

**BOARD OF GOVERNORS OF THE
COLORADO STATE UNIVERSITY SYSTEM
EVALUATION COMMITTEE MEETING MINUTES
Colorado State University System Office, Denver
December 2, 2013**

CALL TO ORDER

Board Chair Dorothy Horrell convened the Board of Governors at 8:04 a.m. and asked President Becky Takeda-Tinker to introduce the new CSU-Global Campus representatives. President Takeda-Tinker introduced Dr. Nella Bea Anderson, the new faculty representative, and Brad Schiffelbein, the new student representative. After CSUS General Counsel Michael Nosler administered the oath of office for the new representatives, Board Chair Horrell asked Committee Chair Mary Lou Makepeace to convene the Evaluation Committee.

Committee Chair Makepeace called to order the Evaluation Committee meeting at 8:08 a.m.

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; Michael Nosler, CSUS General Counsel (assigned staff).

Governors present: Nella Bea Anderson, Faculty Representative, CSU-Global Campus; Alexandra Bernasek, Faculty Representative, CSU; Frank Zizza, Faculty Representative, CSU-Pueblo; Nigel Daniels, Student Representative, CSU; Brad Schiffelbein, CSU-Global Campus.

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; 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 explained the committee would be addressing personnel-related issues and indicated the campus Presidents would participate in the executive session. She 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 executive session and committee meeting adjourned at 8:55 a.m.

**BOARD OF GOVERNORS OF THE
COLORADO STATE UNIVERSITY SYSTEM
AUDIT AND FINANCE COMMITTEE MEETING MINUTES
Colorado State University System Office, Denver
December 2, 2013**

CALL TO ORDER

Committee Chair Dennis Flores called to order the Audit and Finance Committee meeting at 8:58 a.m.

ROLL

Committee members present: Dennis Flores, Chair; Joseph Zimlich, Vice Chair; Ed Haselden; Alexandra Bernasek, Faculty Representative, CSU; Nigel Daniels, Student Representative, CSU; 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; Demetri "Rico Munn; Nella Bea Anderson, Faculty Representative, CSU-Global Campus; Vanessa Emerson, Student Representative, CSU-Pueblo; Brad Schiffelbein, Student Representative, CSU-Global Campus; 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; Derrick Dobbin, Controller, CSU-Global Campus; Johnna Doyle, CSUS Deputy General Counsel, CSU-Pueblo; Kyle Henley, Director of Denver PR, CSU; Kathleen Henry, President/CEO, Colorado State University Research Foundation; Blanche Hughes, Vice President of Student Affairs, CSU; Steve Hultin, Facilities Director, CSU; Nancy Hurt, Managing Director, Colorado State University Research Foundation; Jason Johnson, CSUS Deputy General Counsel, CSU; Lynn Johnson, Chief Financial Officer, CSU; Rick Kreminski, Acting Director of Institutional Research, CSU-Pueblo; Don Marostica, Board Member, CSURF; Jennifer Mullen, Chief of Staff, CSU-Pueblo; Paul Orscheln, Vice President of Academic and Student Affairs, CSU-Pueblo; Amy Parsons, Vice President of Operations, CSU; Jeremy Podany, Career Center Director, CSU; Kristy Proctor, Interim Dean of Graduate Studies and Research, CSU-Pueblo; Carl Wright, Provost, CSU-Pueblo.

AUDIT REPORT

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

Fiscal Year 2013-14 Audit Plan: Ms. Horn reported there was one report issued since the last meeting on tax issues. The auditor assigned is a former tax accountant who understands IRS issues related to higher education. The report indicates there is generally a system of controls that are documented and

communicated. Six recommendations were made to strengthen internal controls and decrease risks. Ms. Horn reviewed the three audits in the final stages and the other five audits that are currently in progress.

Past Due Recommendations: Ms. Horn reported there was only one past due recommendation for the College of Veterinary Medicine and Biological Sciences to allow the new Dean the opportunity to formulate the strategic plan. The target date for completion is January 2014.

Internal Audit Department (IAD) Update: Ms. Horn reported two software programs have been implemented and staff has been trained. Due to technical difficulties, the programs are not yet being utilized and the issues should be resolved in the near future. The software will be used to automate testing and work paper documents. The IAD is in the process of diversifying professional certifications. A staff person has passed the examination to become a certified fraud examiner and another employee will be taking the examination to become a certified information systems auditor. When asked about the turnover during the past year, Ms. Horn confirmed that all positions are filled and staff is adapting well to higher education.

FINANCE REPORT

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

State Budget/Capital Update: Mr. Schweigert reported the Governor has submitted to the legislature a recommendation to increase higher education funding by \$100 million with \$68 million for the operating fund and \$42 million in financial aid. The initial reaction of the Joint Budget Committee appears to be positive.

Mr. Schweigert reported the chemistry building at CSU is ranked #3 out of 31 projects on the Colorado Commission for Higher Education's (CCHE) recommended prioritized capital list that was submitted to the Governor's Office. The chemistry building project was not selected by the Governor's Office. There is a movement centered on encouraging the legislature to fund the first 20 items on the CCHE list that would include a new animal sciences building at CSU and a psychology building at CSU-Pueblo.

Performance Funding for Higher Education: Mr. Schweigert outlined the CCHE performance funding requirements stipulated in Senate Bill 11-52 with targets to be implemented in FY 2015-16 if higher education funding is restored to the 2009 level of \$706 million. With the recent recommendation to increase funding, the performance funding level would be at \$600 million. The Colorado Department of Higher Education is working on a model to distribute the performance funding. A percentage of new funding above the \$650 million mark would be distributed based on a to-be-determined formula in four broad areas.

Within the CSU System performance contract, there are parameters with specific metrics for each of the campuses. Chancellor Martin commented on how the Presidents have demonstrated that the parameters within the contract fit with what is being done strategically on the campuses.

South Metro Initiative: Mr. Schweigert reported the initiative is moving forward with an internal group that has representation from each campus and is being led by Dean Ajay Menon, CSU College of Business. Planning is on-track to begin offering in 2014 a systems engineering certificate and CH2M Hill has offered use of its facility at the Denver Tech Center. Nursing and business programs are anticipated to begin in the fall of 2014 and a general studies degree will not be offered. Chancellor Martin reported discussions with the Colorado Department of Higher Education have confirmed that the CSU System is

within the parameters of the CSUS performance contract to extend degrees in the South Metro location and, since the contract is a System contract, each campus can participate.

Mr. Schweigert explained a strategy has been developed in concert with fundraising efforts in the South Metro area for matching support from the business community. Longer term partnerships, including advisory groups, are being developed for consultation with the business community on an ongoing basis. Kyle Henley, CSU Director of Public Relations, explained the marketing for the engineering program has been done through the South Metro Chamber of Commerce and on a one-to-one basis with companies in the South Metro area. A branding exercise with an outside consultant has been completed and a creative piece utilizing the naming strategy of CSU Denver South is being developed.

President Becky Takeda-Tinker, CSU-Global Campus, reported legislators from South Metro Denver are being contacted. CSU President Tony Frank explained that systems engineering is already being offered face-to-face in Fort Collins with more demand than supply. The expectation is there will not be a problem filling the classes to be offered in the South Metro initiative.

Mr. Schweigert commented on the short term strategy to work with the large corporations and to develop a hospital partnership to launch the nursing program. After 24 months, based upon assessment of the South Metro initiative, a more formal marketing strategy would be initiated. Chancellor Martin commented on efforts to find a private match for the \$500,000 funds from the CSU System that were approved by the Board. The Charles Schwab Corporation is building a campus and has offered its education pavilion for the business program. The South Metro initiative will be organically grown and there exists a potential for additional degree programs.

Mr. Kyle Henley, CSU Director of Denver PR, confirmed that the degrees to be offered will be through the campus providing the majority of classes. Mr. Schweigert explained the tuition for the engineering and nursing programs will be based upon the tuition schedules for CSU and CSU-Pueblo respectively, and the tuition for the business degree has not yet been determined.

In response to a question on potentially building a facility, Mr. Schweigert pointed out the CSU System was approached by business leaders in South Metro Denver to provide services. A developer has expressed interest in providing a possible site and the site plan is very preliminary. The focus has been on getting the programs operational.

Governor Haselden commended the Chancellor and Presidents for proceeding cautiously and in an organic growth mode. He reflected on how the CSU-Global Campus was launched. The South Metro Initiative could be a major impact for the citizens of Colorado and meet the needs of a segment of an unserved population.

Quarterly Financials: Mr. Schweigert explained the process to close out FY 2013 with the financial information to be shared with the State Auditor and then reviewed by the legislature to officially release the CSUS financials. The financial issues at CSU-Pueblo have been discussed with the Board and will be addressed.

President Takeda-Tinker explained the CSU-Global Campus accounting department has been restructured with a controller, assistant controller and senior accountant. She introduced Derrick Dobbin, the new controller. Mr. Dobbin expressed his pleasure to be working at CSU-Global Campus and with the Board and the other campuses.

Mr. Schweigert commended Lynn Johnson, the CSU Chief Financial Officer, and her staff for the assistance in closing out FY 2013 and acknowledged the work of the CSU-Pueblo staff. When asked about a the drop in public service support from 2012 to 2013, Ms. Johnson explained the Colorado State Forest Service is under CSU and the state legislature moved the fire suppression activities away CSU into a new separate state agency.

Campus Budget Updates: Mr. Schweigert indicated President Frank and President Takeda-Tinker would provide updates and an update on CSU-Pueblo will be provided at the February meeting.

President Frank reviewed the tuition parameters of the draft FY 2015 CSU budget and commented on the \$10.8 million state funding impact. The expenditures include proposed salary increases of 2.5% for faculty and administrative professional staff and 3% for state classified personnel, and a 1% increase in the defined contribution plan. President Frank explained the campus process to develop the budget through the strategic plan review activities and the planning and budget hearings from each of the vice presidential divisions and academic colleges.

When asked about the impact from the Affordable Care Act, Amy Parsons, CSU Vice President of Operations, explained the CSU health care plan is deemed affordable under the law and should not be affected in terms of employees shopping for new plans. Modeling for FY 2015 includes some increased costs which are not deemed significant. The premiums have not been increased in three years.

When asked about projections and the long-term view with the state budget structural problems and increased expenses, President Frank explained strategies include base-funded reserve accounts for deferred maintenance and enrollment management. The request by the Governor's Office to limit tuition increases for resident undergraduates to 6% or less as part of the funding package is part of the budget modeling.

President Frank commented on the challenges in terms of student debt and tuition to maintain access and affordability to higher quality education. He noted the tendency to combine data into generalized statements about student debt load across the different segments of the higher education industry that includes public, private and for-profit institutions. Chancellor Martin remarked that CSU is a very high quality, affordable option. The areas being tracked are debt per student on average and default rates on that debt. With both high debt and high default rates, there is the potential for universities to lose federal support. President Frank recounted statistics on student debt load by public, private, and for-profit institutions and the impact of declining state funding per student.

Chancellor Martin commented that, without going into details, the deficit at CSU-Pueblo was greater than anticipated and CSU-Pueblo is not alone in experiencing a downturn in enrollment which is both a state and national issue. President Di Mare and her team are developing a detailed plan for long-term sustainability at CSU-Pueblo that will be brought to the Board in February.

President Takeda-Tinker reported CSU-Global Campus is on-track financially. Last year's operating margin was 35% and this year is projected to be 33% with the 2% difference due to the new initiatives and funding for the Venture Capital Fund. New initiatives include underserved market outreach and scholarships for students who will exceed their lifetime federal financial aid limit before they graduate. Additionally, for FY14, class sizes have been reduced which will result in an increase in faculty expenses, and the new Student Support Department has been added to ensure student readiness and retention. For its FY14 budget, CSU-Global projects that enrollment and retention goals will be met and that there will be no increase in tuition.

Bond Financing: Mr. Schweigert reported a bond sale is scheduled for December 17th if the Board approves the 8th supplemental resolution to the master bond resolution. The sale amount should not exceed \$150 million; the additional annual maximum payment would be \$10 million; and total System debt would be increased from \$628 million to \$777 million. The projects to be funded will all be State Intercept-backed which allows the bonds to be sold at the State's rating.

President Frank reviewed the five projects for the bond sale and explained how the payments will be funded. When asked how projects are brought forward, he reviewed the process that begins with the annual retreat of the Council of Deans and the President's Cabinet where there is discussion on the physical infrastructure of the campus and the strategic direction of the campus including new projects, renovations and deferred maintenance. When asked if each project has an endowment for deferred maintenance, President Frank explained there is a formula for mandatory costs that is built into the budget for each construction project.

When asked about the seismic code adjustment for the Lory Student Center renovation, Steve Hultin, CSU Director of Facilities, explained how Colorado is in a seismic zone that was not known at the time of the original construction and design. Seismic requirements will be taken into consideration with future renovations or expansions.

Mr. Schweigert explained the 8th supplement resolution, when approved, is the preliminary official statement on the Board's representation to the investment community. The actual statement is being completed and will be posted around December 9th or 10th. Investors will then be able to review the statement and contact the CSU System with questions. **Motion/Action:** Governor Haselden recused himself from the vote due to a possible conflict and indicated he would also recuse himself from the vote at the Board meeting. Governor Zimlich made the motion to forward the 8th supplement resolution to the Board for approval. The motion was seconded and carried

Reserve Reports: Mr. Schweigert explained that the annual report was provided in the Board book and explains how funds were dedicated during the past year.

Ms. Johnson explained that the different CSU fund groups begin with unrestricted net assets as of the end of the fiscal year; compensated assets related to accruals of vacation and sick leave are added back for a cash balance; internally restricted funds are not available for the university expenditure; and there are budget decisions made during the year relative to reserves. There is policy whereby units can request, if they have additional funds left at the end of the year, a certain amount of their budget can be carried forward at the end of the year. There is a robust process around those decisions to allow units to carry money forward and the funds are typically related to commitments made to future faculty members coming online. President Frank explained the basic philosophy of the 1.5% carry-forward for each unit to create a balance between zeroing out the budget with rushed decisions to expend resources and start-up commitments.

Ms. Johnson pointed out the Education and General Funds (E&G) balance increased to \$34 million as of 6/30/13 which reflects the goal to increase unrestricted funds by 3% annually. Responding to a question, Ms. Johnson explained how investments at the State Treasurer are at book value until taken to market. At year end, the State Treasurer provides information to mark those investments to market based upon the State's portfolio.

When asked about plant funds, Ms. Johnson explained there are funds that are restricted for projects being built or completed and units can plan for major renovations in the future by holding plant funds in

reserve. Funds held in reserve are to be used for the designated projects or must go through the President's Operations Committee to get approval to move out funds.

President Frank explained how the academic enrichment program line was established in 1998 with \$30 million in insurance recovery after a flood event. By Board action, the reserve account was designed to be a reserve account for one-time expenditures with the goal of long-term positive academic impact.

President Di Mare reported CSU-Pueblo has a total of \$13.2 million in unrestricted net assets. When asked about the Walking Stick and KTSC reserves that have been used, Mr. Schweigert explained how the internally restricted funds resulted from the sale of property or rights and, in the past, a portion was expended for operations. Current Board policy states that funds for real estate purposes cannot be used for operations. When asked about the building projects at CSU-Pueblo, President Di Mare reported the groundbreaking should occur in February or March for the academic building and later in the year for the Occhiato University Center.

Mr. Schweigert reported the summary on the CSU Systems reserves reflects what is dedicated to the South Metro Initiative. When asked why there was not a reserves report for CSU-Global Campus, President Takeda-Tinker indicated a similar report could be developed. CSU-Global Campus fund balances include \$16 million in the savings account, \$4 million in operating account, and \$1 million for bad debt in scholarships. CSU-Global Campus does not have an endowment. The suggestion was made to present a report at the same time next year with the other campuses in a similar format.

Municipal Leasing Report: Mr. Schweigert reported the Board book contained the annual municipal leasing report for CSU that highlights how CSU determines what amount is available for municipal leases. President Frank explained there essentially two separate financing mechanisms defined in the report: a line of credit and the municipal leasing system. The line of credit is tax exempt; requires annual approval by the Board; and is administered through the Colorado State University Research Foundation (CSURF). The municipal leasing item does not require re-approval and reflects incorporation of the suggested change from a fixed cap amount to a fixed portion of budget which is one-third of one percent that allows the program to grow. The program provides a mechanism to pay off large equipment over multiple years. Both programs are available to all CSU System campuses.

In response to a question, Ms. Johnson confirmed that equipment is attained on a lease-purchase basis and is owned when the lease is retired. When asked about CSU-Pueblo utilizing the programs, Ms. Johnson explained CSU-Pueblo has used the line of credit but not the municipal lease program. Kathleen Henry, CSURF President/CEO, remarked the programs will be explained in more detail to Presidents Takeda-Tinker and Di Mare and their staff.

Motion/Action: Governor Zimlich made the motion to forward for Board approval the reauthorization of the line of credit. The motion was seconded and carried.

With no further business to come before the Audit/Finance Committee, the meeting was adjourned at 10:35 a.m.

**BOARD OF GOVERNORS OF THE
COLORADO STATE UNIVERSITY SYSTEM
REAL ESTATE/FACILITIES COMMITTEE MEETING MINUTES
Colorado State University System Office, Denver
December 2, 2013**

CALL TO ORDER

Committee Chair Scott Johnson called to order the Real Estates/Facilities Committee at 10:50 a.m.

ROLL

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

Governors present: Dennis Flores; Dorothy Horrell; Mark Gustafson; Mary Lou Makepeace; Demetri “Rico Munn; Joseph Zimlich; Nella Bea Anderson, Faculty Representative, CSU-Global Campus; Alexandra Bernasek, Faculty Representative, CSU; Nigel Daniels, Student Representative, CSU; Brad Schiffelbein, Student Representative, CSU-Global Campus.

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; Derrick Dobbin, Controller, CSU-Global Campus; Johnna Doyle, CSUS Deputy General Counsel, CSU-Pueblo; Kyle Henley, Director of Denver PR, CSU; Blanche Hughes, Vice President of Student Affairs, CSU; Steve Hultin, Facilities Director, CSU; Nancy Hurt, Managing Director, Colorado State University Research Foundation; Jason Johnson, CSUS Deputy General Counsel, CSU; Lynn Johnson, Chief Financial Officer, CSU; Rick Kreminski, Acting Director of Institutional Research, CSU-Pueblo; Don Marostica, Board Member, CSURF; Jennifer Mullen, Chief of Staff, CSU-Pueblo; Paul Orscheln, Vice President of Academic and Student Affairs, CSU-Pueblo; Amy Parsons, Vice President of Operations, CSU; Jeremy Podany, Career Center Director, CSU; Kristy Proctor, Interim Dean of Graduate Studies and Research, CSU-Pueblo; Carl Wright, Provost, CSU-Pueblo.

EXECUTIVE SESSION

Committee Chair Johnson convened the meeting and indicated the first item of business was the executive session. **Motion/action:** Governor Zizza moved to convene in executive session. The motion was seconded and carried. 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 committee reconvened in open session at 11:50 a.m.

LAND ACQUISITION

Committee Chair Johnson asked President Frank to review the first action item. President Frank explained the recommendation for CSU to purchase three parcels of property from the Colorado State University Research Foundation. Sources of funding for the purchase would include the land endowment income account, the academic enrichment program fund, and the real estate investment fund. **Motion/action:** Governor Mosher made the motion to forward the action item for Board approval. Governor Makepeace seconded and the motion was carried.

PROGRAM PLAN STATUS LISTS

President Frank reported, in response to the Board's request at the previous meeting, a status report was provided in the meeting book that identifies new program plans to be approved; past program plans approved including plans to be refreshed; and anticipated program plans. Ms. Amy Parsons, CSU Vice President of Operations, added the report contains program plans approved dating from June 2006 and identifies the primary college or department, costs and notes. Four program plans included in the report will be presented for approval at this meeting.

When asked about the length of time the approved plans are effective, Ms. Parsons responded generally five years. President Frank added plans then expire and are no longer valid program plans unless the Board renews the approval. Program plans might not be renewed for a variety of reasons, i.e., a new dean may no longer view the project as a high priority or there may be an opportunity to place a specific function within a different facility. President Frank indicated the report format can be amended as necessary and will be a standing report item for the Real Estate/Facilities Committee meetings. Suggestions were made to identify alternative funding sources in the notes and to verify the total amount of estimated costs.

CSU PROGRAM PLANS

Ms. Parsons reported the meeting book contained summaries of two program plans to be presented for first-time approval and two refreshed program plans that need re-approval. Copies of the complete program plans were available for Board review and also available online on the Facilities website. The prospect for state capital funding appears to be positive and the intent is to have several projects in different price ranges ready for action should funding become available.

Center for Agricultural Education: The Center is a \$4 million project to be built at the Agricultural Research and Development Education Center and will provide dedicated shop and classroom space for agricultural education students. Currently there is no dedicated shop space and students must go to various spaces around the state. The Future Farmers of America organization has raised \$3 million for the project and the state would be asked to fund the balance. When asked about enrollment in the agricultural education program, President Frank indicated enrollment has increased during the past three years. Dr. Rick Miranda, CSU Executive Vice President and Provost, confirmed current enrollment is 30 students and 12 students graduated this past year.

San Luis Valley Research Center: Ms. Parsons reported the \$4.8 million project was approved in June 2007 and is being presented for renewal to submit for state funding. The project will renovate existing space and also construct 20,000 sq. ft. of new space. The center is part of a network of eight research centers around the state and is administered by the Colorado Agricultural Experiment Station.

President Frank added that a large percentage of the potatoes produced in the U.S. are grown in Colorado. The site is very actively supported by the state's potato producers with joint agreements on intellectual property and is a good example of an agricultural subsector that drives value back into the economy. When asked about lobbying coordination, President Frank responded there has been a declining influence of the rural legislative lobby and there has been no capital funding for the past five years. Property adjacent to the center had previously been purchased and added to the capacity in terms of the land and utilization of the facilities and buildings that came with the property.

Shepardson Building: Ms. Parsons explained the renovation and addition had been approved in June 2006 and was being presented for renewal. In addition to improvements, 36,000 sq. ft. of teaching laboratories, classrooms and studio space would be added. The building houses the horticultural and landscape architecture program and other related programs.

Warner College of Natural Resources: Ms. Parson reported the building is located on the main campus and the project would add 50,000 sq. ft. of new space for classrooms, laboratories and a large auditorium/meeting collaboration space. The College is soliciting donations for \$10 million or half of the estimated cost of the project and has already raised \$5 million. The funding strategy is to present the project to the state for matching funds.

President Frank explained funding models are generally flexible and, should a donor step forward for one of these projects, a different financing plan would be presented. When asked the reason the chemistry building that was approved in June 2006 was not being presented for renewal, Ms. Parsons explained the project has a longer shelf life because it is eligible for extraction taxes and thus has a dedicated source of funds. President Frank commented that a one-page fact sheet on the importance of the chemistry building is being developed. The University Facility Fee Advisory Board is considering an increase in student fees with potential interest in the biology building. The biology building is located next to the chemistry building and contracting together for those two facilities could result in potential cost savings.

When asked about the projects on the capital construction priority list, Rich Schweigert, CSUS Chief Financial Officer, explained the list was initially developed by the Colorado Commission on Higher Education and brought forward by the Governor's Office. Action by the Capital Development Committee (CDC) to develop the final list will probably not occur until February and, depending on the amount, could potentially fund several projects at CSU and CSU-Pueblo. At the request of Governor Horrell, Mr. Schweigert listed the members of the CDC.

Motion/Action: Governor Makepeace moved to bring forward for Board action the four program plans. Governor Daniels seconded and the motion was carried.

With no further business to come before the committee, Committee Chair Johnson asked for a motion to adjourn. **Motion/Action:** The motion to adjourn was made, seconded and carried. The meeting adjourned at 12:13 p.m.

**BOARD OF GOVERNORS OF THE
COLORADO STATE UNIVERSITY SYSTEM
ACADEMIC AND STUDENT AFFAIRS COMMITTEE MEETING MINUTES
Colorado State University System Offices, Denver
December 2, 2013**

CALL TO ORDER

Committee Chair Rico Munn called to order the Academic and Student Affairs Committee meeting at 12:48 p.m.

ROLL

Committee members present: Demetri “Rico” Munn, Chair; Mary Lou Makepeace, Vice Chair; Mark Gustafson; Nella B. Anderson, Faculty Representative, CSU-Global Campus; Alexandra Bernasek, Faculty Representative, CSU-Fort Collins; Nigel Daniels, Student Representative, CSU-Fort Collins; Vanessa Emerson, Student Representative, CSU-Pueblo; Brad Schiffelbein, Student Representative, CSU-Global Campus; Frank Zizza, Faculty Representative, CSU-Pueblo; Rick Miranda, CSUS Chief Academic Officer and CSU Executive Vice President and Provost (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; Derrick Dobbin, Controller, CSU-Global Campus; Johnna Doyle, CSUS Deputy General Counsel, CSU-Pueblo; Kyle Henley, Director of Denver PR, CSU; Kathleen Henry, President/CEO, Colorado State University Research Foundation; Blanche Hughes, Vice President of Student Affairs, CSU; Steve Hultin, Facilities Director, CSU; Nancy Hurt, Managing Director, Colorado State University Research Foundation; Jason Johnson, CSUS Deputy General Counsel, CSU; Lynn Johnson, Chief Financial Officer, CSU; Rick Kreminski, Acting Director of Institutional Research, CSU-Pueblo; Don Marostica, Board Member, CSURF; Jennifer Mullen, Chief of Staff, CSU-Pueblo; Paul Orscheln, Vice President of Academic and Student Affairs, CSU-Pueblo; Amy Parsons, Vice President of Operations, CSU; Jeremy Podany, Career Center Director, CSU; Kristy Proctor, Interim Dean of Graduate Studies and Research, CSU-Pueblo; Carl Wright, Provost, CSU-Pueblo.

Committee Chair Munn asked Dr. Rick Miranda, CSUS Chief Academic Officer and CSU Executive Vice President and Provost, for his report. Dr. Miranda reviewed the agenda that included five new degree programs, miscellaneous items, campus career center reports, and a report on the changes to Colorado Commission on Higher Education (CCHE) admissions standards policy.

NEW DEGREE PROGRAMS

Bachelor of Science, Neurosciences, CSU: Dr. Miranda explained a new special academic unit was created the previous year to house the new Bachelor of Neurosciences degree program. The degree program will have two concentrations, molecular neuroscience and cognitive neuroscience, and requires an undergraduate thesis as a Capstone project. Although similar degrees are offered at other institutions in the state, this will be a unique program for public institutions. Student demand is expected to be robust based on surveys. New budget resources will be provided through a tuition sharing model and much of the curriculum currently exists. **Motion/Action:** Governor Zizza made the motion to forward the degree program for Board approval; Governor Makepeace seconded. After further discussion, the motion was carried.

Bachelor of Science, Statistics, CSU: Dr. Miranda explained the new degree program would replace the existing concentration for a mathematics major. The courses are currently being taught and there would be no budget implications. The School of Mines offers a similar degree for a different clientele. Statistics and applications have evolved during the past ten years with data requirements that has led to an increase demand for the degree. **Motion/Action:** Governor Zizza made the motion to move forward the degree program for Board approval; Governor Makepeace seconded. After further discussion, the motion was carried.

Dr. Jon Bellum, Vice President and Provost for CSU-Global Campus, reported there were three new degree programs that have been identified through specializations with high enrollments and market analysis.

Bachelor of Science, Human Resource Management and Master of Human Resource Management, CSU-Global Campus: Core coursework is currently offered; there is evidence of demand; and growth in the field is anticipated during the next eight years. **Motion/Action:** Governor Makepeace made the motion to forward the two new degree programs for Board approval. The motion was seconded and approved.

Bachelor of Science, Management Information Systems and Business Analytics, CSU-Global Campus: The management of information systems discipline has been a recognized course of study since 1972. The new degree program is focused on business analytics to assist organizations to mine data to find answers and develop strategies. The program is anticipated to exceed enrollment projections. **Motion/Action:** Governor Anderson made the motion to forward the degree program for Board approval. Governor Daniels seconded and the motion was carried.

MISCELLANEOUS ITEMS

Emeritus Requests Approved 2013, CSU: Dr. Miranda explained emeritus status action was delegated to the Presidents with a report to the Board to ensure proper oversight of the process and to review the accomplishments of the emeritus faculty. Dr. Miranda highlighted the work of five emeritus faculty in the report. Governor Horrell asked Dr. Miranda to convey the Board's appreciation and acknowledgement of the contributions made by the emeritus faculty.

Sabbatical Revisions Approved 2013, CSU: Dr. Miranda explained the awarding of sabbaticals is delegated to the Presidents with reports to the Board to ensure proper oversight of the process and to review accomplishments. Few revisions were made to the sabbaticals previously approved and are based upon faculty members' desires to either cancel or adjust the sabbatical leave timing.

Sabbatical Leave Recommendations for AY 2014-15 and Sabbatical Requests Approved for AY 2014-15, CSU: Dr. Miranda reported there were 66 new recommendations which is one less than the previous year. Overall the recommendations have increased over the past five years. The increases were largely in the College of Liberal Arts, and may reflect an increased emphasis on research expectations in that college.

In response to a question on the proposed change to the Faculty Manual, Dr. Miranda explained an occurrence where a faculty member on sabbatical was unable to receive an honorarium for a training program in which the faculty member had been a long-time participant due to a clause in the faculty manual on supplemental pay. Discussion followed on the practice and frequency of faculty being on campus during sabbaticals and relief from committee duties. When asked about retirement qualifications, Dr. Miranda explained CSU has a defined contribution plan and faculty can retire at any time.

Approval of Degree Candidates, CSU: Dr. Miranda reported there were 2,498 degree candidates for the December 2013 commencement. **Motion/Action:** Governor Makepeace moved to approve the degree candidates on the consent agenda. Governor Daniels seconded and the motion was carried.

Approval of Academic Calendar 2018-20, CSU: Dr. Miranda explained the academic calendar was being refreshed with no significant changes. **Motion/Action:** Governor Johnson moved to approve and Governor Emerson seconded. There was discussion on whether the Board needed to approve the academic calendar and the decision was made to move forward with approval. Committee Chair Munn called for the vote and the motion was carried.

Faculty Manual Change – Section F.3.4.1, CSU: Committee Chair Munn indicated discussion had been held on the proposed change on supplemental pay during sabbatical leave. **Motion/Action:** Governor Makepeace moved to forward approval of the faculty manual change on the consent agenda. Governor Daniels seconded and the motion was carried.

Degree Candidates, Winter 2013 A Term, CSU-Global Campus: Dr. Bellum reported there would be 148 degrees conferred of which 48 will be graduate and 100 undergraduate. **Motion/Action:** Governor Zizza moved to forward approval of the degree candidates on the consent agenda. Governor Daniels seconded and the action was carried.

Sabbatical Leave Report for 2012-13, CSU-Pueblo: Dr. Carl Wright, Provost, CSU-Pueblo, reported most of the faculty achieved their sabbatical leave objectives. The purposes of sabbaticals are to refresh the faculty and to allow faculty to become more of an expert to provide students with new knowledge in a particular area.

Sabbatical Leave Requests for 2014-15, CSU-Pueblo: Dr. Wright reported 16 individuals were approved with those faculty who are conditional upon meeting the time requirements by the time the sabbaticals are taken indicated with an * on the report. The authority to approve sabbatical leaves is delegated and no action was needed.

Program Review Summary: Dr. Wright highlighted the seven programs that were reviewed during 2012-13 and explained the purposes and review process that includes recommendations. All recommendations have been adhered to and finalized, except for the review of the Masters in Engineering that was tabled with more work to be completed during the current year.

When asked about enrollment relative to the program reviews, President Di Mare explained the program review is a periodic overall review and CSU-Pueblo will be examining enrollment and productivity. In response to a question, Dr. Wright confirmed there are technical advisory boards that include employers

to gain input on the relevancy of the programs and to ensure the programs are meeting workplace requirements. When asked if consideration is given to weaknesses or challenges identified, Dr. Wright responded those items are addressed to ensure a growing program has the necessary resources. He reported program reviews scheduled for 2013-14 include Art, Biology, CIS, History, Business and Psychology.

Approval of Academic Calendar 2014-15, CSU-Pueblo: When asked if there were any significant changes, Dr. Wright indicated there were none. **Motion:** Governor Daniels moved to approve and Governor Makepeace seconded. Discussion followed on a proposal to extend the calendar to 16 weeks. There was a general concurrence that the commission to examine the issue was an appropriate process and Dr. Wright was asked to convey to the faculty the Board's interest in the process. **Action:** Committee Chair Munn indicated there was a motion on the floor to approve the academic calendar and called for the vote. The motion was carried with Governor Johnson opposed.

CAREER CENTER REPORTS

CSU-Pueblo: Dr. Wright explained the Career Center provides advisement and placement services for students and alumni and there is follow-up on success. The Alumni Association conducts surveys on a regular basis and features graduates in the alumni newsletter. Seniors are asked to provide information online; since the response rate has not been significant, the paper and pencil method has been reinstated to gather feedback. Social media is also being used to track alumni. Efforts are being made to better coordinate the data from the various entities.

Dr. Wright explained potential employers are brought on to campus to interview students, particularly for the unique programs such as the automotive industry management program. President Di Mare noted the nursing and engineering programs. Governor Emerson added there is a strong interest in business degrees. When asked how long graduates can use the Career Center's services, the response was indefinitely.

CSU-Global Campus: Dr. Bellum explained that CSU-Global Campus is focused on helping working adults enhance their careers by improving their current positions, seeking a promotion or changing careers. A video was shared that explained how program curriculum is developed to ensure workplace success. Prospective students work with enrollment counselors and can also speak to a career coach. After admission, students gain access to a custom-designed Career Center that is available 24/7 through a student portal with useful career management tools and continued access after graduation. Offline resources include an annual school-to-work consortium with workshops, seminars and opportunities to practice interviewing and to network. Data from recent surveys indicate 95% of CSU-Global Campus students are currently working for pay.

After the video, Dr. Bellum added that approximately 14% of students visit the Career Center every month. At any one time there are 20 to 25 faculty who participate as career coaches and students can make appointments to meet one-on-one by phone in a structured process. There were 100 students who participated in the most recent career consortium and plans are being made to increase the number at the 2014 fall consortium.

CSU: Dr. Blanche Hughes, Vice President for Student Affairs, introduced Jeremy Podany, the Director of the CSU Career Center. Mr. Podany distributed a fact sheet and explained the Career Center works with students and parents. Through a PowerPoint presentation, Mr. Podany explained emerging trends; the mission and myths of the Career Center; the relationship with a diverse array of companies; and the services and programs provided to connect students and companies. He reviewed 2012-13 statistics for the Career Center; the composition and outreach of the Career Center team; and the vision.

The Career Center is working with Institutional Research and the President's Cabinet to develop a survey to gather first destination data. Information on 10 factors that traditionally impact first destination success was provided and a summary of the 2012-13 first destination data indicated 70% of students secured their destination plans by graduation which is 5% above the national average. There are several mechanisms in place to receive feedback from employers. Mr. Podany shared employment data by academic colleges and, while overall all of the colleges did well, traditionally Liberal Arts graduates have a more difficult time finding employment by graduation.

Ms. Amy Parsons, CSU Vice President of Operations, announced that Mr. Podany has undertaken additional responsibilities as the Director of the Enterprise Student Partnership Program which is being funded through the CSU System Venture Capital Fund. A report is due on the new program by January 31, 2014.

ADMISSIONS POLICY

Dr. Miranda asked Dr. Robin Brown, CSU Vice President for Enrollment and Access, to provide an update on the Colorado Department of Higher Education and the Colorado Commission on Higher Education review of the admissions policies for all Colorado public institutions. Dr. Brown explained the revised admissions policy is still in draft form. The overall impacts are a shift in focus to access with success and to increase the flexibility for institutions toward a holistic file review which has been the practice at CSU for the past four years.

The proposed change in the definition for a freshman would be students with less than 24 semester credit hours with admission changed from a minimum index of 50% GPA and 50% assessment scores to a holistic review with a minimum GPA, a broadened set of assessment scores, performance indicators and rigor. First-time freshmen admitted to four-year institutions would need to be college-ready as defined by the state's remedial education policy. Students scoring below the cut scores could be admitted and placed in college-level courses with supplemental academic instruction. Each campus will need to review data and define a minimum GPA, the performance assessments to be used, and definitions for rigor. The window allowing campuses to admit up to 20% of the freshmen class with students who fell below the index has been retained.

The proposed definition for transfer students would be 24 or more college-level semester credit hours with admission based on college credits without the high school transcript requirement, performance indicators including a cumulative GPA for the previous coursework completed at regionally accredited institutions and successful completion of basic skills courses. Another proposal is to give transfer students guaranteed admission to four-year institutions if an Associate of Arts or Associate of Science is completed from a regionally accredited two-year institution with a minimum transfer GPA and the two-year institution is the last institution attended prior to transfer.

Discussion will continue on the issue of priority consideration for admission of students who have completed a postsecondary and workforce readiness endorsed diploma. CSU is defined as a selective institution that gives priority consideration. CSU-Pueblo is defined as a moderately selective institution that guarantees admission for completion of the endorsed diploma.

The deadline for institutions to establish minimum admissions standards for freshmen and transfer students to submit to the CCHE for approval is December 1, 2014, for implementation in the fall of 2016. The CCHE will be meeting on December 5, 2013, to vote on the admissions policy.

When asked about the purpose of the changes, Dr. Brown explained the main reasons are the index is outdated and a disservice to students; other states have implemented admissions based on assessing the whole student rather than specific objectives; and the revisions will provide better access in order to serve every student in Colorado. CSU is the only university in Colorado who had received permission to do holistic file review instead of using the index. The percentage of students placed on probation has been reduced from 22% to 14% and CSU has done well in retention. When asked about assessment of the changes, Dr. Brown responded research will be conducted.

Committee Chair Munn asked if there was any further business to come before the committee. Hearing none, he asked for a motion to adjourn. **Motion/Action:** Governor Daniels made the motion. The motion was seconded and carried. The meeting was adjourned at 2:50 p.m.

**BOARD OF GOVERNORS OF THE
COLORADO STATE UNIVERSITY SYSTEM
BOARD OF GOVERNORS MEETING MINUTES
Colorado State University System Office, Denver
December 2, 2013**

CALL TO ORDER

Chair Dorothy Horrell called the Board meeting to order at 3:06 p.m.

ROLL

Governors present: Dorothy Horrell, Chair; William Mosher, Vice Chair; Dennis Flores, Treasurer; Scott Johnson, Secretary; Mark Gustafson; Ed Haselden; Mary Lou Makepeace; Demetri “Rico Munn; Joseph Zimlich; Nella Bea Anderson, Faculty Representative, CSU-Global Campus; Alexandra Bernasek, Faculty Representative, CSU; Nigel Daniels, Student Representative, CSU; Vanessa Emerson, Student Representative, CSU-Pueblo; Brad Schiffelbein, Student Representative, CSU-Global Campus; 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; 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; Derrick Dobbin, Controller, CSU-Global Campus; Johnna Doyle, CSUS Deputy General Counsel, CSU-Pueblo; Maria Garcia, CRL Associates; Kyle Henley, Director of Denver PR, CSU; Kathleen Henry, President/CEO, Colorado State University Research Foundation; Blanche Hughes, Vice President of Student Affairs, CSU; Steve Hultin, Facilities Director, CSU; Nancy Hurt, Managing Director, Colorado State University Research Foundation; Jason Johnson, CSUS Deputy General Counsel, CSU; Lynn Johnson, Chief Financial Officer, CSU; Rick Kreminski, Acting Director of Institutional Research, CSU-Pueblo; Don Marostica, Board Member, CSURF; Jennifer Mullen, Chief of Staff, CSU-Pueblo; Paul Orscheln, Vice President of Academic and Student Affairs, CSU-Pueblo; Amy Parsons, Vice President of Operations, CSU; Jeremy Podany, Career Center Director, CSU; Kristy Proctor, Interim Dean of Graduate Studies and Research, CSU-Pueblo; Carl Wright, Provost, CSU- Pueblo.

Chair Horrell convened the meeting and indicated the first agenda item was the Presidents’ reports and campus updates.

PRESIDENTS’ REPORTS

CSU-Global Campus: President Takeda-Tinker reported that updates on three investment and technology initiatives would be presented. The faculty and student representatives will report on two new portals. A video on the third initiative, the enterprise data warehouse and reporting tool, was shared that explained the university’s metric driven approach with a centralized strategy for analytics and expanded business

intelligence using combined standardized data from various CSU-Global Campus sources. The data warehouse is available to staff and faculty.

President Takeda-Tinker reported 90 new students have been added through the new underserved population outreach initiative that began after the Board's approval of the new initiative at the October 2013 Board Meeting which will continue through the end of the fiscal year. Also reviews have been conducted on all existing students to determine if they will exceed their lifetime federal financial aid cap prior to graduation, and of those that will, 80% have met with the new Tuition Planning Department for assistance determining alternative ways to complete their degrees. Federal approval was received from the U.S. Department of Education to allow CSU-Global Campus to provide federal loan approvals for tuition and books only, and not for cost of living expenses, for those students who would otherwise exceed their lifetime caps prior to graduation. The Success Ready Program to facilitate success for new students seeking to earn credit through CSU-Global's prior learning assessment and credit-by-exam programs will be launched in March. CSU-Global is also undergoing the ACBSP accreditation process, which covers all of the CSU-Global Campus business programs, and expects that a site visit will be held early in 2014.

President Takeda-Tinker shared the membership roster of the new CSU-Global Campus Advisory Council which includes outgoing Board member Ed Haselden. The university also sponsored an Adult Learning Center for Business Excellence at the Pueblo Chamber of Commerce which was formally opened in November. Meetings with nine military veterans-serving organizations were well received and an open house will be held the following week for veterans' organizations. Last month CSU-Global has also shared its recent innovations at WICHE and through a Chronicle of Higher Education online workshop.

President Takeda-Tinker distributed copies of the Congressional Record wherein Senator Bennett congratulated CSU-Global Campus on its innovative approach to providing quality education at affordable prices. She announced CSU-Global Campus had completed its move into a new facility and were looking forward to hosting the February Board of Governors meeting.

CSU-Pueblo: President Lesley Di Mare highlighted the faculty accomplishments from her written report that demonstrates the outstanding work of the faculty in terms of scholarship that informs their teaching, builds connections with organizations and the community, and often involves students. Other highlights included a new continuing education location has been opened in Colorado Springs; the ThunderWolves football team was again in the RMAC championship playoffs but lost the first game; the student radio station, the "REV", which is part of the Mass Communications Department, was recognized by Billboard Magazine as one of the top 40 radio stations connected to an academic program at a university; and the men's and women's golf teams are ranked nationally third and fifth respectively.

A new venture capital competition through the Hasan School of Business was launched that offers competitions for both adults and students. Several Veterans' Day celebrations were held in Pueblo including the one at the Vietnam Memorial on the CSU-Pueblo campus. New hires include a new EEO/AA/Title IX Director and a new Budget Director.

President Di Mare explained that CSU-Pueblo will be seriously reviewing budget expenditures and revenues to recalibrate the budget. An email was sent out to the campus and community the previous week and a meeting with the campus and community will be held on January 17th with the Chancellor in attendance. Work will be ongoing with the President's Cabinet, Human Resources and the Office of General Counsel to examine ways to reshape the campus. Faculty, students and staff will have input into the discussions and the Board will be kept apprised.

President Di Mare concluded her report by announcing that Jennifer Mullen, the Chief of Staff at CSU-Pueblo, will be retiring at the end of the year. President Di Mare and Chair Horrell, on behalf of the Board, thanked Ms. Mullen for her service to the campus, community and the Board.

Chair Horrell thanked President Di Mare for explaining the next steps on the budget situation. She noted that the Chancellor, the CSU System and the other campuses, and the Board offer their support and assistance. More information will be provided at the February Board meeting.

Colorado State University: President Frank reviewed highlights from his written report including Dr. Diana Wall's recent induction into the Colorado Women's Hall of Fame; three substantial grants were received in a relatively short period that reflects the quality of faculty; the previous record was broken for food collected for "Cans Around the Oval", a signature event for student engagement and the single largest food collection for the Food Bank for Larimer County; and a substantial gift from the Malone Foundation will endow the first Presidential Chair in Equine Sports Medicine. The University Fact Book was distributed to the Board.

President Frank reported CSU was approached by a private sector firm to consider privatizing parking assets. After review of their proposal, the transportation and parking plans for the campus are being refreshed and will also be evaluated in terms of how assets could possibly be monetized, either internally or via a private partner. An RFP would be issued if this were to be done through a private partner. Due diligence is being conducted to develop a model to compare parking rates to peers and to determine revenue streams. Discussions have been held with a variety of constituent groups on campus.

A model and options for a multi-year plan based on those conversations will be developed by late February/March. Parking rates are non-delegable and must be approved by the Board. The overall transportation and parking plan with specific action steps to set rate structure would be presented to the Board for endorsement. When asked about approved program plans for parking garages, President Frank responded the plans include the Shield Street parking garage and additional garages in the Bay Farm area. Any private partnership created would be in accordance with the capital needs of the transportation and parking master plan.

Based upon the discussion at the October meeting, President Frank reported stadium planning has moved into the design development phase and work is being done on how engage the community on impact, mitigating those impacts, and the associated costs. He asked Amy Parsons, CSU Vice President of Operations, to provide an update. Ms. Parsons reported the next steps for community engagement on the impacts include creating a citizens' advisory group that puts forth representation from the different community stakeholders, i.e., the various neighborhoods, students, employees, the Chamber of Commerce and the City of Fort Collins. The representative group would assist from the design development phase through the construction.

Ms. Parsons introduced Maria Garcia-Berry of CRL Associates who has been engaged to develop the mechanism for gathering input to create the advisory group. Ms. Garcia-Berry provided examples of different models used for various projects such as the National Western Stock Show, the Pepsi Center and the Sports Authority Field. She explained that self-selection is often important to determine ownership from stakeholder groups. President Frank concurred that self-selection, including representation from SOS Hughes, would be important for creating a group that would be a two-way clearinghouse to ensure information was received and disseminated.

Chancellor Martin added that the group which is assembled will need to understand the conversation will not be a continuing debate over the merits of the stadium, but will be based upon the assumption the

stadium will be built if the financial parameters are met and the Board will make the final decision. President Frank agreed and reiterated that the discussions will be on impacts, mitigating impacts and costs of mitigation, which is critical information to put together a final financing plan to present to the Board. The suggestion was made to have the process set in the context of the 2020 university expansion plan. Governor Mosher commended Ms. Parsons on how she dealt with the difficult situation on the contractor selection process and congratulated her on being recognized among the “40 under 40” Leaders of Northern Colorado.

When asked if there was a formal exit discussion from the Higher Learning Commission accreditation site visit in November, Dr. Rick Miranda, CSU Executive Vice President and Provost, explained that, by policy, the review team could not respond specifically, but there did not appear to be any major concerns. A draft statement of fact should be received soon and CSU will have an opportunity to respond. A final version will then be sent to the full commission with the expectation of a final recommendation in the February timeframe.

EXECUTIVE SESSION

Chair Horrell explained the meeting agenda was being adjusted to hold the executive session at this time if there were no objections, of which there were none. Before asking for the motion, she reviewed the evening’s events and the agenda for the next day. Chair Horrell asked General Counsel Nosler to read the meeting into executive session. General Counsel indicated the Board had elected to go into executive session for the purpose of receiving the Litigation Report from General Counsel relating to pending or imminent litigation, specific claims or grievances; or to receive legal advice on specific legal questions, all confidential pursuant to C.R.S. § 24-6-402 (3) (a) (II) (2013). **Motion/Action:** Governor Johnson made the motion; Governor Zimlich seconded; and the motion was carried unanimously. The meeting reconvened in open public session at 4:25 p.m. and temporarily adjourned until the next day.

**BOARD OF GOVERNORS OF THE
COLORADO STATE UNIVERSITY SYSTEM
BOARD OF GOVERNORS BREAKFAST MEETING MINUTES
Colorado State University System Office, Denver
December 3, 2013**

CALL TO ORDER

Chair Dorothy Horrell called to order the Board breakfast meeting at 7:32 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; Demitri “Rico” Munn; Joseph Zimlich; Nella Bea Anderson, Faculty Representative, CSU-Global Campus; Alexandra Bernasek, Faculty Representative, CSU; Nigel Daniels, Student Representative, CSU; Vanessa Emerson, Student Representative, CSU-Pueblo; Brad Schiffelbein, Student Representative, CSU-Global Campus; 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; 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.

Chair Horrell convened the meeting and asked Chancellor Martin to make the introductory remarks. Chancellor Martin introduced Charlie Brown and Phyllis Resnick of the Colorado Futures Center at Colorado State University who would be providing an overview of a report on the fiscal sustainability of the state government.

Mr. Brown explained the study is an update on a prior work completed in 2011 in response to a resolution passed in 2010 by the legislature. A suite of models that can be updated was built as a tool to study the overall sustainability of the tax system of Colorado and local governments. The good news is the bad news is not as bad as previously anticipated; however, there is still a persistent structural problem based on projections for the cumulative growth rate from FY 2013-14 through FY 29-30. In 2011 the structural gap through fiscal year 2024-25 was projected to be \$3.4 billion; the updated forecast projects a \$1.5 billion gap. Mr. Brown explained the assumptions for why the structural problems will begin to worsen by FY 2018.

Ms. Resnick commented there were two direct echoes of the recession that ironically helped close the structural gap. The first echo of the recession that supported state revenue was the Federal Reserve policy and unprecedented levels of monetary stimulus. Sales tax revenue, however, is projected to continue to decline due to several factors. The second echo of the recession is lower inflation and lower population growth that alleviates pressure on programs such K-12 and Medicaid whose expenditures are tied to the rate of growth.

Ms. Resnick explained revenue and spending changes that occurred since the last study including partial restoration of cuts; new spending as one-time or short-term; efforts to increase reserves in both General and State Education Funds; prepaid obligations; revenue reductions that have been made permanent; and restoration of the Elderly and Disabled Veterans Homestead exemption.

Mr. Brown reviewed changes and projected growth for the state's three largest departments. He explained that funding K-12 education is a partnership between the state General Fund, the state Education Fund, and local property taxes, and that the system of funding remains fundamentally broken. The relationship dramatically changed with the passage of TABOR in 1992.

Ms. Brown explained another phenomenon impacting the gap is, by 2017, the state is projected to be responsible for paying TABOR refunds due to revenues from the Hospital Provider Fee (HPF) which was passed in 2009 and subject to TABOR limits. At the same time of the refunds, there will be a contradictory issue of program cuts to balance the budget which is not a sustainable way to address the gap and could have a major impact on funding for higher education. Ms. Resnick offered suggestions to close the gap including remove the HPF out of TABOR; expand sales tax to personal and household services; address the local share of school funding; address the structure of the property tax system; and to improve the state's leveraging of federal matching dollars.

Ms. Resnick reported changes that could impact the updated report include not forecasting for a recession; ballot initiatives; federal tax and spending policies; and pensions. She concluded that while the situation for the next five to six years has improved, there is still a structural problem that needs to be addressed. The suggestion was made to apply sensitivity analyses to account for recessions that will probably occur. Mr. Brown responded that sensitivity analyses could enhance the forecast and explained how both the previous and current study were conducted on an overall conservative approach to the basic trend line. Ms. Resnick added that the numbers were being downplayed with a focus on the relationships to understand the gap.

When asked about the projections for the Dept. of Correction with early releases, closed prisons, aging populations and lower crime rates, the response was, while overall prison populations may be reduced, the cost per bed has resulted in an increase. Chancellor Martin commented on the potential to develop a model to fund higher education by creating an endowment with matching funds from the state's surplus during good years.

When asked about what key point higher education governing boards should take away from the study, Mr. Brown commented that, while the gap is better since the last study, the gap remains as a persistent and fast growing problem that needs to be resolved. Ms. Resnick added that the problem should begin to be addressed now before the gap increases and higher education in the state continues to be at-risk.

Chair Horrell thanked Mr. Brown and Ms. Resnick for their presentation and the breakfast meeting was adjourned at 9:00 a.m.

**BOARD OF GOVERNORS OF THE
COLORADO STATE UNIVERSITY SYSTEM
BOARD OF GOVERNORS MEETING MINUTES
Colorado State University System Office, Denver
December 3, 2013**

CALL TO ORDER

Chair Dorothy Horrell called to order the Board 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; Nella Bea Anderson, Faculty Representative, CSU-Global Campus; Alexandra Bernasek, Faculty Representative, CSU; Nigel Daniels, Student Representative, CSU; Vanessa Emerson, Student Representative, CSU-Pueblo; Brad Schiffelbein, Student Representative, CSU-Global Campus; 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; 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: Johnna Doyle, CSUS Deputy General Counsel, CSU-Pueblo; Kyle Henley, Director of Denver PR, CSU; Kathleen Henry, President/CEO, Colorado State University Research Foundation; Blanche Hughes, Vice President of Student Affairs, CSU; Jason Johnson, CSUS Deputy General Counsel, CSU; Rick Kreminski, Acting Director of Institutional Research, CSU-Pueblo; Tom Linnell, SOS Hughes; Jennifer Mullen, Chief of Staff, CSU-Pueblo; Paul Orscheln, Vice President of Academic and Student Affairs, CSU-Pueblo; Amy Parsons, Vice President of Operations, CSU; Kristy Proctor, Interim Dean of Graduate Studies and Research, CSU-Pueblo; Alvin Rivera; Bob Vangermeersch, SOS Hughes; Linda Vrooman; Carl Wright, Provost, CSU- Pueblo.

Chair Horrell reconvened the business meeting and indicated the agenda was being adjusted to have the Board consider a resolution honoring Governor Haselden who was completing nine years of service. General Counsel Nosler read the resolution to create the Ed Haselden Day on December 3, 2013, in the Colorado State University System. **Motion/Action:** Governor Zimlich made the motion to approve the resolution. The motion was seconded and passed unanimously. Chair Horrell, on behalf of the Board, congratulated and thanked Governor Haselden. Scholarships at each of the three institutions will be established in Governor Haselden's name and information will be provided at a later date on those scholars.

PUBLIC COMMENT

Chair Horrell reported four individuals had signed up to speak with a total of 10 minutes allocated. Speakers were asked to monitor their time accordingly and not to repeat points made by a previous

speaker. Alvin Rivera commented on the composition of the CSU-Pueblo Foundation Board and accountability of public funds. Linda Vrooman commented on college athletics. Tom Linnell and Bob Vangermeersch of SOS Hughes commented on the proposed new stadium at CSU.

BOARD CHAIR'S AGENDA

Chair Horrell pointed out the meeting book included all correspondence received since the last meeting and several articles, including articles on President Obama's higher education plan and the Association of Governing Boards' (AGB) statement on board responsibilities for intercollegiate athletics. Chair Horrell reported she and Chancellor Martin would be attending the AGB Public Education Leadership Institute in Washington, DC. A follow-up report will be made at the February meeting.

Chair Horrell noted several upcoming events listed on the updated calendar. The next meeting will be the February 12-14, 2014, retreat/meeting. At the June retreat, the suggestion was made to use the February retreat to delve more deeply into significant issues for the CSU System and/or as an educational opportunity. Chair Horrell reviewed the retreat/meeting timeline. Based upon a suggestion from a former Board member, she inquired if the Board would be interested in holding a dinner on the first evening with former Board members to share information and the response was positive. Suggestions for retreat topics included tuition and affordability which could be tied to the campus strategic plans; the continuing structural gap between state funds and the pressure on higher education; and opportunities to build on the collective assets of the System, possibly using the South Metro Initiative and National Western Center as a springboard for the discussion.

Chair Horrell acknowledged the new CSU-Global Campus faculty and student representatives, Dr. Nella B. Anderson and Brad Schiffelbein, who were introduced the previous day. Conversations have been held with the Governor's Office and, in particular, the Office of Boards and Commissions on the CSUS Board composition, a replacement for Governor Haselden, and the potential reappointments of Governors Makepeace and Johnson.

Chair Horrell reported System staff is exploring electronic board book options with multi-platform capability and a calendar function, and electronic archiving of past meeting materials. Suggestions from the Board on the topic included mandatory training; issue iPads instead of using personal equipment; the ability to highlight and flag sections; security codes; offline capability; email communications when changes are made; adequate server capacity; a calendar was not necessarily important but instead could be linked to Outlook; access to meeting materials for the past year; and to have a few printed copies of the materials available at meetings in case of problems with access. There was consensus to move forward with the electronic books. The due diligence will continue with the rollout to occur first with a parallel system of both the electronic and print copies to work out any issues and then a full rollout with in-depth training.

COMMITTEE REPORTS AND RESOLUTIONS

Evaluation Committee: Committee Chair Makepeace reported the committee met the previous day to consider personnel issues and there were no action items brought forward.

Audit and Finance Committee: Committee Chair Flores reported updates were provided in the audit portion of the meeting. The finance report was comprehensive with review of several reports. An action item brought forward for approval was the 8th Supplemental Resolution authorizing issuance of Series 2013E CSU System Enterprise Bonds. **Motion/Action:** Governor Makepeace moved to approve the

resolution. Governor Johnson seconded and the motion was passed with Governor Haselden recusing himself from the vote. An equipment leasing resolution was moved forward on the consent agenda.

Real Estate/Facilities Committee: Committee Chair Johnson reported the committee met in executive session to receive a CSU Research Foundation (CSURF) report. In open session the committee reviewed and moved forward action items to acquire three parcels of land from CSURF and four program plans. General Counsel Nosler read the matters for action into the record individually followed by the voting.

Motion/Action: Governor Zimlich moved to approve the acquisition of three parcels of land located adjacent to the CSU main and south campuses from CSURF. Governor Flores seconded and the motion was unanimously passed.

Committee Chair Johnson asked for one motion to approve the four program plans. **Motion/Action:** Governor Daniels made the motion to approve the program plans for the Center for Agriculture Education; the San Luis Valley Research Center; the Shepardson Addition and Renovation; and the Warner College of Natural Resources Addition. Governor Zimlich seconded the motion and the motion was unanimously passed.

Committee Chair Johnson reported the committee also received an update on the status of approved and projected program plans. Chair Horrell noted there was a resolution for approval of acceptance of naming and gifts to be addressed. President Frank indicated the background material would be distributed for action later in the meeting.

Academic and Student Affairs Committee: Vice Committee Chair Makepeace, in the absence of Committee Chair Munn, was asked to make the report. Vice Committee Chair Makepeace reported there were several program degrees and consent agenda items moved forward for approval. Additionally, approval of conferral of the fall degrees at CSU-Pueblo was needed. The committee approved academic calendars for both CSU and CSU-Pueblo. General Counsel Nosler indicated that Board action was not necessary for the academic calendars and therefore the academic calendars were not included on the consent agenda. A policy on approval of academic calendars will be developed. CSUS Chief Academic Officer Miranda commented that best practice generally is governing boards receive a report and do not formally approve the calendars.

Vice Committee Chair Makepeace reviewed the new degree programs forwarded for approval: Bachelor of Science, Neuroscience, CSU; Bachelor of Science, Statistics, CSU; Bachelor of Science, Human Resources Management, CSU-Global Campus; Bachelor of Science, Management Information Systems and Business Analytics, CSU-Global Campus; Master of Human Resources Management, CSU-Global Campus. **Motion/Action:** Governor Gustafson made the motion to approve; the motion was seconded and unanimously passed.

Motion/Action: Governor Flores moved to approve the fall 2013 degree candidates at CSU-Pueblo. The motion was seconded and unanimously passed.

CONSENT AGENDA

Chair Horrell reviewed the consent agenda items: approval of committee and Board meeting minutes; the equipment leasing program for CSU and the CSU System, and the CSURF line of credit program; conferral of degrees for CSU and CSU-Global Campus; and a CSU faculty manual change.

Motion/Action: Governor Mosher moved to approve the consent agenda. Governor Zimlich seconded and the motion carried unanimously.

With no executive session requested to further discuss the matter, Chair Horrell asked for a motion to approve the gifts and naming opportunity relating to the Critical Care Unit in the James L. Voss Veterinary Teaching Hospital in the College of Veterinary Medicine and Biomedical Sciences.

Motion/Action: The motion was made, seconded and unanimously carried.

The Board recessed for 10 minutes and then reconvened at 10:34 a.m.

FACULTY AND STUDENT REPORTS

CSU-Global Campus: Dr. Nella B. Anderson, Faculty Representative, CSU-Global Campus, shared a video on the new faculty portal that was custom-built with faculty and staff feedback to simplify navigation and improve the user experience with access to new features and tools to ensure success. Dr. Anderson remarked that CSU-Global Campus is very student focused and faculty supportive. She provided an overview of the new faculty-driven P3 instructional model to ensure consistency and access in all programs with a new course design, and the addition of more multi-media and student interaction. Courses and assignments are project-based. Every course in the catalog is offered every four weeks even if only one student enrolls. Career relevancy includes internationalization to teach about career opportunities in other countries as well the United States. Faculty members are required to attend a professional workshop annually.

CSU-Pueblo: Dr. Frank Zizza, Faculty Representative, CSU-Pueblo, reported the Faculty Senate is reviewing a proposal to add a senior lecturer position with a multi-year appointment and commented on the salaries and significant service provided by adjunct faculty. He commented on the success of Math Day with participation by 150 high school students. From his experience on a statewide task force, Dr. Zizza shared a concern about the anticipated growth in remedial education due to the lack of high school mathematics teachers. The Noyse grant, which offers a forgivable loan to mathematics students who make a four-year commitment to teach in Colorado, is in its second year with 16 students and will graduate 5 highly qualified teachers in the spring.

CSU: Dr. Alexandra Bernasek reported the Faculty Council at its October meeting had a presentation on the three different programs of the INTO CSU initiative that was summarized in her written report. When asked about INTO enrollment, Dr. Miranda explained the contract for the program was signed late which impacted the intake and resulted in a slow start for the enrollment of the first year. Dr. Bernasek noted the progression rates look good with 83% for undergraduate and 100% rate for graduate students. She highlighted the successful joint BA program in the Economics Department with the Foreign Trade University in Hanoi, Vietnam, which is in its 6th year and there are plans to expand the program.

Dr. Bernasek reported the Faculty Council is examining different issues related to non-tenure track or adjunct faculty. The suggestion was made to have the issue of adjunct faculty as an agenda item for the Academic and Student Affairs Committee. Dr. Bernasek commented on her conversations with President Di Mare and Dr. Zizza on ways to improve recruitment of CSU-Pueblo students for CSU graduate programs.

When asked about other countries for international outreach programs, Dr. Bernasek indicated her department is considering Mexico and Central America. Dr. Miranda and President Frank commented on the large array of international strategic partners that are focused on students and include course delivery by the CSU faculty. When asked if there were admittance standards for international students, President Frank explained the INTO business model to matriculate students through the Pathways program into the CSU culture.

CSU-Global Campus: Brad Schiffelbein, Student Representative, CSU-Global Campus, remarked that CSU-Global Campus is very student focused. Three student-related services with direct impact on students are the new student portal; the new technology for transcript reviews; and establishment of student veterans' organizations. A video was viewed on the student portal that was custom-built using student, faculty and staff input to create a one-stop interface for everything students need during their education including self-registration, account information, academic resources and career services. Following the video, Mr. Schiffelbein explained the discussion board changes; how papers can be submitted for plagiarism checks; and the revised student orientation that now has resources available for both new and ongoing students. He concluded his report by thanking Governor Haselden for his service by sharing how CSU-Global Campus has personally changed his life.

CSU-Pueblo: Vanessa Emerson, Student Representative, CSU-Pueblo, reviewed highlights of her written report including the recently completed safety walk; involvement of student senators in professional training and development; open dialogue in classrooms between senators and the students and faculty; efforts to engage high school and middle school student government members to assist with transition to college; and the different opportunities senators have to serve on campus committees. She commented on her service on various committees including a new classroom building design committee where they will be discussing the renovation of the Occhiato University Center to be more student-serving in a student-friendly environment.

CSU: Nigel Daniels reported on the success of the Colorado Summit Conference for student leaders from across the state with participation by Chancellor Martin, CSUS Chief Financial Officer Schweigert and Governor Emerson. The summit provided opportunities for good discussion to be proactive in addressing both state and federal issues. Other highlights from his written report included the ASCSU is examining ways to create incentives to help with retention within student government, such as a credit hour for student senators; development of a process to encourage more students to complete course evaluations at the end of the year; and consideration to expand the Transfort contract to include part-time students. The RamRide continues to grow and, while ranked #2 nationally, efforts continue to make RamRide the best safe ride program in the country with 192,671 rides provided since the program began in 2003. Both graduate and undergraduate students participated in the HLC accreditation site visit.

Mr. Daniels and the ASCSU were commended for organizing the summit and asked if there was a commonality of issues for the different campuses. Mr. Daniels responded there was consistency in issues such as affordability and access, but there were also unique situations. Chair Horrell commented on the value of service in student government comparable to an internship and the potential positive correlation between such service and career success.

CHANCELLOR'S REPORT

Chancellor Martin thanked Governor Daniels for the opportunity to participate in the summit. He pointed out his written report contained several updates.

Scholarships: Chancellor Martin indicated information on the Ed Haselden scholars would be provided at a future meeting and asked the campus Presidents to share information on the scholars funded with the Governor Zimlich scholarships.

President Frank recognized Governor Zimlich for his outstanding service on the Board of Governors and read into the record information on Sebastian Mhlanga, a political refugee from Zimbabwe who came to the U.S. eight years ago and whose physical impairments to both hands make school more challenging.

Mr. Mhlanga is an outstanding student with English as a second language who came to CSU to earn a second bachelor's degree and obtain a teaching license that will allow him to support his wife and four children. As a non-U.S. citizen, he does not have access to financial aid resources and loans available to many U.S. students. The scholarship will provide support during the spring when Mr. Mhlanga will be doing his student teaching at an international school in Denver which will allow him to complete his degree and graduate. President Frank added that, when informed of the scholarship, Mr. Mhlanga was overwhelmed and deeply grateful. With Governor Zimlich's focus on international investments, particularly in Africa, and on building capacity, Mr. Mhlanga was deemed a good match for the scholarship.

President Takeda-Tinker reported the CSU-Global Campus scholarship committee reached out to Governor Zimlich to determine the factors to evaluate candidates. Based on the criteria of entrepreneurial and nonprofit management for aspirations, Mr. José Silva who is working towards a B.S. in Nonprofit Management was selected. Mr. Silva has been involved his community for over 20 years in numerous ways including working with youth and Latino populations. He was directly responsible for collecting and distributing 2,000 backpacks with school supplies this past fall and continues to assist with a domestic violence hotline. The scholarship will enable Mr. Silva to complete his degree this year.

President Di Mare reported CSU-Pueblo has three outstanding candidates for the scholarship and will be making a decision soon. Information on the recipient will be presented in the near future.

CSU-Pueblo: Chancellor Martin reported the CSU System will be working closely with President Di Mare and her leadership team to address some significant financial concerns at CSU-Pueblo. He expressed confidence that these challenges can be addressed in ways that will position the campus for continued strength and success in fulfilling its critical role and mission. Chancellor Martin will be participating in conversations with the campus and community in January.

Updates and Outreach: Chancellor Martin reported he and President Frank will be visiting the University of Minnesota Duluth which has an extension program on rural medicine from the University of Minnesota Medical School to determine if there is a model that could be adapted. Chancellor Martin and the three Presidents will be meeting with the Colorado delegation in Washington, DC, in February to share issues, challenges and visions for the CSU System. In addition, he is continuing his work towards building bridges and developing ventures related to Native American populations. The work is both a personal passion and related to the role of land grant institutions. Chancellor Martin commented on his attendance at the Hispanic Association of Colleges and Universities (HACU) in Chicago at which there was conversation on using the HSI designation in concert with HACU to more effectively recruit students from Latin and South America.

Strategic Plans and CCHE Performance Contract: Chancellor Martin explained that each of the campuses provided information in the meeting book on how their strategic plans and strategies strongly align with the performance criteria set up in the CSU System CCHE performance contract. He asked each of the Presidents for their remarks.

President Frank remarked on how the CSU strategic plan is refreshed periodically with a more in-depth revision every third year and is focused on key general areas of the mission. The strategy for developing the CSU System performance contract with metrics for the institutions was to build upon the strategic plans which are based upon the purposes of the institution, such as student success; research and discovery that make a difference; and engagement that affects the lives of communities and the citizens of Colorado. Within the performance contract documents there is linkage to CSU's planning and budget process which creates an added layer to ensure the Board of the appropriate leadership at the institution.

Chancellor Martin explained the conscious and specific decision for a System contract that included recognition of CSU-Global Campus as an asset of the System even though CSU-Global Campus does not receive state funding. President Takeda-Tinker recounted CSU-Global Campus' five goals in the 2014-17 strategic plan and noted the goals are compatible with the CCHE contract. CSU-Global Campus will continue to move forward with the various objectives and to keep the Board apprised.

President Di Mare remarked the timing for the performance contract aligned well with CSU-Pueblo's efforts to develop a 2013-18 strategic plan that will have very specific strategies and outcomes. The plan will be periodically assessed to determine if the goals are being met. The performance contract provided specific goals which CSU-Pueblo will move forward to attain and provides alignment with the other two campuses. The expectation is to present the strategic plan at the February Board meeting.

Chancellor Martin observed that the CCHE is taking the performance contract process seriously and there is the prospect of performance funding distribution. Governor Gustafson observed that the goals tied to the strategic plans will be helpful with annual evaluations for the Presidents and Chancellor. President Di Mare added the strategic plan and guiding principles will be embedded in the process as CSU-Pueblo recalibrates its budget and potential restructuring. The strategic plan makes the budgeting process easier with established priorities.

Chancellor Martin thanked Governor Zimlich and Dr. Miranda as the principle guiding forces in the performance contract process. He noted the inclusion of CSU-Global Campus to recognize the potential to deploy resources across the campuses to achieve System goals. With a System performance contract, there is the potential for CSU-Pueblo to offer programs beyond its traditional boundaries. The focus for the next decade will be more on quality and less on quantity as systems of higher education need to recognize that growth in the number of students is unlikely to occur. When asked about the responsibility to intermittently report to CCHE, Mr. Schweigert indicated that a report is due two years from the time the contract was signed.

The Board recessed at 11:50 a.m. for lunch and reconvened at 12:19 p.m.

SYSTEM WIDE DISCUSSION ITEMS

Legislative Update: Chancellor Martin asked Mr. Rich Schweigert, CSUS Legislative Liaison, to present the report. Mr. Schweigert began by reviewing the legislation that was defeated last year that would have allowed community colleges to offer four-year degrees. The CSU System in conjunction with other institutions opposed the bill on the basis that it was not sound public policy. Another bill allowing community colleges to offer a four-year Applied Science degree will be introduced during the upcoming legislative session. Following discussion, the consensus was to remain neutral on the issue.

Mr. Schweigert explained how CSU currently has staff that performs electrical and building inspections for renovations and new construction. The practice has been brought into question based upon statute; efforts are being made to resolve the issue with the Electrical and Plumbing Boards; and there may be legislation brought forward.

Mr. Schweigert reported there has been conversation on legislation to remove the limitation of degree completion as the mission for CSU-Global Campus. He asked President Takeda-Tinker for her comments.

President Takeda-Tinker provided statistics on the number of students who are currently being turned away due to ineligibility as a transfer student; the options available to attain the necessary credits to transfer to CSU-Global Campus; and the problem with students re-applying with large debt attained by attending other institutions. She commented on CSU-Global Campus' success in assisting nontraditional adult learners; the focus of the degrees and coursework on workplace experience; and the challenges to transitioning to accepting first-time first-year freshmen adults. President Takeda-Tinker expressed support for moving forward on the basis that this would be the right path to provide more options to serve Coloradoans and expressed confidence in the CSU-Global Campus staff and faculty.

When asked about duplication of services and partnering with community colleges who at onetime were considered the leaders in online education, President Takeda-Tinker responded that CSU-Global Campus has good relationships and articulation agreements with community colleges. She noted the different level of student support and consistency in instruction that is offered at CSU-Global Campus. There was discussion on past agreements with community colleges; competition with other four-year and community college institutions; adapting and being responsive to the open market; the reality of the political process; and traditional vs. online education as the future for higher education. There was general consensus of the Board to move forward with the legislation and to continue to examine ways to collaborate and innovate to fill an educational gap. A meeting is scheduled for December 10th with the CCHE to consider the issue.

Mr. Schweigert provided background information on a restriction in statute necessitating local communities to vote to offer fiber optic telecommunications services. Several higher education institutions such as CSU have developed premier high speed IT systems that are not available to the local community. There have been conversations on possible legislation to remove the statutory provision.

Mr. Schweigert explained that current law requires certain types of leases and lease purchases be approved by the State Controller. There may be legislation to remove the requirement which would allow for bringing this process in line with other internal fiscal approval processes.

Mr. Schweigert reported the CSU System will be presenting to the Joint Budget Committee on December 12th and Chair Horrell will be in attendance.

Higher Education Plan: Chancellor Martin explained the political history of federal administrations to set their education agendas. President Obama has now rolled out a proposal for higher education reform. Parts of the proposal could become enacted either by regulation or by legislation. Chancellor Martin commented on the three tenets of the proposal: 1) pay for performance tied to federal performance measures which are yet to be defined; 2) rewards for innovation and competition which offers both choice and transparency on college performance; and 3) student debt affordability.

The CSU System has already, to some extent, engaged in pay for performance. All of the CSUS strategic plans reflect a commitment to remaining affordable while maintaining low debt levels. CSU, through institutional aid put back in the system, significantly reduces the cost of tuition by internally providing financial aid beyond what is received externally and thereby reducing the true cost of attendance. The CSU System is cognizant of utilizing outcomes and assessment as opposed to sitting in a classroom to ensure students are marketable with useful citizen-oriented skills. The CSU System has demonstrated the commitment to creative arrangements to establish new accredited programs, i.e., CSU-Global Campus is the first public fully online accredited university in the country.

When asked about the number of students under the Commitment to Colorado initiative, Dr. Miranda explained there are two bands, full and half commitments, with between 3,000 and 4,000 students. Chancellor Martin commented on the intermediary gap for middle income families.

Chancellor Martin remarked that sequestration and the potential expansion of the sequestration could have an even more profound impact than the higher education plan, particularly on research institutions such as CSU. President Frank recounted how large federal research and development investments were established in the 1960s and the impact of sequestration could result in the single largest decline in federal research and development in recent times. President Di Mare commented on the impact on the HSI grant and programs such Upward Bound and TriO which are very important to four-year comprehensives, particularly HSI institutions.

President Frank expressed concern on the undefined federal outcomes in measuring efficiency. Data from the National Center for Higher Education Management Systems (NCHEMS) reflects that Colorado is the most efficient state in the U.S. in producing degrees. Funding outcomes without measuring student preparedness can put access-oriented institutions at a disadvantage. Providing students with the ability to obtain facts throughout their lifetimes and to critically evaluate and communicate arguments are outcomes that are not as simple to measure versus providing large numbers of credentials.

President Takeda-Tinker remarked that competency-based testing may make sense for lower level classes and could reduce costs. However, degrees attained with competency-based exams in comparison to exams given to students who have participated in class with fact-guided learning and discussion can lead to differences in degrees and the ability to synthesize or apply the knowledge. President Di Mare also remarked on awarding credit based on learning, not seat time; pay for performance with lack of clarity in the plan on measurements; and the challenges with the student debt situation.

Chancellor Martin reported there were four listening sessions around the country on President Obama's higher education plan that were all conducted on university campuses. The Board will be kept apprised of any developments.

BOARD MEETING EVALUATION

Chair Horrell asked for feedback on the meeting. Governor Makepeace expressed appreciation for the full first-day scheduling to enable an earlier adjournment on the second day of the meeting. Governor Gustafson remarked it was a good meeting that was well run. Governor Zimlich remarked positively on the breakfast meeting with content. Governor Johnson supported moving forward with electronic board books. Governor Mosher expressed appreciation for the CSURF presentation and commented how helpful it was to have informational opportunities to delve more deeply into issues.

Chair Horrell indicated ideas for the retreat were welcomed. She expressed appreciation for the new CSU-Global Campus representatives; thanked Jen Mullen and Ed Haselden for their service; and commented the Board would be kept apprised on Board appointments. Chair Horrell thanked the System staff for their work in ensuring a successful meeting.

With no further business to conduct, the Board meeting was adjourned at 1:44 p.m.