

**BOARD OF GOVERNORS OF THE
COLORADO STATE UNIVERSITY SYSTEM
BOARD OF GOVERNORS MEETING
Colorado State University-Pueblo
August 7, 2014**

CALL TO ORDER

Chair Dorothy Horrell called the meeting to order at 8:03 a.m.

ROLL

Governors present: Dorothy Horrell, Chair; William Mosher, Vice Chair; Dennis Flores; Scott Johnson, Secretary; Demetri “Rico” Munn; Jane Robbe Rhodes (via telephone); Nancy Tuor; Joseph Zimlich.

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

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

Chair Dorothy Horrell convened the August 2014 Board of Governors meeting and reviewed the agenda. She noted that Governor Robbe Rhodes was participating by telephone and Governor Gustafson would be arriving later in the day. She confirmed that a quorum would be present for all of the meetings.

ELECTION OF OFFICERS AND COMMITTEE ASSIGNMENTS

Chair Horrell reported the new committee structure as discussed at the June retreat was being implemented with the August meeting. Committee meetings will be convened under the direction of the committee Chairs and Vice Chairs as part of the regular business meeting with actions to be taken concurrent with the committee meetings. The committees will be committees of the whole with all board members participating, except for the Evaluation Committee which is composed of the voting members. Each voting member would have a leadership role as a committee Chair or Vice Chair .

Chair Horrell explained that generally election of officers occurs every two years in odd years with the officers serving two-year terms. Based on the new committee assignments, she proposed a slate of officers as follows: Governor Horrell, Chair; Governor Mosher, Vice Chair; Governor Zimlich, Treasurer; Governor Johnson, Secretary; Governor Flores, At-Large Member, Executive Committee.

Motion/Action: Governor Munn made the motion to approve; Governor Tuor seconded; and the motion passed unanimously.

The committee assignments were confirmed as follows:

- *Evaluation Committee:* Governor Mosher, Chair; Governor Johnson, Vice Chair
- *Academic and Student Affairs Committee:* Governor Gustafson, Chair; Governor Robbe Rhodes, Vice Chair
- *Audit and Finance Committee:* Governor Zimlich, Chair; Governor Munn, Vice Chair
- *Real Estate/Facilities Committee:* Governor Tuor, Chair; Governor Flores, Vice Chair

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EVALUATION COMMITTEE

Governor Mosher, Chair; Governor Johnson, Secretary; General Counsel Nosler, assigned staff

Committee Chair Mosher convened the Evaluation Committee meeting at 8:12 a.m. and explained the committee annually evaluates the Direct Reports to the Board: the General Counsel, the Director of Internal Auditing and the Chancellor, and in conjunction with the Chancellor, the three campus Presidents. The process would be the committee will convene in executive session to discuss each evaluation and then the committee will meet individually with each person. General Counsel Nosler would not be present during the initial session unless legal advice is required, but he would present during the individual meetings to take notes on behalf of the committee.

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 as set forth in the public notice.

Motion/Action: Governor Mosher moved to convene in executive session; Governor Tuor seconded, and the motion carried. The Evaluation Committee convened in executive session at 8:15 a.m.

**BOARD OF GOVERNORS OF THE
COLORADO STATE UNIVERSITY SYSTEM
BOARD OF GOVERNORS MEETING
Colorado State University-Pueblo
August 7, 2014**

CALL TO ORDER

Chair Dorothy Horrell called the meeting to order at 1:10 p.m.

ROLL

Governors present: Dorothy Horrell, Chair; William Mosher, Vice Chair; Joseph Zimlich; Treasurer; Scott Johnson, Secretary; Dennis Flores; Mark Gustafson; Demitri “Rico” Munn; Jane Robbe Rhodes (via telephone); Nancy Tuor; Alexandra Bernasek, Faculty Representative, CSU; Samantha Guinn, Student Representative, CSU; Brad Schiffelbein, Student Representative, CSU-Global Campus; Timothy Zercher, Student Representative, CSU-Pueblo; Michael Mincic, Faculty Representative, CSU-Pueblo.

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

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 present: Jon Bellum, Provost, CSU-Global Campus; Helen Caprioglio, Associate Professor, CSU-Pueblo; Jenny Deluna, Director of Diversity and Inclusion, CSU-Pueblo; Johnna Doyle, Deputy General Counsel, CSU-Pueblo; Chris Fendrica, Interim Director, Auxiliary Services, CSU-Pueblo; Quatisha Franklin, Interim Coordinator, AOD Program, CSU-Pueblo; Jane Fraser, Professor, CSU-Pueblo, AAUP; Erin Frew, Assistant Provost, CSU-Pueblo; Kathleen Henry, President/CEO, CSURF; Blanche Hughes, Vice President, Student Affairs, CSU; Nancy Hurt, Managing Director, Real Estate, CSURF; Rhonda Gonzales, Dean of Library Services, CSU-Pueblo; Jason Johnson, Deputy General Counsel, CSU; Rick Kreminski Dean, College of Science and Mathematics and Acting Director, Institutional Research and Analysis, CSU-Pueblo; Jonathan Poritz, Associate Professor, CSU-Pueblo, AAUP; Alvin Rivera; Patty Witkowsky, Director, SEAL, CSU-Pueblo;

Chair Horrell reconvened the Board of Governors meeting at 1:10 p.m. and reported Governor Jane Robbe Rhodes would be participating by telephone. She introduced Governor Bob Deemer, the CSU-Global Campus Faculty Representative, and asked General Counsel Nosler to administer the oath of office for Governor Deemer.

Chair Horrell explained the new meeting process as discussed at the June retreat was being implemented with the committees convening as committees of the whole. The committee Chair and Vice Chair will be guiding the agendas and all Board members, both voting and non-voting, will participate in the committee discussions. Actions relevant to each committee will be taken at the time of the committee meetings and the public notice reflects this change in meeting process.

Chair Horrell reported the Evaluation Committee did not fully complete its work during the morning and will reconvene later in the day after the conclusion of the other committee meetings. An Evaluation Committee report on the work of the committee will be made by Committee Chair Mosher the following day.

PUBLIC COMMENT

Chair Horrell indicated three individuals signed up to address the Board. Jane Fraser and Jonathan Poritz commented on CSU-Pueblo faculty workload. Alvin Rivera commented on the CSU-Pueblo contract process and the number of Hispanic members of the CSU-Pueblo Foundation Board.

Chair Horrell reported the Board would convene in executive session later to discuss items for the Audit and Finance, Real Estate/Facilities and Academic and Student Affairs committees. She asked Committee Chair Zimlich to convene the Audit and Finance Committee.

AUDIT AND FINANCE COMMITTEE

Governor Zimlich, Committee Chair; Governor Munn, Committee Vice Chair; Rich Schweigert, Chief Financial Officer, CSU System, assigned staff; Allison Horn, Director of Internal Auditing, CSU System, assigned staff

Committee Chair Zimlich called the committee meeting to order and explained that the committee chairs were asked to prepare work plans. At the June retreat, two items identified for the Audit and Finance Committee work plan were to address financial sustainability, including resources and tuition funding for each of the campuses, and to develop a policy related to the utilization of CSU-Global Campus resources by the CSU System. The work plan will be presented to the Board at the October meeting.

Audit Report: Committee Chair Zimlich asked Allison Horn, Director of Internal Auditing, CSU System, for her report.

Status of FY 2015 Audit Plan: Ms. Horn reported one report was issued since the last Board meeting for the transition audit for the new Dean of the College of Engineering to assist with establishing a starting point on the internal control structure. The audit found that internal controls were generally adequate and the new Dean agreed with the five recommendations made to strengthen operations. An executive summary of the report was included in the Board meeting book.

Ms. Horn reported three audits in process will be completed soon and reports will be issued. The field work is in process for six additional audits. Ms. Horn explained that the timing for the audits is generally to accommodate schedules for the college or department to be audited and not necessarily in the order of what is perceived to be the greatest risk.

Report of Overdue Audit Recommendations: Ms. Horn reviewed the 11 overdue recommendations that included three for the Warner College of Natural Resources that has a new dean; seven for Continuing Education at CSU-Pueblo that has incurred numerous changes and target dates may have been ambitious; and one for Payroll at CSU that has had a change in management who has been working with IT support to implement a complex corrective action. No red flags were perceived and realistic, achievable implementation dates have been set.

Finance Report: Committee Chair Zimlich asked Rich Schweigert, Chief Financial Officer, CSU System, for his report.

Update on Higher Education Funding Model: Mr. Schweigert explained the requirements in HB14-1319 to create a more transparent funding model including the impact on tuition policy when state funding is added. The bill establishes mandates of 52.5% of the total funding for College Opportunity Fund (COF) stipends and a 10% minimum for Pell-eligible students. There are also additional optional items. An Executive Advisory Group has been established that will oversee the work of three subgroups with recommendations due to the Joint Budget Committee in December. Chancellor Martin mentioned the potential conflict in statute with the performance contracts implemented previously in SB52.

Draft FY 2016 Campus and System Budgets: Mr. Schweigert explained the reports would be the first of many that would occur during the fiscal year and asked President Frank for his report.

Colorado State University: President Frank explained that the draft FY 2016 Education and General Fund (E&G) budget provided three scenarios with various factors that can be adjusted to present a balanced budget and reflects the priorities of the institution in alignment with the campus and System strategic plans. He explained the active ongoing reallocation of resources that occurs on campus as part of the budget process and reviewed the assumptions for new resources and new expenses outlined in scenario II that is based on the assumption of a state funding similar to the last year.

Tuition increases were projected in the 2-6% range for resident undergraduates with flat enrollment growth. Comparisons with other state four-year institutions and the national peer set were provided. At the May meeting the Board approved an increase in the facility fee that would go into effect in FY 2016. No other major changes in fees are anticipated and the student government will be engaged should any changes be brought forward for consideration.

When asked if tuition could be determined to be a major decision-making factor from information garnered from applications, President Frank responded responses are widely varied and the main comment received is CSU continues to be an incredible bargain for the value proposition. Enrollment numbers will be available after the fall census. When asked about overall cost management and efforts to keep tuition affordable, President Frank explained the annual financial accountability report provides an historical breakout of revenues and expenditures and the data reflects a focus on good academic outputs despite financial challenges. An example of the internal reallocation process was provided to demonstrate cost-cutting efforts. The suggestion was made to provide comparisons with other institutions by ranking of cost rather than alphabetical listings.

Colorado State University-Pueblo: President Di Mare reviewed the new resources and expenses outlined in the draft FY 2016 incremental E&G budget. Basic assumptions include an increase in student financial aid and a 6% tuition increase with the institution in the middle of peer institutions in the state. Enrollment growth is projected on a very conservative basis. The fall enrollment for the current academic year for first-time full-time freshmen was projected to be 25% higher than last year and the final numbers will be available after the fall census.

When asked about retention rates for the FY 2016 budget, President Di Mare provided an historical context with the implementation of the nonpayment policy in fall 2012. The current fall is projected at 65.8% which would be the highest retention rate in the university's history. When asked about inclusion of increases in tuition for continuing education or extended studies in draft FY 2016 budgets, Presidents Di Mare and Frank explained that these units are generally cash-funded without state funding and tuition increases are based upon projected expenditures. A more pro-active approach to the budgeting process for extended studies could be initiated.

President Di Mare and her staff were commended for their efforts to increase enrollment. President Di Mare provided an overview of the various campaigns conducted through an outside firm, Royall & Company, and explained changes in the admissions and financial aid offices. The suggestion was made to separate new revenue from enrollment vs. tuition in the reporting format.

Colorado State University-Global Campus: President Takeda-Tinker reported there will be no increase in tuition for FY 2016 with rates remaining at \$350 per credit hour for undergraduate and \$500 per credit for graduate level courses. The target enrollment growth for the current year is 8,600 and increases are projected for next year. Retention is currently at 83% for first to third term. She explained tuition planning efforts that have been implemented and noted every class is offered every term even if only one student enrolls in a class.

Chancellor Martin commented on the status of the current online market and the objective of CSU-Global Campus to diversify revenue sources. President Takeda-Tinker reported she and General Counsel Nosler met with an attorney to explore creating a separate entity to license and market the technology created by CSU-Global Campus as presented at the June retreat. A presentation will be made to the Board after receipt of the report from the attorney.

When asked about the potential impact of SB 14-114, President Takeda-Tinker explained the expectation that the Higher Learning Commission will provide favorable support and then enrollment could begin, possibly as early as November. Projections were not included in the draft FY 2016 budget. President Takeda-Tinker outlined the issues of college-readiness and lifetime caps on financial aid. Acquisition costs have increased by 20% per student this past year and efforts are being made to reduce expenses. Financial aid assistance includes offering alternative and competency-based credit.

CSU System Office: Mr. Schweigert explained the draft FY 2016 budget includes the general assumptions of a slight increase in indirect cost recovery from the campuses, an average salary increase of 2.5%, and potential increases in benefit and operating costs including IT. There are contracting staff that are moving back to the Office of General Counsel that would include transfer of funds during at least the first year.

Update on CSU-Pueblo: Mr. Schweigert explained that the Board had requested follow-up on two items: the \$500,000 in funding faculty buyouts and the projected \$824,000 shortfall projected for the current fiscal year. A Memorandum of Understanding (MOU) between CSU-Pueblo and the CSU System was presented based on the recommendation of the funds be provided as a loan. General Counsel Nosler added the MOU memorializes the resolution adopted by the Board at the June retreat. No further action was required by the Board.

Mr. Karl Spiecker, Vice President of Finance and Administration for CSU-Pueblo, explained how the initial savings with the faculty buyouts would be realized and the amount incorporated into the draft FY 2016 E&G budget. The suggestion was made that any potential favorable financial results from the partnership between CSU-Pueblo and CSU-Global Campus for new degree programs and the savings realized through the faculty buyouts be considered separate issues. Modifications for the MOU were suggested and included a pay-back date of 2018. An additional suggestion was an annual report should be made to the Board on the status of the repayment of the loan.

CSU-Pueblo AY 2014-15 Extended Studies Tuition Rate Schedule: Mr. Schweigert and President Di Mare explained that the tuition schedule provided in the meeting book was inadvertently excluded in the adoption of the CSU-Pueblo budget. **Motion/Action:** Governor Horrell moved to approve; Governor Tuor seconded; and the motion was passed unanimously.

Institutional Plan for Student Fees: Mr. Schweigert explained that the Board annually approves an institutional plan for student fees for Colorado State University and Colorado State University-Pueblo. The plans were included in the meeting book and there were no substantive changes from the prior year. **Motion/Action:** Governor Munn moved to approve; Governor Johnson seconded; and the motion was unanimously approved.

Executive Session: General Counsel Nosler read the meeting into executive session for the purposes set forth in the public notice. **Motion/Action:** The motion to convene in executive session was made, seconded and carried. The Audit and Finance Committee meeting reconvened in open session at 3:05 p.m.

U.S. Securities and Exchange Commission (SEC) Municipalities Continuing Disclosure Cooperation Initiative (MCDC) for Self-Reporting Entities: In the absence of Committee Chair Zimlich, Vice Committee Chair Rico Munn asked General Counsel Nosler to read into the record the matter for action discussed in executive session to authorize the Colorado State University System Chief Financial Officer to file the SEC MCDC Initiative. **Motion/Action:** Governor Tuor made the motion to approve; Governor Flores seconded; and the motion was unanimously carried.

With no further business to come before the committee, Vice Chair Munn asked for a motion to adjourn the Audit and Finance Committee meeting. **Motion/Action:** Governor Johnson moved; Governor Gustafson seconded; and the motion carried.

REAL ESTATE/FACILITIES COMMITTEE

Governor Tuor, Committee Chair; Governor Flores, Committee Vice Chair; General Counsel Nosler, assigned staff

Committee Chair Tuor convened the meeting at 3:07 p.m. and reported there were two action items being brought forward for approval. She asked President Frank to review the first item.

President Frank explained that the logical location for an easement and bus turnaround for the circular shuttle for the CSU campus was on Prospect Plaza property owned by the Colorado State University Research Foundation. The action item for acquisition of the property and a diagram were provided in the meeting book. **Motion/Action:** Governor Horrell moved to approve; Governor Mosher seconded; and the motion carried unanimously.

Committee Chair Tuor asked President Frank to review the second action item. President Frank explained the negotiations with the U.S. Forest Service to extend the low-cost lease of property from the main campus. **Motion/Action:** Governor Johnson made the motion; Governor Flores seconded; and the motion was passed unanimously.

With no further business to be brought before the committee, the Real Estate/Facilities Committee was adjourned at 3:10 p.m.

ACADEMIC AND STUDENT AFFAIRS COMMITTEE

Mark Gustafson, Committee Chair; Jane Robbe Rhodes, Vice Chair; Rick Miranda, CSU System Chief Academic Officer, and CSU Executive Vice President and Provost

Committee Chair Gustafson called to order the committee meeting at 3:11 p.m. and reported there were several action items on the agenda with the supplemental information contained in the meeting book. He asked Dr. Miranda to review the highlights.

Approval of New Degree Program: Bachelor of Science in Computer Science, CSU-Global Campus:

Dr. Miranda reported the administrative staff at CSU-Global Campus put together a comprehensive plan for the new degree program. Dr. Jon Bellum, Provost, CSU-Global Campus, explained there currently is a Bachelor of Science in Information Technology at CSU-Global Campus which is different from the proposed new degree program that would be in the area of software development. The new program was created to align with national standards and to meet the needs of adult learners. Current projections are there will be approximately 226,000 positions in the state through 2022 for software developers.

A partnership has been developed with EchoStar to provide an avenue for employees to become software engineers after completion of an AA degree from Arapahoe County Community College in computer information systems with a strong core in programming by then attaining a bachelor's degree in computer science. CSU-Global Campus would be a key element in this partnership by providing the only fully online B.S. computer science degree in the state from a public institution. **Motion/Action:** Governor Tuor made the motion to approve the new degree program. Governor Johnson seconded and the motion carried unanimously.

Approval of Policy 314: Dr. Miranda explained that currently the Board approves degree candidates for each campus at each graduation via resolution and the timing of the approvals do not always align perfectly with the granting of degrees. Policy 314 creates a mechanism for blanket authorization annually to approve degree candidates for the upcoming academic year. A report will be provided at the end of each year on the number and nature of the degrees given. **Motion/Action:** Governor Johnson moved to approve; Governor Flores seconded; and the motion carried unanimously. The approval of the degree candidates for AY 2014-15 was included on the consent agenda to be approved later in the meeting.

Approval of Special Academic Unit: School of Global Environmental Sustainability (SoGES), CSU:

Dr. Miranda explained how SoGES has been in place for several years and has been the administrative home of a minor with approximately 200 students and with over 50 students graduated in the last couple of years. The construct of a special academic unit which is intended to house interdisciplinary programs has existed for several years. The action is not to create a new degree program, but to formally designate SoGES as a special academic unit to move forward in certain curricular enterprises and initiatives in a more seamless way. Faculty members from all eight colleges participate in the school. **Motion/Action:** Governor Mosher moved to approve; Governor Tuor seconded; and the motion carried unanimously.

Approval of Special Academic Unit: Leadership, Entrepreneurship, Arts Advocacy and the Public (LEAP) Institute for the Arts, CSU:

Dr. Miranda reported the LEAP Masters degree program, which covers a wide range of activities, was approved two years ago to provide skills management for those interested in the arts and the business of the arts. The program has been housed in the College of Liberal Arts and has successfully progressed to the point where it merits establishment as a special academic unit. **Motion/Action:** Governor Horrell moved to approve. Governor Mosher seconded and the motion carried unanimously.

Faculty Activity Reports: Dr. Miranda indicated written reports for each of the three campuses were included in the meeting book.

Colorado State University: Dr. Miranda explained the report encompasses information about faculty hiring policies and processes; recent faculty evaluation statistics; and data on reappointments, tenure and

promotion. With 84 cases for tenure and promotion considered this past year, the class was one of the largest to be considered in recent years. The written report also provided a faculty workload analysis and compensation comparisons relative to ranks and peers. There were several cases that were not successful, but were not denied either; these were withdrawn, cancelled, or delayed due to a variety of reasons

When asked about how the report was used, Dr. Miranda explained that this particular report was primarily used for the purposes of the Board with different pieces extracted from regular Institutional Research reports that are more comprehensive and distributed annually. President Frank added that the more detailed IR reports are regularly reviewed by a variety of campus groups. The report to the Board has evolved over the years to the current format and can be amended to include any additional information.

The observation was made that 50% of the CSU faculty ranked in the top two categories in the evaluations whereas at CSU-Pueblo 94% were in the top two categories. Discussion followed on how to understand faculty workload and comparisons between the peer institutions, and between the CSU System campus institutions. Chancellor Martin noted that higher education assessment to measure workload is different from productivity and that workload does not necessarily equate with excellence. There are other factors such as a citation index for research that could be brought into the conversation. President Frank added that historically a broader workload report was provided that included average credit hours by faculty member by discipline, and there are different research expectations by discipline.

Colorado State University-Pueblo: Dr. Carl Wright, Provost, CSU-Pueblo, explained that annual evaluation performance reviews are conducted with the standards and criteria primarily designed by the individual college and/or departments. He reviewed the tenure and promotion data in the written report and explained how the process is outlined in the faculty handbook. The recommendations progress from the review process to the department chairs, the Provost and then the President. In addition to annual reviews, there is a requirement that tenured faculty receive a comprehensive review every five years which may be cancelled or postponed with valid reasons.

Dr. Wright reviewed the faculty workload comparisons with peer institutions that was generated by the Institutional Research Director from data obtained from the Integrated Postsecondary Education Data System (IPEDS) and does not reflect data on 12 credit hours per semester or 24 credit hours per academic year. The data was provided for undergraduate teaching, graduate teaching, and research. Faculty compensation comparisons to peer institutions reflect that the average salary at CSU-Pueblo for 2013-14 was \$84,200 compared to the peer average of \$88,041. Faculty demographics data was provided by rank, gender and ethnicity with new hires improving the ratios.

Chancellor Martin confirmed with Dr. Wright that a semester at CSU-Pueblo is 14 weeks rather than 16 weeks when compared to peer institutions. President Di Mare indicated the difference could be due to holidays and other matters, and that the difference would be investigated.

Governor Mincic, Faculty Representative, CSU-Pueblo, commented on his dual role as faculty and as a department chair. He explained there are specific thresholds that allow for progression of faculty through the tenure process with evaluation in three areas: teaching, service and research. The Faculty Senate will be examining the performance review issue during the coming year.

Colorado State University-Global Campus: Dr. Bellum explained that all CSU-Global Campus faculty are part-time and workload is evaluated differently from its sister campuses. He explained the structured hiring process that includes credentialing with an initial three-week training, certification and mentoring. CSU-Global Campus invests heavily in faculty training and each year there are approximately six faculty

professional development courses offered to faculty. Last year as part of a strategic initiative, all faculty participated in two specific courses to assist with assessing for impact, and recognizing, reporting and helping students to avoid plagiarism.

Dr. Bellum explained the compensation model with courses prorated from one to nine students and additional compensation for video conferences. By the end of the current academic year, all courses will require two video conferences. Faculty also receives compensation for service on committees and tasks forces, and for program and curriculum development. Faculty members are evaluated on an ongoing basis as well as annually.

Retention of faculty is currently 92% with faculty leaving for a variety of reasons. Surveys reflect that faculty are highly satisfied with administrative and program support. Faculty demographics are generally aligned with student demographics with efforts underway to recruit more Hispanics. Workload is essentially capped theoretically at 792 hours based on the limits on the number of courses and the cap of 22 students per class. Every course is offered every term, even if only one student enrolls, in order to keep students from going off-track or stopping out from degree completion.

Board Chair Horrell noted that the Board will look forward to more conversation on the issues of faculty workload and productivity. With no further business to come before the committee, Committee Chair Gustafson asked for a motion to adjourn the meeting. **Motion/Action:** Governor Johnson moved; Governor Horrell seconded; and the motion carried. The committee meeting was adjourned at 4:05 p.m.

CONSENT AGENDA

Chair Horrell reviewed the items on the consent agenda that included minutes from the June retreat and meeting; approval of degree candidates for AY 2014-15; approval of a posthumous degree for CSU; and approval of the AY 2014-15 program review schedules for CSU and CSU-Pueblo. **Motion/Action:** Governor Johnson moved to approve; Governor Flores seconded; and the motion was unanimously carried.

Chair Horrell indicated the Evaluation Committee would be called into executive session and then reconvene in the Monarch Room to complete the work begun during the morning that would include individual conferences with the three presidents and Chancellor Martin. She reminded the Board of the Lobster Bake to be held in the Convention Center adjacent to the Courtyard by Marriott and reviewed the agenda for the next day.

General Counsel Nosler read the Evaluation Committee into executive session at 4:06 p.m. for the purpose of discussing and evaluating public officials and professional staff employees of the Board as set forth in the public notice. **Motion/Action:** Governor Gustafson made the motion to convene the Evaluation Committee in executive session. Governor Flores seconded and the motion was carried.

**BOARD OF GOVERNORS OF THE
COLORADO STATE UNIVERSITY SYSTEM
BOARD OF GOVERNORS MEETING
Colorado State University-Pueblo
August 8, 2014**

CALL TO ORDER

Chair Dorothy Horrell called the meeting to order at 9:00 a.m.

ROLL

Governors present: Dorothy Horrell, Chair; William Mosher, Vice Chair; Scott Johnson, Secretary; Dennis Flores; Mark Gustafson; Demitri “Rico” Munn (via telephone); Jane Robbe Rhodes (via telephone); Nancy Tuor; Alexandra Bernasek, Faculty Representative, CSU; Samantha Guinn, Student Representative, CSU; Brad Schiffelbein, Student Representative, CSU-Global Campus; Timothy Zercher, Student Representative, CSU-Pueblo; Michael Mincic, Faculty Representative, CSU-Pueblo.

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

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 present: Tanya Baird, Provost’s Office, CSU-Pueblo; Janet Barnett, Professor of Mathematics, CSU-Pueblo; Helen Caprioglio, Associate Professor, CSU-Pueblo; Johnna Doyle, Deputy General Counsel, CSU-Pueblo; Chris Fendrica, Interim Director, Auxiliary Services, CSU-Pueblo; Joe Folda, Athletics Director, CSU-Pueblo; William Folkestad, Dean, CHASS, CSU-Pueblo; Jane Fraser, Professor, CSU-Pueblo, AAUP; Erin Frew, Assistant Provost, CSU-Pueblo; Mark Gill, Chief of Staff-President’s Office, CSU; Robert Gonzales, Controller, CSU-Pueblo; Kathleen Henry, President/CEO, CSURF; Blanche Hughes, Vice President, Student Affairs, CSU; Jason Johnson, Deputy General Counsel, CSU; Sylvester A. Kalevela, Dean, CEEPS, CSU-Pueblo; Rick Kreminski Dean, College of Science and Mathematics and Acting Director, Institutional Research and Analysis, CSU-Pueblo; Ajay Menon, Dean, School of Business, CSU Lisa Ramos, Staff Accountant, Accounting, CSU-Pueblo; Kathay Rennels, Assistant Vice President for Community and Economic Development, Office of Engagement, CSU; Mario Ruiz, Student, CSU-Pueblo; Tracy Samoa, Alumni Director, CSU-Pueblo; Michael Weiner, Graduate Assistant, CSU-Pueblo.

Chair Horrell reconvened the August meeting and commented on the committee work accomplished the previous day. She remarked that the Lobster Bake held the previous evening was a real testimony to the role that CSU-Pueblo plays in the community and conversely the support of the community to the university. Chair Horrell noted that, due to prior commitments, Governors Zimlich, Munn and Robbe Rhodes would not be present, but Governors Munn and Robbe Rhodes would be participating by conference call at various points during the day.

Chair Horrell reported the Board began the day with a breakfast with President Di Mare’s cabinet and the Deans for CSU-Pueblo. There was an opportunity to discuss the challenges and opportunities facing the

university now and into the future. The Board was pleased to learn about the collaborative partnerships that are being developed with CSU and CSU-Global Campus.

Chair Horrell explained the revised meeting structure as discussed at the June retreat was launched to more effectively utilize meeting time with the committees acting as a committee of the whole under the leadership of each committee Chair and Vice Chair. Actions were taken concurrent with the committee meetings and the public notice listed actions to be taken. The Evaluation Committee convened the previous day to conduct the annual evaluations and a report will be presented by Committee Chair Mosher. Chair Horrell reviewed the meeting agenda.

BOARD CHAIR’S AGENDA

June Board Retreat: Chair Horrell recapped the Board’s work at the June retreat with the assistance of Dr. Tom Meredith as the facilitator. In addition to reviewing practices of good governance, the Board discussed the importance of refreshing the CSU System strategic plan and its connection with the three institutional strategic plans. Chair Horrell asked Governor Tuor, who had been asked to lead the strategic planning process, for her comments.

Strategic Plan: Governor Tuor remarked that “refresh” was the correct terminology because the process would not be a major overhaul of the existing strategic plan. The plan will continue to be a high level, top down plan with key goals for the System. The four existing major goals are appropriate and will be simplified with a few metrics added for the campuses to meet based on their respective peers. The universities have the responsibility to develop their own strategic plans to direct their paths forward in concert with the overarching System’s goals.

A new strategy on planning for the future will be added to assess the System as it currently functions in order to be competitive and remain in the forefront. The strategy will include understanding the significant changes occurring in higher education, particularly in terms of delivery of service and the growth of the adult learner/non-traditional students market. Governor Schiffelbein has volunteered to assist Governor Tuor on the project that should be completed within a few months.

Excellence in Undergraduate Teaching Award: Chair Horrell explained that, since 1993, each year the Board has awarded to a faculty member at each of the campuses an *Excellence in Undergraduate Teaching Award*. The award recognizes that teaching and learning is the core mission of our institutions and this award is an opportunity to honor and celebrate what often is a lifetime commitment to that mission. The award was presented in May to the recipient from CSU-Global Campus and will be awarded to the Colorado State University recipient at the October meeting in Fort Collins. She asked Dr. Carl Wright to present the award to the CSU-Pueblo recipient.

Dr. Wright introduced Dr. Janet Barnett. Chair Horrell joined Dr. Wright in presenting the award to Dr. Barnett who then expressed her appreciation for the opportunity to teach, especially at CSU-Pueblo since she is a Pueblo native.

Upcoming Events: Chair Horrell noted the meeting calendar and schedule of events posted in the Board’s Resource Center and pointed out several upcoming events.

EVALUATION COMMITTEE

Chair Horrell asked Vice Chair Mosher, who serves as the Chair of the Evaluation Committee, for his report. Committee Chair Mosher reported the committee met for numerous hours the previous day. The

time was productive and beneficial, and the committee was ready to take action on incentive compensation and salary adjustments. The committee evaluated the System Director of Internal Auditing and the General Counsel and approved salary increases consistent with other System staff and the System budget. The normal personnel process would address the salary adjustments for the General Counsel and Director of Internal Auditing. The actions for the Chancellor and campus Presidents would be taken individually and be based upon their unique individual contracts that have different incentive compensation amounts.

Motion/Action: Governor Tuor moved to award Chancellor Martin \$30,000 in incentive compensation pursuant to his employment agreement. Governor Gustafson seconded and the motion passed unanimously.

Motion/Action: Governor Gustafson moved that President Di Mare receive the full incentive compensation award as provided in her employment agreement. Governor Horrell seconded and the motion passed unanimously.

Motion/Action: Governor Johnson moved to award President Takeda-Tinker the incentive compensation award as provided in her employment agreement. Governor Tuor seconded and the motion passed unanimously.

Motion/Action: Governor Flores moved that President Frank receive incentive compensation in the amount of \$50,000. Governor Tuor seconded and the motion passed unanimously.

Committee Chair Mosher directed General Counsel Nosler to work in conjunction with the Board Chair and himself as the Evaluation Committee Chair to communicate the results of the committee's work and the various compensation amounts to the respective individuals. Chair Horrell added that the feedback from other Board members was positive in regard to extending the allotted time for the Evaluation Committee from two to four hours. It was suggested that additional time may need to be provided at the next August meeting for the Evaluation Committee.

EXECUTIVE SESSION

Chair Horrell reported the next agenda item was the executive session. General Counsel Nosler read the meeting into executive session on the grounds set forth in the public notice. **Motion/Action:** Governor Johnson moved to convene in executive session; Governor Gustafson seconded; and the motion carried. The meeting convened in executive session at 9:33 a.m. and reconvened in the open public session at 10:33 a.m.

FACULTY AND STUDENT REPRESENTATIVE REPORTS

Governor Mincic, Faculty Representative, CSU-Pueblo, welcomed the Board to the CSU-Pueblo campus and reported the Faculty Senate did not convene during the summer. The dates of the upcoming meetings were included in his written report which will begin during the week of the convocation with an all faculty staff meeting to brainstorm issues. The issues will then be brought to a retreat to be prioritized and to formulate the agenda for the entire academic year. Issues that have already been identified include the senior lecturer position and the academic calendar. Faculty has been engaged in numerous activities during the summer including a workshop on the Propel grant that featured Dr. Brian Dunbar, a sustainability expert from CSU, and collaborative work on transfer agreements with Pueblo Community College.

Governor Deemer, Faculty Representative, CSU-Global Campus, shared information on the professional development courses available for the faculty that is reflective of the commitment CSU-Global Campus to its faculty. Honorariums are paid to faculty upon completion of a course and faculty are expected to take at least one FCC course during the year.

Governor Deemer explained how the new faculty management system that became operational in July through the faculty portal streamlines the scheduling process by integration and verification of the faculty member's credentials. The system not only helps manage costs, but also assists faculty in managing commitments. The platform was developed internally and could potentially be outsourced or licensed to other universities. A demonstration could be presented at a future meeting.

Governor Bernasek, Faculty Representative, CSU, reported the Pingree Park Campus is celebrating its 100th anniversary. The faculty is excited about the new Status of Women Faculty Standing Committee created by President Frank that will be working on issues such as tenure and faculty for improvements. The Board will be updated on the progress.

Governor Zercher, Student Representative, CSU-Pueblo, reviewed highlights from his written report including plans to expand the student discount program; discussions to relocate the offices for the student organizations; continuation of the Wolfie Clock Tower project; and new initiatives through the Dining Services Advisory Committee. New work recently started includes rebranding the ASG to increase visibility on campus; rebuilding ASG by filling numerous positions; and efforts to reduce excess student emails. An overarching goal for the year is community building to make the CSU-Pueblo campus feel like a small community and to help students feel connected.

Governor Schiffelbein, Student Representative, CSU-Global Campus, noted his written report provided an overview of the June 7th commencement that had 1,321 eligible graduates with the average age of 37. On August 1st, Governor Schiffelbein along with the other campus student representatives participated in a conference call with the White House and national campus leaders that included Regina Martel, a former CSU student representative. The conference call was focused on two major issues: college affordability and sexual assault prevention. The call was then opened up to other topics that included regulation on the private side of financial aid. CSU-Global Campus started a program this year for exit counseling for graduates to provide assistance to plan for paying off student loans.

Governor Guinn, Student Representative, CSU, explained she wrote her report by ranking items that are important and currently happening. Highlights included development of a chronic illness mentoring program through ASCSU and Resources for Disabled Students; and ASCSU's efforts in conjunction with university and the University Technology Fee Advisory Board to offer Microsoft Office Pro at no cost for up to five devices for all students, staff and faculty. Based on response from various surveys, a program for free or reduced priced meals is being developed for students or staff who identify in a food insecure program with the intent to have the program operational by January. Other highlights included a contract has been signed with *USA Today* to offer a free app and efforts are underway to have RamRide become the 17th fee-funded area on campus.

PRESIDENTS' REPORTS AND CAMPUS UPDATES

CSU-Pueblo: Chair Horrell asked Dr. Wright to present the report in the absence of President Di Mare. Highlights from President Di Mare's written report included several faculty have presented papers at various conferences; 20 new freshmen were named for the 2014-15 President Leadership Program (PLP); a gift was made by Rotary 43 to the CSU-Pueblo Foundation to create a scholarship through the PLP for an incoming freshman from Pueblo County; and Dr. Jonathan Poritz wrote a textbook for Math 319 on

number theory that will be released with a Creative Commons license and be available to his students at no cost.

Other highlights included the Pack Mentor Program has been created to mentor incoming new students beginning this fall; a CSU-Pueblo student was one of ten honored as a Champion of Change by the White House in June; and CSU-Pueblo is one of 12 schools, and the only Colorado school, selected for the Hispanic Quiz Show. Efforts to create new revenue streams and increase diversity include developing a recruiting relationship with 50 Chinese universities and high schools. Community outreach includes completion by an art professor of the restoration of the Great Divide Mural in Downtown Pueblo. The Towers location in Colorado Springs celebrated its one year anniversary and the program is expected to continue to grow. CSU-Pueblo has successfully implemented the Kuali Financial System (KFS) through assistance from CSU.

When asked about tracking the success of the new students recruited through the Royall & Company engagement, Dr. Wright responded that the students are automatically tracked as part of the contract. With the new campus community approach, additional efforts are being implemented to retain students.

CSU-Global Campus: President Takeda-Tinker reported CSU-Global Campus implemented a new web-based accounting system a year ago. Board members and Internal Auditing can be provided access to the system. Because CSU-Global Campus continues to grow rapidly with significant revenues, in addition to the System audit by BKD, CSU-Global Campus contracts with BKD to conduct a separate audit. CSU-Global Campus also has federal financial aid reviews conducted by independent entities and annual technology reviews in specific areas that provide a written report to improve practices.

CSU-Global has progressed to the point of being able to share information on services and platforms with more traditional universities. Seven CSU-Global Campus department representatives participated on a panel at a recent Council for Adult and Experimental Learning (CAEL) symposium. President Takeda-Tinker participated in the southwestern segment of the CSU/CSU System statewide community tour and, as a result, conversations continue with the Ute Tribe to provide assistance with online education. She is also participating on an American Association of State Colleges and Universities task force on innovation and recently provided an online process to share information on a database that can be followed-up with live telephone calls. Later in the month President Takeda-Tinker will be a speaker on best practices for military and veteran education success at the national American Legion convention.

Colorado State University: President Frank highlighted the philanthropic accomplishments from his written report. During the past four years there has been a 37% increase in alumni participation, a 35% increase in donors, and a 162% increase in fundraising. President Frank acknowledged the efforts of Brett Anderson, CSU Vice President for University Advancement and his staff who have worked with External Relations and other aspects of the university including the academic colleges.

President Frank reported CSU was recently added to the Princeton Review's green honor role that has a variety of scores on sustainability, and environmental friendliness and consciousness. With 99 as the highest possible score, CSU was one of 24 schools out of 861 that submitted data to receive a perfect score. The only other Colorado school to make the honor role was the University of Colorado-Colorado Springs.

When asked about the progress of the National Western redevelopment, President Frank asked Amy Parsons, CSU Vice President of Operations, to respond. Ms. Parsons reported the executive team has been very busy with the goal of presenting the master plan to the Denver Planning Board and the City Council in December and January. All five of the MOU partners are actively involved and will be part of

the physical master plan. The North Denver Cornerstone Collaboration (NDCC), of which the National Western is one of the six projects, is also actively at work examining different financing options. The NDCC group is being led by the City of Denver. The suggestion was made to have a presentation to the Board at the October meeting.

At the request of Chair Horrell, Ms. Parsons described the summer theatre program that is offered through CSU's University Center for the Arts. Recently the program offered a week-long theatre camp on the Todos Santos campus to a group of 20 children which was a combination of local Mexican and Colorado children. The CSU faculty and students were all bilingual and helped to bridge the language barrier. The program concluded with a community performance that was well-attended and well-received, and is an example of the high quality programming CSU can provide to the Todos Santos campus. Ms. Parsons also recently attended a local mango festival in Todos Santos and the feedback received from the community at the CSU table at the event was positive.

The Board recessed for a short lunch break at 11:46 a.m. and reconvened at 12:08 p.m.

CHANCELLOR'S REPORT

Chancellor Martin reviewed the application process for the Venture Capital Fund (VCF) that was completed last year and provided a status update on the projects that were funded. He commented on the possibility of shifting the focus of one project involving the Center for Colorado Futures to assist the Pueblo Hispanic Chamber of Commerce to assist with understanding how community policy can better utilize businesses and leadership in a growing demographic in the Pueblo area. The VCF demonstrated an investment in the creative energies of the System's faculty and staff, and that CSU-Global Campus can be a meaningful partner in providing assistance to advance new ideas and build new bridges.

Chancellor Martin reported the System staff and campus leaders are actively involved on several task forces to implement the new higher education funding model as stipulated in HB14-1319. Collaborative efforts continue on the South Metro initiative to meet the local communities' needs with Systems Engineering as the most advanced program at this point.

Chancellor Martin remarked on his personal commitment during the past 30 years to improve Native American education. He reported on recent efforts by the System and campuses to develop a pipeline to assist Diné, the national college of the Navajo, and the Southwestern Indian Polytechnic Institute to deliver a curriculum for two-year programs in agriculture and natural resources management that could be fully transferrable for four-year degrees.

Other updates included efforts to continue to identify ways to broaden and diversify the product line of CSU-Global Campus. Two campuses, CSU-Pueblo and CSU-Global Campus, are in the early to mid-stages of the reaccreditation process. As the process continues, the Board will be updated on how the process works and the role of the Board. A new ranking system proposed by Secretary of Education Arnie Duncan and President Obama is being tested by Purdue University and Gallup. Denver is hosting this year's Hispanic Association of Colleges and Universities (HACU) October 4-6 and the System will be hosting a reception on the evening of October 5th.

Chancellor Martin commented on the great work done between CSU and CSU-Pueblo to implement the Quali Financial System (KFS) at CSU-Pueblo. He asked Lynn Johnson, Associate Vice President of Finance, CSU, for her remarks.

Ms. Johnson provided an overview of KFS which is a collaborative effort with a primary mission of keeping higher education resources directed towards educating students. The financial management software is available at no cost and additional modules will be developed to meet all major needs of higher education institutions, i.e., research management, human resources, student records, etc. CSU implemented KFS five years ago at a relatively modest implementation cost of under \$2 million. The System office came online as of July 1, 2013 at no cost to the System. Through the hard work and dedication of the staff, implementation for CSU-Pueblo was completed in eight months at a cost of less than \$60,000. Ms. Johnson asked Karl Spiecker, Vice President of Finance and Administration, CSU-Pueblo, to comment.

Mr. Spiecker commented on the challenges that had existed with CSU-Pueblo's financial system and thanked CSU for their assistance in the KFS implementation. He recognized two CSU-Pueblo employees, Jennifer Torres and Lisa Ramos, for their efforts in the implementation. Ms. Torres was unable to attend the meeting. Chancellor Martin and Chair Horrell joined Mr. Spiecker in presenting an award to Ms. Ramos in gratitude for her outstanding work.

Chancellor Martin concluded his report by noting written report materials included information on the CSU System office lease and the possibility of relocating the office.

SYSTEM WIDE DISCUSSION ITEMS

21st Century Land Grant System: Chancellor Martin provided an overview of the history, role and mission of land grant universities. A task force was created under the leadership of Dr. Ajay Menon, Dean, CSU School of Business, and charged with developing ways for the CSU System as a whole to fully embrace all dimensions of the land grant mission through all three campuses with program delivery and service to both rural and urban communities. Dr. Menon was asked for his comments.

Dr. Menon recognized the members of the task force and provided an historical overview of the CSU regional engagement center in Sterling. He asked Kathay Rennels, Assistant Vice President for Community and Economic Development at CSU, to comment on the e-center concept.

Ms. Rennels recounted her experience of working with the Governor's office on the economic impact of agriculture, the partnership that was developed with CSU, and how the engagement process works. She explained the e-center concept utilizing the lessons learned from the regional engagement center in Sterling and noted the importance of visibility with a strong community presence. Ms. Rennels reviewed operating costs for creating a small e-center in Pueblo and commented on CSU-Pueblo's role in community outreach and engagement. E-centers could also be established in Denver and Mesa counties.

Dr. Menon commented on how the assets of the System's three campuses could be strategically utilized in different corners of the state and potentially have an impact into surrounding states. Ms. Rennels commented on a new rural investment fund through the USDA, the great reputation of CSU, and the potential for developing community partnerships. When asked about the expected outcome of the discussions, Chancellor Martin explained the intent was to provide the Board with an opportunity to understand the concept and, if there is endorsement, the task force would continue to move forward with developing partnerships and funding.

Discussion followed on the perception of the term "e-center" as a physical site rather than an electronic portal; efficiency in operations and resources; ways to engage CSU-Global Campus to develop a new platform for delivery of service; utilization of the e-centers for resource and referrals to match with the expertise within the CSU System; the benefits of face-to-face engagement to create community trust;

blending of delivery systems; the role location plays in defining how and by whom the e-center would be utilized; the necessity of understanding local culture and issues; and the potential to collaborate with other Colorado higher education institutions. President Frank and Chancellor Martin indicated that the task force will continue to work on the concept utilizing the feedback received during the discussion.

Athletic Reports: Chancellor Martin began by explaining how certain issues are regularly reported to the Board and the fall was an appropriate time to address athletics. He asked President Frank for his report.

Colorado State University: President Frank highlighted the metrics from the presentation in the meeting book on academic performance, graduation rates, APRs, team GPAs, team success and awards. He noted that CSU was one of a few NCAA Division I institutions that have never had a major NCAA violation and there is a significant focus at CSU on the fact that student-athletes are students.

President Frank reviewed the revenues and expenditures in the FY15 Athletic budget with comparisons to FY14 actuals and explained the assumptions built into the projections through FY20 with and without a 2.5% inflationary rate. The amount and combination of university support and student fees vary from institution to institution. At CSU, students have a very active role in determining fees. University support for athletics is offset by repayment of financial aid by the Athletic Dept. for scholarships.

Athletic reserves are monitored and, for several years, the one-time funds have been used on recurring expenditures. With certain key investments, the intent is to have athletics produce more self-generated support in the future and thereby reducing the necessity of using reserves. Self-generated funds include such items as tickets, concessions, parking and logo licensing revenue for trademark merchandise.

When asked about fluctuations in the budget, President Frank explained the impact of renegotiating coaches' salaries and the impact of tuition increases on scholarships. When asked about the impact of a winning season and bowl games, President Frank acknowledged that a good season can have an impact on ticket sales, and there are costs and obligations such as ticket allotments and other ancillary expenses with bowl games. Chancellor Martin anecdotally provided an overview of why larger teams will play a smaller nonconference team to ensure a win for bowl eligibility and for the opportunity for more practice to improve the team.

President Frank explained changes that recently have occurred with a NCAA governance vote. The Big 10, the SEC, the ACC, the Big 12 and Pac 12 have chosen the terminology of the "Resource 5" conferences. While those conferences have the majority of television revenues, they are also named more often in major lawsuits and class action suits, and have thus created a push for NCAA reforms.

President Frank opined that the changes in governance amounted to two key issues. First, the Resource 5 conferences can make permissive changes to the rules that other conferences could follow if desired and that would not require a vote of the NCAA. Initial changes to occur include increasing scholarships to full cost of attendance; increasing entertainment budgets for recruiting; extending the scholarship benefit to entitlement of a certain number of credits throughout the student-athlete's lifetime; and increasing expenditures for health care and insurance. Secondly, embedded into the legislation are potential pathways to autonomy. With a two-thirds majority of NCAA votes, there could be other changes in the future, such as the number of scholarships offered or transfer rules between schools, and thereby potentially creating an unlevel playing field for the smaller conferences.

With vastly different revenue budgets, there are major implications on how different campuses approach athletics. NCAA discussions will continue with more challenges to be addressed. Chancellor Martin added that other impacts on the athletic landscape include the O'Banyon lawsuit that could change the

dynamics of marketability and experience for high exposure programs. Another factor that has been present for the past 15 year is the BCS is owned by the teams and not the NCAA.

When asked about motivation for a Resource 5 conference to expand, President Frank explained there are essentially two perspectives based on either the television revenues are fixed or slightly declining, or the reverse is true with the market continuing to expand. Chancellor Martin added that another factor is the addition of conference television channels, i.e., SEC and Big 10, where additional sports can be broadcast to increase viewership and thus create a positive environment for expansion. Overall it is a very complex time for athletics and changes will be ongoing.

Colorado State University-Pueblo: Chair Horrell introduced Joe Folda, the Athletic Director for CSU-Pueblo. Mr. Folda explained the university is NCAA Division II which is operates at a different financial level from Division I and allows coaches to focus on areas such graduation rates, campus life and community engagement. The CSU-Pueblo Athletics Department is fiscally responsible, compliant to the NCAA, and has not had a major NCAA violation.

Mr. Folda commented on academic success rates with comparisons to the overall student body, and federal and NCAA graduation rates. He reviewed GPAs for student-athletes by teams and gender, and noted the impact the coaches can have on academic success.

Mr. Folda highlighted the performance and success of the athletic teams including the football team with RMAC championships, and the women's soccer, basketball and track teams. He pointed out the awards received by student-athletes and noted six new sports have been added with 130 new student-athletes enrolled for the fall in all athletic programs. The RMAC has increased from 14 to 16 schools in five states.

Mr. Folda commented on the NCAA Division II philosophy that includes a partial scholarship model. Many of the student-athletes in Division II are walk-ons. CSU-Pueblo has the equivalency of 30 full scholarships. The student-athletes generate \$5.5 million in tuition through COF for the university. Mr. Folda provided a breakdown of the \$5.8 million athletics budget that includes E&G funding for scholarships and salaries, student fees, self-generated revenue such as ticket and merchandise sales, and support from the CSU Foundation, Pack Club and corporate partnerships.

Chair Horrell commented on the great job the two student-athletes, with very different backgrounds, did in sharing their stories at the Lobster Bake. Governor Mincic, as a CSU-Pueblo faculty member, thanked Mr. Folda for his leadership and noted how the coaches do an extraordinary job to ensure that academic studies are as important as the athletics.

BOARD MEETING EVALUATION

Chair Horrell asked for feedback to ensure continuing improvements in the Board meetings. Responses included the new committee meeting structure worked well; there was time for substantive conversation on two important issues; and the evaluation process was very valuable and well-guided by Governor Mosher.

The next meeting will be October 2-3 in Fort Collins and agenda items will include a stadium report. The Committee Chairs and Vice Chairs were reminded to work with assigned staff to develop a work plan for the coming year. The appendices in the meeting book included correspondence, construction status reports, and readings on higher education for which there will be executive summaries on the latter in future meeting books.

Chair Horrell thanked President Di Mare and the CSU-Pueblo staff for hosting the meeting. She acknowledged the work of the System staff and expressed appreciation to the Board for their commitment to making a difference through their service on the Board.

With no further business to come before the Board, the meeting was adjourned at 2:30 p.m.