented positively on the advisability of moving to this next phase. The Board encouraged President Frank to continue to engage the community around the topics of impacts and mitigations in moving forward.

Following President Frank's report, Committee Chair Johnson asked for a motion to convene in executive session. **Motion/Action:** Governor Zimlich made the motion, Governor Makepeace seconded, and the motion was carried unanimously. 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) (2013). The meeting convened in executive session at 2:00 p.m. and reconvened in open public session at 2:42 p.m.

Ms. Amy Parsons, Vice President of Operations, CSU-Fort Collins reviewed program plans to be brought forward at the December meeting to be prepared should state funding become available. The program plans will be posted on the website when ready for review and the Board will be sent the link. President Frank indicated he would work with Ms. Parsons on developing a list of program plans that have been approved and projects planned for the next two to five years.

Action Items: Committee Chair Johnson reported the next agenda item was approval of the two action items discussed in executive session: the oil and gas lease in Washington County, Colorado, and the water rights portfolio transactions. **Motion/Action:** Governor Zizza made the motion to recommend the action items for Board approval. Governor Haselden seconded and the motion was unanimously carried.

Committee Chair Johnson indicated the meeting was concluded and tours of the Durrell Center and the Bioengineering Building were next. Board Chair Dorothy Horrell asked Dr. Blanche Hughes, Vice President for Student Affairs, CSU-Fort Collins, to comment on the Durrell Center. Dr. Hughes gave an overview of the location and the revitalized building. Board Chair Horrell provided brief details on the timing for the tours and the Board dinner that would honor Dr. Diana Wall, and a preview of the next day's agenda. The meeting was adjourned at 2:54 p.m.

**BOARD OF GOVERNORS OF THE
COLORADO STATE UNIVERSITY SYSTEM
BOARD BREAKFAST MEETING MINUTES
Lory Student Center, Colorado State University
October 4, 2013**

CALL TO ORDER

Chair Dorothy Horrell called the breakfast meeting to order 7:30 a.m.

ROLL

Governors present: Dorothy Horrell, Chair; William Mosher, Vice Chair; Dennis Flores, Treasurer; Scott Johnson, Secretary; Mark Gustafson; Ed Haselden; Mary Lou Makepeace; Joseph Zimlich; Alexandra Bernasek, Faculty Representative, CSU; Ann Leslie Claesson, Faculty Representative, CSU-Global Campus; Frank Zizza, Faculty Representative, CSU-Pueblo; Nigel Daniels, Student Representative, CSU; Vanessa Emerson, Student Representative, CSU-Pueblo.

Administrators present: Michael Martin, CSUS Chancellor; Tony Frank, President, CSU; 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; Michael Nosler, CSUS General Counsel.

Guests present: Craig Beyroudy, Dean, College of Agricultural Sciences, CSU; Joyce Berry, Dean, Warner College of Natural Resources, CSU; Ann Gill, Dean, College of Liberal Arts, CSU; Jeff McCubbin, Dean, College of Health and Human Sciences, CSU; David McLean, Dean, College of Engineering, CSU; Ajay Menon, Dean, College of Business, CSU; Janice Nerger, Dean, College of Natural Sciences, CSU; Mark Stetter, Dean, College of Veterinary Medicine and Biological Sciences, CSU

Chair Horrell welcomed the Deans and remarked the meeting was an opportunity for the Board to thank the Deans for their work and to learn about their respective colleges. Chair Horrell recognized Dr. Rick Miranda for his leadership and for organizing the meeting. She asked Dr. Miranda for his comments and to introduce the Deans.

Dr. Miranda reported that two of the Deans were unable to attend. He commented that the Deans are the heart of the university providing leadership in all academic matters, student affairs, facilities and other areas. Following the introduction of the Deans, Board members and staff present, Chair Horrell asked each of the Deans to share what was happening within their colleges and issues that the Board should be aware of.

Dr. Janice Nerger commented on the eight departments of the College of Natural Sciences. The College has great diversity in research and has been awarded \$15 million in grants during the first three months of the academic year. The College's Biology Major is one of the largest for the university and the Statistics Major within the Mathematics Dept. is being reinstated. Plans are being made for expansion with a new chemistry building and an additional biology building.

Dr. Ann Gill remarked that highlights for the College of Liberal Arts include adding additional Ph.D. programs, some of which are interdisciplinary. One of the most overwhelming tasks is to provide 33% of student credit hours taught through 13 departments. The University Center of the Arts has transformed the

arts at CSU and the creative writing programs have been enhanced with the hiring of new poetry faculty. Funding continues to be a challenge.

Dr. Ajay Menon shared a profile of the College of Business with enrollment statistics, an overview of the distance MBA program, and the success of graduates in certification and employment. He commented on recognition of the Global Social and Sustainable Enterprise program. With enrollment growth, expansion is needed in both terms of physical space and the distance platform. He remarked that college students learn differently today and there is a need for facilities, technology and professors trained to deliver content in a manner to ensure student success. Dr. Menon remarked on the outstanding faculty and vibrancy of the College of Business.

Dr. Joyce Berry reported the Warner College of Natural Resources is one of the largest and most comprehensive in the country, and one of the oldest with the first class in forestry taught in 1904. After a decrease during the economic downturn, undergraduate enrollment has increased by 50% over the past few years with a current all-time high level. The College has been reorganized into five departments with a wide range of programs to address the planet's population in a comprehensive way. Dr. Berry commented on the strength of the College's research. Highlights include a new director for the Colorado State Forest Service and the Pingree Campus upcoming 100th anniversary. Fundraising is underway for a new building close to the Natural Resources Commons building and plans are being made for an additional building.

Dr. David McLean explained the College of Engineering has a strong emphasis on both undergraduate education and research in areas such as environment, water, and atmospheric sciences. There is an increased focus on health and environmental impact issues and collaboration is done with several of the university's colleges. The greatest asset is the faculty that has contributed to a 40% growth over the last five years in research activity. Enrollment growth reflects improved quality and diversity of the undergraduate students and an increase in the number of out-of-state students. Coping with the growth has been challenging financially. The College is examining ways to diversify revenues and to partner with businesses.

Dr. Mark Stetter provided an overview of the College of Veterinary Medicine and Biomedical Sciences, interdisciplinary programs, and collaborative efforts. Challenges include continued strategic growth after several years of contracture. Dr. Stetter provided recent examples of collaborative program growth. Health assets at CSU, such as human health, environmental health and animal health, could be combined to reach out to the local community and the state of Colorado.

Dr. Jeff McCubbin described the breadth and enrollment of the College of Health and Human Sciences through eight departments with a wide range of academic programs. He noted the name change was positive and most of the programs directly impact health in a variety of ways. Health-related programs across the country have grown more rapidly than other academic programs in the past decade creating challenges in terms of resources and facilities. Improvements have been made through corporate partnerships, particularly through the Construction Management program. Highlights include plans for a new museum aligned with the University Center for Arts that focuses on the rich cultural history in textiles through the Dept. of Design and Merchandising. Enhanced fundraising, both in terms of staffing and energy, communications, and engagement of alumni and community are needed to support the College.

Dr. Craig Beyrouthy explained how agriculture is an integrated component of the fabric of society and provided examples of how the College of Agricultural Sciences works closely with the other colleges. The College is also working with the University of Wyoming to identify opportunities for joint

appointments and to work collectively with limited resources to meet the needs of stakeholders. Dr. Beyrouthy shared the College's five strategic initiatives on water; land use; sustainable and economically viable beef and dairy production; food safety; and food and nutrition. These initiatives can be looked at through both a systems approach and a multi-disciplinary approach with agriculture as a fundamental component that goes beyond the College of Agricultural Sciences.

Chair Horrell thanked the Deans for their comments and opened the conversation to questions and comments from the Board. Chancellor Martin observed the toughest and most important job on the campus is that of the Deans who are, in some respects, caught between the aspirations and demands of the faculty and students, and the constraints and realities of the administration to run the university. He commented on how fortunate Colorado State University is to have strength at both the level of the President and Provost and with the Deans who serve a critical role at the institution.

Governor Makepeace commented on a growing awareness of the food supply and inquired on global production as part of the curriculum within agricultural education. Dr. Beyrouthy explained the focus is on the whole food system from production to consumption and is very broad-based, encompassing different aspects such as humans, food, environment and animals. He commented on how CSU has one of the top programs in the nation on organic agriculture and remarked on efforts to work collectively to advance the food system through curriculum, outreach and research. In response to a question on the politics of food systems, Dr. Beyrouthy explained the issue is woven into the curriculum. He commented on a recent student internship in Washington, DC and the desirability of those kinds of opportunities, both at the state and national level, to involve students with legislators.

Governor Haselden remarked that part of the role as the governing board is to understand trends in higher education and inquire as to what trends the Deans foresee for higher education in 2020. Responses included recognizing changing student demographics to recruit, retain and be supportive of students in a variety of ways; embracing and adapting technology, strategies such as MOOCs, curriculum and teaching methodology; financial independence, both in terms of partnerships with corporations and other entities to provide support; and responding to the Colorado paradox by addressing educational gaps through collaborative efforts with community colleges and other four-year universities, both within the state and beyond.

One observation was CSU students are very service-oriented and, while they want a good salary, making an impact is important. With increasing costs of higher education, there will be a demand for access to high quality, low cost, accredited education and different options, such as online and hybrid, need to be explored and expanded.

Governor Johnson expressed his appreciation for how worthwhile the conversation has been and that it provided an excellent opportunity for Board education. He commented that President Frank and Chancellor Martin had previously mentioned aspirations for CSU possibly seeking AAU status and asked for the Deans' comments. The Deans responded positively and indicated such status is attainable. When asked what is needed to achieve AAU status, responses include brand reputation building through marketing and communication, and more investment in resources. Another possible way is through faculty recruitment.

Chair Horrell inquired as to what the Deans are hearing from the faculty in terms of college preparedness of incoming freshmen and initiatives that CSU has with K-12 schools. The Deans commented on how students process information differently as a result of changing communication technologies and CSU is adapting. The School of Education, located within the College of Health and Human Sciences, is relatively small and is currently focused primarily on early childhood education and adult education.

However, there are teaching licensure programs across the university and faculty is engaged in teaching CSU students in the public schools on an ongoing basis. STEM-related education and opportunities are shared across the university and more teachers are needed in those areas. One challenge is in mathematics preparation and mathematics faculty is engaging more with K-12, particularly high schools.

Through Agricultural Sciences, there is a strong education program for K-12 with the 4-H programs through the Extension Offices that offer community development programs at schools, in cities as well as rural communities. The National Western Complex also offers an educational opportunity. Training the next generation of teachers is a critical mission for CSU. CSU through the Environmental Learning Center works directly with the Poudre School District providing an opportunity to learn about environmental stewardship.

Chair Horrell concurred with Governor Johnson's comments on the value of meeting with the Deans and commented the information shared will add to the Board's ability to communicate to policy-makers and the broader general public the role of higher education and the great work being accomplished at CSU. She shared information on a presentation at a recent Association of Governing Boards meeting on how college students learn differently today with technology.

Chair Horrell remarked on the positive relationships and collaborative spirit that exists across the colleges. She thanked the Deans on behalf of the Board for their dedication, leadership and contributions to the students, the university, and the State of Colorado. With no further conversation, the breakfast meeting was adjourned at 8:50 a.m.

**BOARD OF GOVERNORS OF THE
COLORADO STATE UNIVERSITY SYSTEM MEETING MINUTES
Lory Student Center, Colorado State University
October 4, 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; William Mosher, Vice Chair; Dennis Flores, Treasurer; Scott Johnson, Secretary; Mark Gustafson; Ed Haselden; Mary Lou Makepeace; Joseph Zimlich; Alexandra Bernasek, Faculty Representative, CSU; Ann Leslie Claesson, Faculty Representative, CSU-Global Campus; Frank Zizza, Faculty Representative, CSU-Pueblo; Nigel Daniels, Student Representative, CSU; Vanessa Emerson, Student Representative, CSU-Pueblo.

Administrators present: Michael Martin, CSUS Chancellor; Tony Frank, President, CSU; 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; 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: Doug Brobst; Johnna Doyle, CSUS Deputy General Counsel, CSU-Pueblo; Mark Gill, Chief of Staff, CSU; Marty Hanifin, Vice President of Finance and Administration, CSU-Pueblo; Scott Harris, Police Department, CSU; Kyle Henley, Public Relations Director, CSU; Kathleen Henry, President/CEO, Colorado State University Research Foundation; Mel Hilgenberg, Legacy Leadership Center; Blanche Hughes, Vice President of Student Affairs, CSU; Jason Johnson, CSUS Deputy General Counsel, CSU; Carl Kichinko, Communications and Creative Services, CSU; Rick Kreminski, Acting Director of Institutional Research; Louis Scharf, Professor of Mathematics, CSU; Ben Morgan; Jennifer Mullen, Chief of Staff, CSU-Pueblo; Andrew Olson, ASCSU Vice President, CSU; Paul Orscheln, Vice President of Academic and Student Affairs, CSU-Pueblo; Tony Phifer, Public Relations, CSU; Norm Rasulis; Ken Tharp; Bob Vangermeersch, SOSH; Sean von Wedel, student, CSU; Linda Vrooman, SOSH; Carl Wangsvick; Bill Woods, CSU-Pueblo; Anita Wright, SOSH; Carl Wright, Provost and Vice President, Academic Affairs, CSU- Pueblo.

Chair Horrell convened the meeting, recapped the previous day's meetings, and reviewed the agenda.

PUBLIC COMMENT

Chair Horrell reported there was an update from President Frank on the proposed new stadium during the Real Estate/Facilities Committee meeting the previous day. There were 50 minutes allocated to the public comment. Ten individuals signed up to address the Board and each was allocated a maximum of five minutes. Chair Horrell asked that speakers not repeat comments that had been previously made and that any written statements be provided to Sharon Teufel for distribution to the Board.

The following individuals commented in opposition to the new proposed on-campus stadium: Linda Vrooman, Bob Vangermeersch, Louis Scharf, Anita Wright, Ken Tharp, Sean von Wedel, and Doug

Brobst. Comments by Ben Morgan on how to use the stadium to engage and grow CSU were interrupted by a fire alarm at 9:44 a.m. and the building was evacuated. The meeting was reconvened at 10:18 a.m. and Mr. Morgan was given one minute to conclude his remarks. Carl Wangsvick and Norm Rasulis both commented in opposition to the new stadium.

BOARD CHAIR'S AGENDA

Chair Horrell reported Governor Jerry Purvis, the student representative for CSU-Global Campus, resigned his position due to relocation to Florida for new employment. The Board was asked to review and submit any additions/changes to an acronyms list which is a continuing work in progress. In response to the June Board retreat, a draft Board work calendar was distributed to the Board. Chair Horrell encouraged the Board to review the correspondence and higher education readings in the Board book.

Chair Horrell highlighted several upcoming campus events and noted a revised list will be distributed to the Board. Board members who are able to participate in the December commencements at CSU in Fort Collins were asked to submit their role preferences. Due to the fire alarm and the inclement weather, the meeting agenda was adjusted and the System wide discussion items including the legislative update and President Obama's plan for higher education were postponed until the December meeting.

EXECUTIVE SESSION

Prior to convening in Executive Session, Chair Horrell asked General Counsel Nosler and his staff to present the Clery campus fire and safety reports for Colorado State University and Colorado State University-Pueblo. Board members were asked to hold any specific legal questions on the reports until the executive session. General Counsel Nosler indicated that Jason Johnson, Deputy General Counsel, CSU, would present the CSU campus report and Amy Parsons, Vice President for Operations, CSU, would introduce the new police chief. Ms. Johnna Doyle, Deputy General Counsel, CSU-Pueblo, would present the report for CSU-Pueblo.

Mr. Johnson explained the requirements under the Clery Act for higher education institutions to annually publish campus security reports by October 1st. The reports include information on campus safety; security policies and programs; information on the campus police department and campus public safety team; and crime and fire statistics for the last three years. The purpose of the Clery Act is to promote campus safety and to provide parents, students and employees an opportunity to review crime and campus safety statistics. Three major components include the daily crime log that is maintained by the campus police department; the requirement that institutions send out campus notifications in the event of an emergency; and the required annual security report.

Mr. Johnson reported the CSU Police Department does the majority of the work in preparing the report and asked Ms. Parsons to introduce the new CSU Police Department Chief. Ms. Parsons introduced Scott Harris who expressed his appreciation for the opportunity to represent the CSU Police Department. He commented the Police Department can be educators, mentors and partners with every campus group in a community-wide effort to ensure health, safety and security. Chair Horrell and the Board welcomed Mr. Harris.

Ms. Doyle explained CSU-Pueblo also completes the annual Clery report and there were no significant changes or increases in incidents since the previous year, even with the acquisition of the Walking Stick Apartments. An article in the *Durango Herald* this past year indicated that CSU-Pueblo is one of the safest campuses in Colorado. At CSU-Pueblo the local sheriff's department is contracted to provide law enforcement with 24/7 protection and threat assessment in all of the campus areas. One of the deputies is

a veteran and is involved with veterans in post-traumatic stress issues. The relationship with the sheriff's office is positive and works well for the CSU-Pueblo campus.

Chair Horrell asked for a motion to convene in executive session. **Motion/action:** Governor Haselden made the motion; Governor Flores seconded; and the motion was carried unanimously. General Counsel Nosler read the meeting into executive session for the consideration of nominations for the awarding of honorary degrees or consideration of proposals for the naming of any building for a person or persons, to receive the litigation report and to receive legal advice on specific legal questions to C.R.S. § 24-6-402 (3) (a) (II) (2013). The meeting moved into executive session at 10:45 a.m. The Board recessed for a break at 12:17 p.m. and reconvened in the open public meeting at 12:25 p.m.

COMMITTEE REPORTS

Evaluation Committee: Committee Chair Makepeace reported the committee met the previous day to complete the evaluation process for the past academic year by accepting, modifying and approving the goals for the Board Appointees and Presidents for the existing academic year and going forward. There were no action items to be moved forward for Board approval.

Audit and Finance Committee: Committee Chair Flores reported there were no action items brought forward for Board approval. Ms. Allison Horn, CSUS Director of Internal Auditing, provided updates on the 2014 audit plan, past due recommendations with only one past due item which was an all-time low, and the current Internal Auditing Department projects. Mr. Rich Schweigert, CSUS Chief Financial Officer, provided an update on the State budget forecast, a general fund overview, an historical report on higher education funding, and a presentation on debt capacity.

Academic and Student Affairs Committee: Vice Chair Makepeace reported the committee met and consent agenda items moved forward were approval of a posthumous degree and the degree candidates for CSU-Global Campus.

Real Estate/Facilities Committee: Committee Chair Johnson reported the committee began the meeting in open session where President Frank, with support of additional staff, provided an update on the proposed new stadium. The consensus after the report was the Board continues to support President Frank and his staff as the process moves forward to the design development phase of the planning for the stadium. The committee convened in executive session and moved back into open session to approve moving forward two action items on water rights and an oil and gas lease. The committee also received a report on program plans that will be presented to the Board at the December meeting.

Approval of Board of Governors Policy Manual: Chair Horrell reported the Policy and Procedures Manual (Manual) has been a work in progress for several months. Board members received an electronic version of the Manual and could request a paper version if desired. The Manual after approval will be posted on the Board's website.

General Counsel Nosler reported the current version of the Manual distributed to the Board by electronic transmission incorporated all of the suggested changes received from Board members and minor typographical corrections. The intent of the Manual is to assemble in one place the policies that guide the Board. The Manual is designed as a living document so that the policies can be amended and additional new policies added through time. The Manual also incorporates all of the prior Board policy resolutions upon which the Board has acted.

RESOLUTIONS AND CONSENT AGENDA

Chair Horrell indicated General Counsel Nosler would read all of the resolutions into the record and then, unless an item needs to be pulled out for individual action, the resolutions and consent agenda will be approved en masse. The consent agenda included the minutes of the previous committee and Board meetings, the awarding of a posthumous degree at CSU, the appointment of the new Vice President of Student Services and Enrollment Management at CSU-Pueblo, and approval of the degree candidates for CSU-Global Campus.

General Counsel Nosler read the matters for action as follows:

1. Property: Approval of Water Rights Portfolio Transactions.
2. Land: Oil & Gas Lease on Approximately 160 Mineral Acres in Washington County, Colorado.
3. CSU: Approval of the Acceptance of Gifts and Naming Opportunity relating to the conference room in the Suzanne and Walter Scott, Jr. Bioengineering Building in the College of Engineering.
4. CSU-Pueblo: Approval of Revisions to the Naming Policy.
5. CSU System: Approval of the Colorado State University System Board of Governors Policy and Procedures Manual.

Motion/Action: Governor Makepeace made the motion to approve the resolutions and consent agenda. Governor Zimlich seconded and the motion carried unanimously.

PRESIDENTS' REPORTS:

CSU-Global Campus: President Takeda-Tinker reported that, at the June Board retreat, the Board discussed reinvesting in CSU-Global Campus. A 10-minute video presentation was viewed by the Board to address the market place challenges and the activities that CSU-Global Campus will be undertaking with the investment. Following the video, Governor Haselden remarked that, according to his math, the investment is approximately \$216 per student to basically gain potential access to 1,500 new students, which reflects a positive investment. Chair Horrell noted that, at the retreat, the Board had talked about the importance of reinvesting in the CSU-Global Campus enterprise and the other purpose of CSU-Global Campus as a source of resources to invest in other new initiatives.

President Takeda-Tinker reported the link for the video was sent to the Board prior to the meeting with additional information that lays out the foundation for alternative types of credit for learning and different options for adult learners to be able to successfully complete their Bachelor's degrees. In the area of scholarships, the proposal outlined that awards would only be given upon successful course completion or when a student successfully passes an exam. For the underserved student outreach work, pre-tests have been conducted in identified markets and CSU-Global will ensure that projected costs are not exceeded. Fiscal year end results will be evaluated to determine continuation of the proposed programs.

President Takeda-Tinker thanked that Board for supporting the reinvestment in CSU-Global Campus and for examining the issue of reserves. In August, the Higher Learning Commission (HLC) had requested that CSU-Global provide a response to its Criterion #5 to ensure that "the institution's resource allocation process ensures that its educational purposes are not adversely affected by elective resource allocations to other areas or disbursement of revenue to a super ordinate entity." For its response, CSU-Global provided minutes from the June retreat and a brief supplemental explanation to the HLC.

When asked about efforts to support veterans, President Takeda-Tinker reported CSU-Global Campus was invited to join the Coalition for Adult Learners and, following a meeting of the coalition in Washington, DC, she has eight meetings scheduled with various military groups. A meeting has already been held with the IAAVA that supports over 400,000 military personnel and veterans. Currently 18% of the CSU-Global Campus's population is military or dependents. Time to degree completion is comparable to its non-military and veteran students and the retention is 73% over a three-year period for either graduated or still actively taking classes.

Chair Horrell reported that, in preparation for this meeting, President Takeda-Tinker communicated with her staff and faculty what the Board had requested from the retreat. The response was positive with an abundance of ideas. President Takeda-Tinker added that the addition of the university's new student support department and its continuous re-enrollment campaign were also ideas from the staff and faculty based on the Board's interest and commitment in CSU-Global's future.

Chancellor Martin reported he and President Takeda-Tinker have begun conversations with legislative leaders on the prospect of expanding the CSU-Global Campus mission to increase CSU-Global Campus's ability to provide affordable access to higher education to adult students in Colorado and beyond. The Board will be having further conversation on the topic at the December meeting.

CSU: President Frank highlighted from his written report that CSU hosted its first community open house and ice cream social. A President's community lecture series will be launched this semester and be available as a free ticketed event. An arrangement has been made with *The Coloradoan* for a series of CSU-related inserts in the newspaper with the first insert on the upcoming CSU Homecoming activities. CSU was a sponsor for the USA Pro Cycle Challenge and the associated advertisements were effective. A branch of the CSU Bookstore called Ram Zone opened in Old Town and has been well received.

President Frank asked Amy Parsons, Vice President of Operations, CSU, to report on the Ripple Effect, a women's initiative that evolved out the President's Fall Address from the previous year. Ms. Parsons explained the charge President Frank had issued was to transform CSU into the best place for women to work and learn in any capacity. To be successful, the philosophy was to engage all of the campus community. Progress has been made through technology and a Ripple Effect website was launched last month. Ms. Parsons demonstrated the various resources on the landing page.

The Office of Equal Opportunity, Institutional Research, and Human Resources have combined forces to examine gender gaps. Findings indicate CSU has done a good job analyzing data for the faculty, but now needs to examine administrative professional, state classified and other categories of university employees, which will be a big initiative for the coming year. The gender gap includes more than just salaries, such as start-up packages and other areas, to ensure an equitable work place. With the assistance of the Student Affairs Office and different student groups, a segment specific to the female student population will be launched.

Ms. Parsons explained linkage from the website's event tab to other organizations and the Mindmixer function that creates a platform for the community to share suggestions or comments. CSU is collaborating with other Colorado organizations on activities that will be launched around International Women's Day on March 8th.

Funding for the project has been provided through the strategic partnership with First National Bank. In response to the suggestion on male involvement, Ms. Parsons explained the messaging and other ways to provide more male involvement are being explored to ensure the initiative is community-wide.

CSU-Pueblo: President Di Mare reported efforts to attract or increase different demographics include a Director of Veterans Affairs was hired as of September 1st; a Veterans Student Resource Center has been created through a donation by Home Depot to assist veterans; and there are a number of different programs, such as Upward Bound Veterans and other campus initiatives, to assist veterans. Training has been provided to faculty and staff to better understand how to relate to and understand the particular circumstances of veterans. Currently there are 300 veteran students and there will be more recruiting efforts for veterans.

The *On the Move* capital campaign kickoff was a huge success and the campaign has moved out of the silent phase. Over \$5 million of the \$25 million goal has been raised to this point with \$15 million of the campaign to be directed to student scholarships. There are approximately 10% more international students on the CSU-Pueblo campus this fall with students for the first time from Brazil, Columbia, Peru, Ecuador and Venezuela. The mix of international students is a positive way for the campus to experience a global village and a way to continue to attract additional international students.

CSU-Pueblo is one of two state institutions with programs focused on improving students' financial literacy. The SALT program assists students with financial aid and education beyond the campus's financial aid office. The service is free and results will be tracked.

President Di Mare reviewed the new scholarships that were launched this academic year. A video prepared by a graduate student on what the scholarships mean to the recipients was shared with the Board. Following the presentation, Governor Zizza remarked the video was shown at a donors' luncheon that was a wonderful event with the ballroom filled with the students who won the awards and their sponsors.

FACULTY AND STUDENT REPORTS

Dr. Alexandra Bernasek, Faculty Representative, CSU, reported the Faculty Council had an INTO update that will be included in her next written report. Upcoming issues for the Faculty Council include examining MOOCs and what it would take for CSU to be invited to the AAU.

Dr. Ann Leslie Claesson, Faculty Representative, CSU-Global Campus, remarked she did not have anything to add to her written report. She explained students come first at CSU-Global Campus and the reason she was late the previous day was due to a student issue that was positively resolved.

Dr. Frank Zizza, Faculty Representative, CSU-Pueblo, reported highlights since his written report was prepared include Dr. Carl Wright, the new Provost, attended the September 9th Faculty Senate meeting with the message that retention was everyone's job. There was also discussion on increasing the number of assessments faculty perform on students and using technology to further engage students. The Faculty Senate approved the conflict of interest forms that have been forward to the Department Chairs and Deans. The Faculty Policies and Procedures subcommittee has begun work on the issue of extending multi-year contracts to lecturer positions.

The Graduate Studies Board discussed continuous enrollment and tracking of graduate students that are not registered for courses. Curricular changes for the coming academic year are being discussed in the Curriculum and Academic Programs Board in order to get changes reflected in next year's catalog. An update was provided to the Faculty Senate on the CSU Metro South project. On September 30th, the retention consultant was on campus to review the progress from the previous year with the retention rate up to 63.2% this year.

Nigel Daniels, Student Representative, CSU, highlighted from his written report that there have been ongoing discussions with Transfort on a potential on-campus circulator, and there are several initiatives

within Environmental Affairs to encourage students to bike to campus and to understand bike policies. Discussions have been held with Chancellor Martin on a conference to convene student leadership from Colorado to discuss issues, such as the state budget, federal policy, and the state infrastructure for higher education, and to consider possible actions steps for the future. For-Ever Green t-shirts were distributed to the Board.

Vanessa Emerson, Student Representative, CSU-Pueblo, reported she had the honor to speak at the *On the Move* campaign kickoff. Committee assignments have been made for the Associated Students' Government senators and directors. She commented on how the active involvement in the committees is one of the privileges of serving in student government.

CHANCELLOR'S REPORT

Chancellor Martin remarked that a formal resolution was not requested for approval of the strategic plan presented by President Takeda-Tinker but, based on the discussion, the understanding was there was consensus to move forward.

A new CSUS marketing campaign, including a new web page and visibility at Denver International Airport, has been launched with the theme of "there is a place for every student and a way to serve every citizen."

Chancellor Martin reported the meeting with the CSU Faculty Council was positive and constructive. He will be meeting similarly with CSU-Pueblo and CSU-Global Campus faculty. In addition to the written report, a PowerPoint presentation had been prepared, but will be distributed to the Board electronically in order to conserve time. Highlights on the South Metro project include the initiative is moving forward with Dr. Ajay Menon, CSU College of Business, as the coordinating dean; a meeting was held with CH2M Hill who has expressed interest in hosting the engineering program; and President Takeda-Tinker reconfigured her new office space to include classroom space.

The CSU System took the leadership role in a statewide higher education symposium that was held for the first time. Observations by Chancellor Martin include that there is a level of distrust between the institutions, and that the Colorado Commission on Higher Education (CCHE) has expressed becoming more actively engaged in setting the policy framework for higher education in the state. Overall there were good outcomes, good speakers and good information. An update on the Venture Capital Fund is also included in the PowerPoint presentation.

Chancellor Martin reported he had previously shared electronically with the Board an Association of Governing Boards' (AGB) recently released report entitled "The 10 Things Boards Should Be Concerned About" and the CSU System efforts to address those issues. Chancellor Martin and Chair Horrell will be attending an AGB Leadership Institute in December. An AGB report on intercollegiate athletics that was published two years ago will be circulated to the Board.

BOARD MEETING EVALUATION

As part of the continuous improvement process, Chair Horrell asked for feedback on the Board meeting. Governor Makepeace apologized if there was not sufficient time for presentations and noted there were more citizen participation and a fire alarm during the meeting. She also expressed appreciation for the two campus tours and suggested that it has been a while since the Board met with students. Chair Horrell commented on the special events, including the dinner with Dr. Wall and the breakfast with the Deans, and indicated other such opportunities to connect on a deeper level will be planned for the other campuses.

Chancellor Martin thanked Governor Zimlich and Governor Johnson for attending the *Denver Business Journal* event that honored Chancellor Emeritus Blake and others as the first Legacy winners. Governor Mosher commented the debt capacity presentation during the Audit and Finance Committee meeting was very helpful and informative on a broad issue. Governor Johnson suggested a tour of the Welcome Center at CSU.

Chair Horrell reported the next meeting will be held at the CSU System office in Denver on December 2nd-3rd. There will be a holiday celebration and an opportunity to acknowledge Governor Haselden for his service on the Board. Chair Horrell thanked the System and institutional staff for their assistance with the Board meeting.

With no further business to conduct, the meeting adjourned at 1:47 p.m.