

**BOARD OF GOVERNORS OF THE
COLORADO STATE UNIVERSITY SYSTEM
REAL ESTATE/FACILITIES COMMITTEE MEETING MINUTES
FEBRUARY 22, 2010**

Committee Chair Ed Haselden brought the meeting to order at 3:53 p.m. Committee members attending were Bonifacio Cosyleon and Joe Zimlich. Board members present were Chair Pat McConathy, Tom Farley, Steven Titus, Scott Eriksen, Dan Turk, and Dan Gearheart. Others attending were Amy Parsons, Presidents Joe Garcia and Tony Frank. Chancellor Joe Blake, Frank Pierz, Rich Schweigert.

Chairman Haselden opened the meeting by asking Amy Parsons to update the committee regarding the Master Plan and the Solar Farm expansion.

Ms. Parsons told the Committee that an internal committee, chaired by Rick Miranda, was formed to facilitate the update of the Campus Master Plan, requested by the Board of Governors. At the instruction of the Board of Governors, outside consultants were engaged to assist the internal committee. The work, over the past year, of the committee and the firm of Eckbo, Dean, Austin & Williams has included:

- Incorporating new construction into the development of the Foothills Campus;
- Identifying future building sites for growth on the University's three main campuses;
- Refining landscape standards and features (e.g., building setbacks); and
- Creating strategies for green transportation across the Fort Collins campus.

In the coming week, the internal committee plans to present the updated Master Plan to students, staff, President Tony Frank and his cabinet, the Physical Development Committee, as well as city planners, with the goal of soliciting their input on the Plan. At the May Board meeting, Ms. Parsons will update the Real Estate Committee with the input received. **Chairman Ed Haselden asked Ms. Parsons to invite representatives of the consulting firm to present the overall Master Plan at the May meeting.**

There being no questions regarding the update of the Master Plan, Ms. Parsons reported to the Committee on the Solar Farm expansion. The Board of Governors, in 2008, approved the 20-year lease of 15 acres on the Foothills Campus to its partner, Renewable Ventures. The land is owned by the University; Renewable Ventures owns, operates, and maintains solar panels on the land, through its lease. (At the end of the 20-year lease period, the University has the option of buying the solar panels or having Renewable Ventures renew the panels, at no cost to the University.)

The Solar Farm opened in December 2009. The energy generated through this 2-megawatt solar power plant supplies approximately 10% of the total energy needs of the Foothills Campus. At the time the Solar Farm was opened, a 2-megawatt customer-sited system was the largest allowed by Xcel Energy. That limit has since

been expanded and Xcel Energy will allow the University to expand its power plant by an additional 3.3-megawatts. To support the additional 3.3 megawatts, an additional 14 acres of land is needed.

Ms. Parsons pointed out to the Committee the location of the additional 14 acres of land, adjacent to the existing Solar Farm, and said the land is not presently being used nor does the University have plans to build on the land. The topography of the additional land would accommodate solar panels on a fixed axis, whereas the existing solar panels at the Solar Farm tilt on their axes throughout the day. The difference in solar output between the two types of solar panels, side by side, presents interesting research opportunities. Ms. Parsons reported that other benefits to expanding the Solar Farm include:

- Power supplied at a fixed rate provides a shield against uncertainty in the market;
- With the additional 14 acres, CSU will have the second-largest solar array of any university in the country.

Ms. Parsons reviewed the expected savings over time, related to the proposed expansion of the Solar Farm. In Fiscal Year '12, the utility cost savings are \$51,000. In Year 20 of the 20-year lease, the estimated savings are \$722,000. With the complete, 5.3-megawatt system, at the end of the 20-year partnership, the University should realize an estimated total \$6 million in savings. That number could be significantly higher if a carbon tax, currently being considered by federal agencies, is passed.

Ms. Parsons asked the Committee to recommend the Board approve the lease of 14 additional acres to Renewable Ventures to accommodate the expansion of the existing solar power plant by 3.3 megawatts.

Governor Cosyleon moved that the Committee enter Executive Session; Governor Zimlich seconded the motion, which was unanimously approved.

The meeting concluded at 5:04 p.m.

**BOARD OF GOVERNORS OF THE
COLORADO STATE UNIVERSITY SYSTEM
FINANCE COMMITTEE MEETING MINUTES
FEBRUARY 22, 2010**

Committee Chairwoman Marguerite Salazar called the meeting to order at 12:33 p.m. Committee members attending were John Ikard, Joe Zimlich. Board members present were Chair Pat McConathy, Ed Haselden, Bonifacio Cosyleon, Tom Farley, Steven Titus, Scott Eriksen, Dan Turk, and Dan Gearheart. Others attending were Chancellor Joe Blake, Frank Pierz, Rich Schweigert, Presidents Joe Garcia and Tony Frank.

Chairwoman Salazar, joining the meeting by telephone, asked Governor Zimlich to co-chair this meeting. Governor Zimlich agreed, and introduced Rich Schweigert.

Mr. Schweigert listed the agenda items for the meeting, noting that the first item explores the possibility of financing new buildings, reviews the System's current debt capacity and the potential for expansion of it, presents an overview of bond issuance procedures, and lists potential new projects on the Fort Collins campus. The second agenda item is the adoption and update of the current debt policy, established in 2007.

Mr. Schweigert introduced System financial adviser, Stephanie Chichester, from North Slope, and Treasurer Bob Osika. Mr. Osika reported that as of February 1, 2010, CSU-System has approximately \$775 million of debt outstanding, with annual debt payments totaling approximately \$27 million. Prior to 2007, revenue pledged to cover bond payments came from one of the three main campuses. Since 2007, bonds have been issued under a system of revenue credits, with a mix of pledges. In order to consider the implications of issuing additional debt, Mr. Osika said, Ms. Chichester conducted a debt capacity analysis, including a projection of the effect of additional debt on the System's credit rating with the major rating agencies.

Ms. Chichester reported as to the System's current rating, which is A+A1, within the context of other educational institutions in the state, stating that the System's rating is the second-highest in the state. Ms. Chichester estimates that CSU-System could issue an additional \$250 to \$350 million in debt without a downgrade in its current rating.

Mr. Schweigert said that in evaluating projects for which additional debt would be issued, the funding source for the project has always been, and will continue to be, the primary consideration. President Garcia added that simply having additional debt capacity, or having a pressing need for a new facility, have never been the only criteria considered in evaluating projects. Mr. Schweigert pointed out that the Colorado State University-System Preliminary Project List is only a preliminary list of projects on the Fort Collins campus. The list is being presented to the Board for its consideration and feedback and, if approved, staff will move forward with getting internal approvals of the projects on the list. The listed projects represent

approximately \$141 million in additional debt. President Frank explained that the first eight projects on the list would be serviced through the student fee; the last two would be covered through revenues from auxiliary services. Total student fees, including the existing facility fee, for the academic year are currently \$1,496. They would increase by approximately 20%, or \$300.

President Frank said that evaluation of the System's level of debt capacity is the necessary first step, and that the next steps are, one, to determine whether and how the projects stack up relative to programmatic need, and, two, to ascertain the existence of cash flow, or a revenue source, to service the debt.

With regards to the second step of the process, President Frank referred to the Campus Physical Development Plan begun six years ago. His estimation is that around 80% of the projects on the Development Plan are complete. As customers become more sophisticated in their shopping across various campuses, having adequate facilities becomes critical to having a sustainable financial model and a critical element of quality initiatives as well. The list presented to the Committee today would bring completion of the Development Plan up to roughly the 90% mark, a significant step forward toward where the System said it would like to be six years ago. President Frank pointed out the benefits of undertaking construction now, and Governor Haselden confirmed that construction pricing has never in the last 15 years been as low as it is today. Interest rates continue to be at an historic low. \$30 million of the Recovery Zone Economic Development Volume Cap of the State can be utilized now, which would also help with interest rates.

In response to a question from Governor Zimlich, Mr. Schweigert stated that staff have considered the potential impacts of the state decreasing funding for higher education.

The financial model, for CSU-Fort Collins, includes a 9% increase for resident undergraduates, which is \$434 a year, and assumes 9% is the increase that will be suggested in the legislature's Long Appropriations Bill.

Mr. Schweigert introduced Agenda Item No. 2, three revisions to the debt policy and one revision of the derivative policy. The policies are unrelated to the financing discussed , but updating both policies may be helpful in that regard. Bob Osika stated that the committee is being to approve the revisions to the policies. The first revision expands the definition of credit enhancement to include liquidity facilities and self-funded liquidity, which would allow the System to provide self-funded liquidity out of its portfolios. The second revision requires that the System's debt capacity be estimated and presented to the Board no less than annually. The third revision provides specific annual ratios and establishes programmatic guidelines as to the methodology used to calculate debt capacity.

The revision to the derivative policy deletes the reference to failed option, under the definition of liquidity of marketing risk.

President Frank then presented the budget for CSU-Fort Collins, noting that the single largest New Expense proposed is in financial aid, most of it being need-based financial aid. The state has historically required 20% above tuition revenues to go back into need-based financial aid and this budget exceeds that. President Frank stated he was proud of staff's efforts, balancing the need to keep the institution accessible and affordable while maintaining a high level of quality. President Frank asked for the Committee's feedback on the proposed budget.

Governor Haselden encouraged the Chancellor and Presidents Frank and Garcia to craft a media discussion focusing on how the institution is staying committed to past and current obligations and to issues of access and affordability, while developing new initiatives, at the expense of cutting costs and at the expense of not raising salaries. Governess Makepeace suggested the bigger story may be all the tuition assistance programs.

President Garcia introduced Joanne Ballard, Vice President for Finance Administration. Ms. Ballard presented the budget for CSU-Pueblo, and pointed out that CSU-Pueblo is the lowest-cost university in the state. Non-resident tuition is 108% of non-resident tuition at peer institutions across the country. **Governor Farley asked Ms. Ballard to research how CSU-Pueblo's non-resident tuition compares with its competitors in Colorado.**

Jenna Langer presented an update on CSU-Global Campus.

Rich Schweigert reviewed the State budget and stated that figure-setting for Higher Education would be completed by the Joint Budget Committee the day following the Committee meeting.

Governor Haselden suggested that state funding will probably not approach the current estimates, **and requested Chancellor Blake to consider, in terms of strategic objectives and growth strategies, that it may actually be reduced substantially.** Rich Schweigert responded that staff have explored various plans for exactly such an eventuality.

Mr. Schweigert then reviewed Agenda Item No. 6, the second-quarter financials for all three campuses and the System office. **Governor Farley requested that Mr. Schweigert, in the future, indicate tuition, fees, and fees-for-service separately on financial statements.**

Governess Salazar moved that the updated debt and derivative policies be recommended to the Board of Governors; Governor Haselden seconded the motion, which was unanimously approved.

The meeting concluded at 3:05 p.m.

**BOARD OF GOVERNORS OF THE
COLORADO STATE UNIVERSITY SYSTEM
AUDIT COMMITTEE MEETING MINUTES
FEBRUARY 22, 2010**

Committee Chair Joe Zimlich called the meeting to order at 3:05 p.m. Committee members attending were Bonifacio Cosyleon, Tom Farley. Board members present were Chair Pat McConathy, Steven Titus, Dan Turk, and Dan Gearheart. Others attending were Allison Horn, Frank Pierz, Jenna Langer, Mike Nosler, Joanne Ballard, Chancellor Joe Blake.

Allison Horn presented the first agenda item, the annual meeting with the external auditors, BKB, and introduced Joann Bennett and Dennis Yackey from BKB. Ms. Bennett presented an overview of the external audit of CSU-Systems for Fiscal Year-End 2009, beginning with the financial statements. Ms. Bennett pointed out that the prior financial statements were re-stated as the result of reclassifying CSU's long-term disability plan as a Post-Employment Benefit. The prior Net Assets were, as a result, increased. Footnote No. 19 indicates the inclusion of the long-term disability plan in Post-Employment Benefits, and Footnote No. 26 indicates the restatement of the financial statements.

There were ten Recommendations for FY09, three dealing with the overall financial reporting process; three dealing with expenditures of federal awards; three dealing with the IT environment; and one dealing with state-funded student assistance programs. The first Recommendation reflected a material weakness in financial reporting. Governor Farley asked for clarification on the material weakness. Ms. Bennett explained this was due to a change of auditing standards in 2008, and that the long-term disability plan should have been identified as Post-Employment Benefits.

Allison Horn confirmed that Internal Auditing will review the Recommendations of the external auditors and ensure departments' compliance.

Ms. Horn presented the second agenda item, the 2009-2010 Audit Plan. The first report indicates that two of the accounts in the Graduate School Exempt Accounts show deficits, but the conclusion of Internal Audit is that the risks are being mitigated by the Associate Provost working with the Budget Office to manage those accounts. There were no recommendations.

The second report was a special review relating to a center in the College of Agricultural Sciences. A regularly scheduled audit is going on at the present time. No recommendations were made.

The third report was on the Student Recreation Center at CSU-Pueblo, in which several recommendations were made. Management agreed with those

recommendations; several actions have been completed and adequate target completion dates have been given for the others.

The fourth report addressed specific expenditures in functions handled jointly by CSU-Global Campus and the System Office. Management agreed with the recommendations made; several have been implemented already and others are scheduled. In one instance, management declined to change its process. Ms. Horn was comfortable, however, in the exit conference, that management was being responsive to the conditions noted.

The fifth report is the annual Athletics review. Ms. Horn said that the NCAA sets forth 15 compliance areas. This year, eligibility of student athletes, including initial eligibility, continuing eligibility, and transfer eligibility, was reviewed, and Internal Audit is confident that the department has processes in place that would identify any rules violations in those areas. Additionally, Internal Audit ensured that the Board has adequate oversight of the Athletics Department, in satisfaction of NCAA's requirements regarding Institutional Governance and Control. The men's basketball, track, and swimming sports camps were reviewed for efficient operation, and Internal Audit determined that administrative responsibility for those camps is adequate.

Ms. Horn reviewed the final report, on PCIDSS, the MasterCard/VISA payment card. The Compliance Team determined that CSU is in substantial compliance with the regulations, which, Ms. Horn said, are very complex, technology-oriented, and changing constantly.

Ms. Horn reported on the third agenda item, the status of open recommendations, stating that there are 19 in Fort Collins and 14 in Pueblo. Audits currently in progress are the College of Agricultural Sciences, Facility Services, the Colorado State Forest Service in Fort Collins, and Telecommunications in the IT Department.

Ms. Horn reported that the auditor in the Pueblo office tendered her resignation. Governor Farley stressed the importance of hiring a replacement, and Ms. Horn agreed the position should be filled and that related budget issues are being explored with the Chancellor. Governor Farley suggested the Committee should reconsider the source of auditors' salaries. **Chancellor Blake requested the opportunity to meet with Ms. Horn, now that she has returned from vacation, to discuss how to move forward, and stated that he would update Committee members before the May Board meeting.**

Ms. Horn stated that the financial statement audit required by NCAA was completed in Fort Collins, and that the same will need to be done for Pueblo next year.

Ms. Horn reported that she's been asked to lead the Quality Assurance Review Team at UT-Austin in April.

The meeting was concluded at 3:51 p.m.

**BOARD OF GOVERNORS OF THE
COLORADO STATE UNIVERSITY SYSTEM
MINUTES OF THE REGULAR BOARD MEETING
FEBRUARY 23, 2010**

Chairman Pat McConathy called the meeting to order at 8:09 a.m., swearing in the new and renewing Board members, Mary Lou Makepeace, Scott Johnson, and Ed Haselden. General Counsel swore in the three members.

Chairman McConathy asked for **Public Comment**.

Brady Allen, a senior in History at CSU-Fort Collins, addressed the Board concerning the proposed conceal-carry policy, stating that at best, crime on campus would be lowered by less than one-half of one percent. At worst, the crime rate at CSU would correspond to that at colleges with policies similar to the one being considered, such as CU-Boulder which immediately banned concealed-carry after the state law was changed in 2003. Mr. Allen stated that CU-Boulder is a perfect comparison for CSU because, while CU-Boulder is 20% larger, the student demographics are identical. Since 2003, CU-Boulder has had 47% more violent crimes than CSU.

Mr. Allen summarized his argument, stating that the risk is not with the conceal-carry holders; the risk is illegal firearms and criminals who are already going to commit crimes on a campus, and that the policy will work, because it may result in an increase in violent crime at CSU.

Chairman McConathy thanked Mr. Allen and called on Cooper Anderson. Mr. Anderson stated he is a junior in Business, Political Science major on the Fort Collins campus. He is a co-author of the student resolution defending conceal-carry on campus. Mr. Anderson's main concern is with the exemption process for students. Survivors of sexual assault, as well as individuals who experienced the murder of a classmate in a high school shooting said that they did not feel safe and they wanted to provide for their own safety. Mr. Anderson said that the draft policy does not allow them to make a case to the Chief of Police for an exemption, and asked that that be taken into consideration in any weapons policy. Chairman McConathy asked if Mr. Anderson's suggestion was that the policy at least allow for someone to present a request for an exemption, to which Mr. Anderson responded that it was. Chairman McConathy thanked Mr. Anderson and called on Brad Dietz.

Mr. Dietz stated that he is a 1983 graduate of the College of Engineering, Department of Electrical Engineering. His son graduated last May from the College of Business, and his daughter currently attends an Equine Science program. Mr. Dietz said he believes this institution is an outstanding university and, being a board member himself at one time, he can appreciate the challenges that the Board faces every day.

Addressing the draft of the weapons control policy, Mr. Dietz said that the Board quoted a line out of Colorado Revised Statutes relating to the authority granted to the Board to provide for the safety and the welfare of students, employees, and property. Mr. Dietz stated that, in making policies, all the laws must be followed all the time, Therefore an additional statute, CRS 18-12-214, must be incorporated into the policy, to except permit holders. Mr. Dietz suggested that the current permit holders on campus could register with the CSU PD. If the permit holder has very bad conduct on campus that the issuing sheriff of the permit may not know about, CSU PD could make a phone call to let the sheriff know. The sheriff would not want to have issued a permit to somebody who has been misbehaving on campus.

Chairman McConathy asked Mr. Dietz what the second option is. Mr. Dietz suggested that it would be to table the draft policy review as it is now because it isn't compliant with state law and then add an exemption in the policy that restricts Colorado State University campuses, much like elementary and secondary schools are excluded under state laws right now.

Mr. Dietz summarized these are the two things he could see that would make the policy work as it is now, to avoid lawsuits and preserve resources. He encouraged Governess Salazar, in her position as Treasurer, to inquire of General Counsel what the cost to the state would be of defending this policy.

Chairman McConathy asked if there were any questions. Mr. Dietz thanked the Board. Chairman McConathy thanked Mr. Dietz and called on Andy Shang. Mr. Shang stated he is a senior Electrical Engineering major at CSU-Fort Collins. He said that he supports concealed-carry on campus, but at the same time, wanted to keep an open mind towards the view of the Board on how to keep our campus safe. Mr. Shang said that he wanted to express his view and the view of many of the people that he represents, through Student Government, at CSU, to allow conceal-carry in general and not just, as the current policy states, in cases of special need. Chairman McConathy thanked Mr. Dietz.

Chairman McConathy moved on to the Board Chair's Agenda, asking for a motion confirming the appointment of Joe Zimlich to serve on the Executive Committee, to which Governess Salazar responded with a motion, seconded by Governor Farley, and unanimously approved by the Board.

Chairman McConathy requested a motion appointing Governess Makepeace to serve on the Audit Committee, and appointing Governor Farley Chair of the Audit Committee, to which Governor Haselden responded with a motion, seconded by Governor Zimlich, and unanimously approved by the Board.

Chairman McConathy asked for a motion appointing Scott Johnson to serve on the Finance Committee, to which Tom Farley responded with a motion, seconded by Governess Salazar, and unanimously approved by the Board.

Chairman McConathy asked for a motion to form the Academic and Student Affairs Committee, appointing Joe Zimlich and John Ikard as co-chairs, with Scott Johnson Tom Farley, and Mary Lou Makepeace serving as members of that committee. Governor Farley responded with a motion, seconded by Joe Zimlich, and unanimously approved by the Board.

Chairman McConathy asked Frank Pierz, as Executive Secretary to the Board, to formally develop the charge for this committee and bring that charge forward at the May meeting for ratification.

Chairman McConathy reported that Frank Pierz is retiring in the fall. The Chair has asked the Executive Committee to act as a search committee.

The Chair then requested that all Board materials be funneled through the Executive Secretary to the Board, the goal being to limit to zero handouts at the meetings.

Chairman McConathy requested a motion to move into Executive Session. Governor Haselden responded with a motion, seconded by Governess Salazar, and unanimously approved by the Board. General Counsel read into the record the reason for the Executive Session:

The Governors went into **Executive Session**, with the meeting reconvening in **Public Session**.

Chairman McConathy moved forward to the **Consent Agenda**, asking for a motion to approve. Governor Zimlich moved, with a second by Governess Salazar. The motion was unanimously approved by the board, and thereby approved the hiring of Amy Parsons as Vice President for University Operations, and Dr. Rich Miranda as the Provost and Executive Vice President.

Chairman McConathy moved to **Student and Faculty Reports**, asking **Student Representative Dan Gearhart** to begin with his report from **CSU-Ft. Collins**:

Mr. Gearheart provided updates on the following:

- Two \$500 green grants established through ASCSU
- Improvement of the RamRide program
- CSU-Fort Collins had the largest turnout in the state at the Higher Ed Rally

Mr. Gearheart commended the Board on House Bill 1206, and also urged the Board to carefully weigh pros and cons with regard to the facility fee increase.

Mr. Gearhart then concluded and advised his full report is in the board book.

Chairman McConathy then called on **CSU-Pueblo Student Representative, Steve Titus**, who began by thanking the Board. He then reported on the following:

- Student sentiment regarding the conceal-carry weapon policy.
- The Student Senate issued a vote of “no confidence” in Campus Technology.
- The Student Review Governing Board has announced an application process.
- On March 3, Associated Students of Colorado is holding its annual rally on the west steps of the Capitol
- The Distinguished Speakers Series
- The Student Leadership Retreat was held at Estes Park

Governess Salazar inquired as to the time of the rally, which Mr. Titus said would be 12:30. Governor Farley inquired as to the reasons for the vote of “no confidence” in Campus Technology. Mr. Titus responded that more than 75% of campus faculty use Blackboard, the campus management system, and there were five outages over a three-day period of time, during which students’ work to that point was completely lost. Student e-mail accounts have had similar outages. Servers for the course registration system are very slow, and customer service in IT was lacking.

Chairman McConathy thanked Mr. Titus, and then called on **CSU-Ft. Collins Faculty Representative, Mr. Dan Turk**, who advised the Board that his full report is included in the board book, and provided the following highlights:

- the faculty discussed binding arbitration and decided not to proceed with it.
- the faculty were pleased to be part of the open process associated with hiring the new Provost, and faculty looks forward to having Mr. Miranda as permanent Provost.
- updates to the Faculty Manual will be brought to the Board in May or June, including language added addressing behavior in consensual relationships between faculty and students, or staff members in supervisory positions over another; and clarification of conflict-of-interest reporting forms;
- an advisory committee to Faculty Council was formed to create a formal structure for giving input into decisions faculty would like made.

Mr. Turk stated that faculty are working with Jenna Langer and Becky Takeda-Tinker at the Global Campus, on academic standards for the MS programs.

Chairman McConathy then called on **CSU-Pueblo Faculty Representative, Mr. Scott Eriksen**, asking him to present the Faculty Report. Mr. Eriksen advised that the Board has his full report, and advised that language was added to the Faculty Handbook regarding academic freedom. The Board should receive, before the next meeting, the Faculty Disciplinary Action. Governor Farley stressed the importance of receiving materials several days ahead of meetings, to afford Board members ample time for review before being asked to make decisions.

Chairman McConathy then moved to the **Chancellor’s Report**. Chancellor Blake provided updates on the following topics:

Action steps and metrics are being developed for the System Strategic Plan, by Presidents Frank and Garcia, Steven Porch and the chancellor.

The mission, values, vision, and goals will be posted via website for stakeholder comment. Town meetings will be held to gather comments and feedback, and the final Strategic Plan will be recommended to the Board for approval at the May Board meeting.

A System Office Functional Review is being conducted with the help of an outside consultant, a former chancellor of Syracuse University.

Staff and the chancellor have been meeting weekly with Mike Feeley and Jason Dunn who were selected as lobbyists, and will continue meeting until May 12 when the General Assembly adjourns. Chancellor Blake reported the lobbyists' performance is exceptionally good and that communication with them is facilitated by their being in the same office building as the System Office.

The Governor two weeks ago announced the appointment of the Governor's Higher Education Strategic Planning group, and the Chancellor's Office follows their activities closely. There are four subcommittees of that group, Sustainability, Mission, Access, and Pipeline. Pipeline is following up on the work that the Colorado P20 Commission undertook a year ago. President Garcia was one of the co-chairs of that P20 Commission, and Chancellor Blake thanked President Garcia for his work on the subcommittee as a representative of the System Office.

An overview of the State budget was given in the meeting of Finance Committee, and the Joint Budget Committee will issue its figure-setting for Higher Education today. The next revenue forecast for the State will be available with preparation of the Long Bill, expected around March 20, which will be the basis on which the JBC and General Assembly will move forward with regard to both the current and the coming fiscal year.

Presidents Garcia and Frank, Chancellor Blake, and Bill Farland traveled to Washington to meet with members of the congressional delegation, to talk about special funding opportunities in various appropriations bills. Chancellor Blake commended Mr. Farland for his work, and said he believes that members of the delegation were very pleased with how the group presented their material in such a unified way.

The Chancellor, the Presidents, and others in Foundations, the Engineering School, and the Business School have been working to facilitate donor opportunities for Pueblo, Global Campus, and Fort Collins.

Chancellor Blake thanked Governor Zimlich for his work with regard to Job Descriptions and the Roles and Responsibilities of the Board, the Chancellor, and the Presidents, and asked for approval of those.

A motion approving the Job Descriptions and the Roles and Responsibility of the Board, the Chancellor, and the Presidents, was made by Governor Zimlich, seconded by Governess Salazar, and unanimously approved by the Board.

Chancellor Blake recommended that the Board accept the weapons policy recommended by the System and by the Fort Collins, Pueblo, and Global Campuses, and asked that the Presidents, the CEO, and the Chancellor implement those respective weapons control policies on or before August 1, 2010. General Counsel said the issue would be returned to under the System's Reports.

Chairman McConathy then moved on to **System Reports**, asking **CFO Rich Schweigert** to provide the Board with a financial update. Mr. Schweigert provided the following highlights after advising the board that the Finance Committee met the day before:

- The combined State budget shortfall to date is almost \$2.2 billion. The Governor not only made a round of cuts for FY09, he also recommended cuts for the current fiscal year. There is some concern, as Chancellor Blake notes, the March forecast will show that shortfall growing even larger, and at that point it would force more reductions as the General Assembly goes into figure-setting. Mr. Schweigert said he would keep the Board updated on developments on figure-setting.
- In the last round of reductions introduced in January, there were not additional reductions recommended for Higher Education. The recommendation thus far is that of the \$2.2 billion shortfall, \$382 million come out of Higher Education. To date, the legislature has backfilled that with federal Stimulus funds which, for K-12 and Higher Ed, is about \$650 million. So, going into Fiscal Year '11, those federal Stimulus funds begin to be depleted, and without an additional infusion, Higher Education then has to take an actual cut in Fiscal Year '11. As discussed in the Finance Committee, staff have been planning accordingly for those reductions, in terms of actual reductions on the campuses.
- CSU-System currently receives, with the federal backfill money, about \$146 million of state support. That figure will drop to about \$130 million next year, and then in 2012 it will drop to about \$113 million, and will hopefully stabilize. As discussed in the Finance Committee meeting yesterday, in order for that to occur, the state has to restore \$555 million in Higher Ed funding for this coming fiscal year; they're required to do that under federal regulations in accepting the Stimulus money, but in 2012 those regulations don't apply. A representative of the Financial Sustainability Subcommittee of the Strategic Planning Committee of CCHE has said he believes the \$555 million will be reduced by approximately \$95 million in Fiscal Year 2012. Mr. Schweigert will continue to monitor activities of the committee.

Chairman McConathy asked if there were questions of Mr. Schweigert. There being none, the Chair asked General Counsel to read the resolution on the weapons control policy. General Counsel read the following resolution into the record:

Matter for Action before the Board of Governors of the Colorado State University-System. Recommended Action: Pursuant to Resolution dated December 4, 2009, the Board of Governors determined that the campuses of Colorado State University-System should be subject to weapons control policies. The Board of Governors directed the Presidents and Chief Executive Officer of the institutions to recommend appropriate weapons control policies at their respective campuses, subject to approval by the Board. The Presidents, the CEO, and the Chancellor have submitted their recommended weapons policies and the Board has reviewed these policies and concurs with the Presidents', the CEO's, and the Chancellor's recommendations. And therefore, it is moved that the Board accepts the weapons policies recommended by the Chancellor, the President of Colorado State University, President of the Colorado State University-Pueblo, and the CEO of Colorado State University-Global Campus, and directs that the Presidents, CEO, and the Chancellor implement their respective weapons control policies on or before August 1, 2010.

Governess Salazar moved adoption of the weapons control policy, seconded by Governor Zimlich, and unanimously approved by the Board.

Chairman McConathy asked for questions or comments and seeing none, moved on to the **Presidents Reports and Campus Updates**, starting with **CSU-Pueblo President Joe Garcia**. President Garcia advised the Board that his report had been submitted (full report is posted under Board Materials – 02/23/10 -- at <http://csusystem.edu/pages/schedule.asp>) and provided the following highlights:

- Dana Perino, a CSU-Pueblo alumni, who was the Press Secretary for President George Bush, was recognized as one of Denver's 50 Most Influential Individuals in a recent issue of 5280 Magazine. Ms. Perino made a presentation in Pueblo last weekend, speaking very positively of her experience at CSU-Pueblo.
- CSU-Pueblo's new Director of Development, Julie Rodriguez, has been selected to the National Hispanic Research Institute Executive Leadership Program. Only a very few people are selected nationally for this each year.
- President Garcia welcomed the Board to the Nita and Eddie Groves Thunder Bowl, which was constructed after the Board came out in support of returning football and two other athletic programs to CSU-Pueblo. Mr. Garcia thanked the Board for their support, noting that there has been a dramatic transformation and significant enrollment growth at the University.
- The CSU-Pueblo ThunderWolves went to Chadron, Nebraska, and came out with a victory, 28-17 over Chadron, moving CSU-Pueblo, after only two years in the League, into the very top tier in the Rocky Mountain Athletic Conference.

President Garcia stated he's very proud of the transformation at CSU-Pueblo and proud that its athletes are also performing well in the classroom.

Governor Farley asked about the workbook study. Russ Meyer stated that he and Mike Farley have been working together on the study. President Garcia explained to the Board that Governor Farley had requested a document related to the Faculty Handbook, which defines the typical full-time faculty workload as 12 credit hours teaching, each semester. The report would indicate how many faculty are actually teaching that many hours, the average, improvements being made, and if the same number of courses could be taught with fewer faculty. Governor Haselden stated that, because the matter relates to tuition and faculty workload, he believes it should be taken up by the entire Board of Governors, and that both the Pueblo and the Fort Collins campuses be reviewed, with oversight by the Chancellor. Governor Haselden cautioned Board members to follow proper protocol and to include the entire Board in the future. Governor Haselden requested that President Garcia follow up on the study and provide it to the Board at its next meeting, and asked President Frank if that was too soon.

President Frank responded that a timeline was previously established that had not yet expired, and that the university is working with an independent consulting group to establish teaching loads at comparable peer institutions and research institutions. Rick Miranda and President Frank have worked with Faculty Council and the Council of Deans to include, on the annual evaluation form that each faculty goes through, a questionnaire that collects the data in a way that will allow the Board to see how the teaching loads at CSU stack up, by discipline, to similar institutions. The faculty annual evaluations are usually received at the end of April, so President Frank expects his report to be ready at the June meeting, in keeping with where the matter was left in the last discussion.

President Garcia said that CSU-Pueblo is the first university or college in the state to offer, free of charge, an iPhone app that allows you to find out about courses offered at CSU-Pueblo, to find a faculty member's phone number, or follow what's going on in Athletics. The app offers maps of the campus, and photos of the entire campus. Books in the library can be reserved through the app. President Garcia stated that the idea for the app came from Mr. Titus and the students.

Russ Meyer provided the following highlights of his report:

- CSU-Pueblo has very specific research and artistic creation requirements for its faculty, to get tenure and to get promotions. CSU-Pueblo's faculty produce between 50 and 60 articles, and eight to ten conference proceedings each year. One member of the faculty is conductor of the local symphony, and has produced all over the world. One of the art faculty has some of his artistic work, in stone and water, in Fort Collins, in Tokyo, and in Minneapolis, and is a very well known artist. CSU-Pueblo also hosts an annual conference of the Society of Interdisciplinary Studies Social Imagery, at which many CSU-Pueblo students present. Participants have come from as far away as, for example, Taiwan. It gives students the opportunity to meet with people who are very active in their professions.

- Until three years ago, there was no source of internal funding to support faculty in development and research. At that time, \$25,000 was set aside for faculty/staff development, which ran out very quickly. In 2008-09, the University collected \$60,000 from CSU-Global for helping develop some of their courses; there were 48 applicants for that \$60,000. The following year, there were applications totaling \$75,000 for the same amount of \$60,000. As CSU-Global continues to grow, Academic Affairs will receive 20% of the funding coming from tuition at Global Campus, up to \$100,000 yearly, for faculty development. Mr. Meyer reminded the Board that the faculty allow these things to happen, and Mr. Meyer and his staff are trying to get money back to the faculty to help with their research activities.
- Mr. Meyer said that about 76% of all the University's research funds come from the federal government; and less than 1% comes from the state. The funds are expended primarily on improving student success, and about 15 to 16% are expended for traditional lab/library research.
- Mr. Meyer reported the University has received grants from the federal government for improving the teaching of traditional history, and significant funding from the local school districts, both Pueblo City Schools and School District 70. The money comes into the school system, the school system then buys services from the University and pays for History teachers to enroll in graduate programs. Mr. Meyer said this program has worked very well for the University and for the community.
- Funding is spent, Mr. Meyer said, primarily on improving student success in K-12 education and access to health care. Additionally, students and faculty work on their research in the watershed areas around the Lower Arkansas Valley Water Quality Project to determine how those can be improved.
- Mr. Meyer listed a number of student-faculty partnerships at CSU-Pueblo, at which students present their research, including the Science and Math Student Research Symposium; Psychology Research Day; History Day, which affords students and faculty the opportunity to show middle- and high-school students the benefits of attending CSU-Pueblo; and the College of Humanities and Social Sciences Student Conference.

Mr. Meyer thanked the Board.

DenaSue Potestio presented the following highlights of her report:

- The Neta and Eddie DeRose ThunderBowl, was funded with private gifts, primarily from alumni
- The alumni association's main goal is to build CSU-Pueblo's reputation
- There have been five institutional name changes, starting with, in 1933 when the institution was the Southern Colorado Junior College, and many of the school's older alumni don't relate to the CSU-Pueblo brand; so this is something Ms. Potestio and staff are paying particular attention to, to draw those alumni back into the University

- The Friends of Football, who have been tremendous advocates for CSU-Pueblo, have gifted \$11 million, and will be partners with the University in the silent phase of the Capital Campaign, doing the Fiscal Kickoff.
- There are over 24,000 alumni in Colorado, and concentrations of alumni in other areas including Seattle, Washington, California, Texas, and Arizona, which are all areas of focus.
- CSU-Pueblo's Alumni Office, in contrast to Fort Collins' Alumni Office, is just one person.
- CSU-Pueblo has over 30,000 alumni. Some alumni of note are former Congressman Ray Kogosek; Sandra Madrid, one of the few Hispanic law deans in the country; and Dana Perino, mentioned earlier by President Garcia.
- Moving forward, Ms. Potestio said the Alumni Association wants to provide alumni the opportunity to network, to participate, to continue their education, and to give back through a variety of opportunities
- Of the \$1.4 million received last year in private gifts, only 11% was from alumni
- Ms. Potestio stated four primary goals, including increasing alumni giving rates through very targeted interactions with alumni, a large number of whom are in Pueblo and southern Colorado; developing a large volunteer base to help achieve the goals of the Alumni Office; implementing a Spirit and Engagement Campaign, part of which are the license plates the Board saw at the last meeting; and refining alumni data. The Alumni Office has contracted with Harris Connect to produce a new alumni directory to enable better communication.

Governess Salazar asked if there have been mascot changes, along with changes in the name of the institution. Ms. Potestio said there have been; the mascot was originally the Indians; today it is the ThunderWolves, adding that the mascot also seems to be close to alumni's hearts. Ms. Potestio concluded her presentation and thanked the Board.

General Counsel stated there is a matter for action. Governor Farley moved that the Board of Governors of Colorado State University-System approve the naming request related to the Foreign Language Lab in the Psychology Building on the Colorado State University-Pueblo Campus. Governess Salazar seconded the motion, which was unanimously approved by the Board.

President Garcia stated there are two other items requiring Board approval and asked Mr. Meyers to present them. Mr. Meyers reported that the first item concerns a change in the Master of Science degree in Applied Natural Sciences. At the time of its institution, the Department of Higher Education's main concern was that programs not be duplicated within the state. Employers have difficulty understanding what kind of degree CSU-Pueblo's graduates in the MS-ANS program have. Mr. Meyers explained that separating the single degree into its three constituent parts -- Master of Science in Biology, Master of Science in Chemistry, and a Master of Science in Biochemistry –

would help attract students from outside the Pueblo area since the MS-ANS degree is not one that employers elsewhere understand.

Governor Farley moved that the MS-ANS degree be separated into the Master of Science in Biology degree, Master of Science in Chemistry degree, and a Master of Science in Biochemistry degree. Governess Salazar seconded the motion, which was unanimously approved by the Board.

In response to a question from Governor Haselden, Mr. Meyer stated that the institution has been requested, for many years, by people in the construction industries in southern Colorado, to offer a Construction Management degree. CSU-Fort Collins offers one and the program is oversubscribed; there is a need for another program within southern Colorado. The Colorado Department of Labor has listed construction management as No. 6 in the top 50 job prospects in over the next decade. The Construction Management program would be built into CSU-Pueblo's existing Civil Engineering Technology program. A new faculty member will be needed to get the program under way, and if the program's growth meets expectations, a second faculty member will be needed almost immediately which will be paid for, Mr. Meyer pointed out, by the growth itself. Mr. Meyer offered that the Dean of Engineering Education and Professional Studies and the Chair of the Engineering Department were present to answer questions of the Board.

Governor Haselden reminded the Board that one of its Strategic Goals is to build the institutions' presence in the State and to avoid duplication of programs. Governor Cosyleon confirmed that the program is much needed in southern Colorado. Governess Salazar pointed out that offering the program at both Fort Collins and at Pueblo complements both programs. Governor Cosyleon added that if CSU-Pueblo weren't to offer the program, a competing institution probably would. Mr. Meyers stated that the issue of duplication was one for the Student Academic Affairs Committee. Chairman McConathy asked if there were further questions, and hearing none, asked for a motion. Governess Makepeace moved that the Construction Management degree program be added at CSU-Pueblo, which was seconded by Governor Zimlich and unanimously approved by the Board.

Chairman McConathy then asked for the **President's Report and Campus Report** from **CSU-Ft. Collins**. **President Tony Frank** advised the Board that his full report had been submitted (full report is posted under Board Materials – 2/23/10 at <http://csusystem.edu/pages/schedule.asp>) and provided the following highlights:

- CSU-Fort Collins celebrated its first-ever Founders Day Celebration, celebrating 140 years since the creation of Colorado State University. President Frank thanked staff at the System Office and on all three campuses, for helping make the celebration such a success, both at the Capitol and on the CSU-Fort Collins campus.
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- Prieto Battery, the first startup company to be spun out of Cenergy (the not-for-profit technology transfer and business development arm of the Clean and Renewable Energy Supercluster established a year ago) has been established. President Frank believes the company holds great promise for stimulating the economy through the research engine at the University.
- Chancellor Blake, both Presidents, Provost Miranda, and Vice Presidents Farland and Brown are integrating nonresident recruiting trips with donor events in major market areas. To date, resident undergraduate admissions appear to be up by around 100 new freshmen, and transfers are up, in the 50-to-over-100 range.
- Bill Farland, Vice President for Research, presented his annual report on CSU-Fort Collins Research and Discovery Activities, stating that the vitality of CSU's Research and Discovery is essential from a fiscal and a programmatic point of view. Governor Salazar inquired how frequently organizations ask the University to partner with them. Mr. Farland responded that it is occurring more than ever before, mainly as the result of the Supercluster approach, and that a number of biomedical companies and clean energy companies have asked researchers at the University to partner with them.
- Governor Cosyleon asked about the role of Extension, and Mr. Farland responded that he works closely with Lou Swanson, taking the products of the University's research out into Extension areas for application, and especially noted that clean energy is an area of focus in the rural communities.
- President Frank commended the Board for supporting the University's research activity, especially in the present climate of budget tightening.

(A break was taken.)

President Frank introduced Brett Anderson, Vice President for Advancement, who highlighted the following relative to The Campaign and the importance of the Denver Initiative:

- The goal of The Campaign is \$500 million; with 28 months left to go, a total of \$320 million has been raised and received
- Denver is the economic, political, social hub for the entire region; more than 43,000 CSU alumni live in the Denver metro area; success of the Denver Initiative is critical to the success of The Campaign
- Mr. Anderson congratulated CSU's Public Relations and Marketing team for doing a great job of getting the message out, that CSU is the Green University. Media attention is up and there's more momentum in Denver than in the past. Mr. Anderson said that if CSU doesn't complete some initiatives now, its competitors are poised to act. He gave as an example, the budget cuts a year ago that prompted CSU to pull its ads at DIA. Representatives of DIA reported that within 30 minutes of CSU terminating its advertising contract, CU signed up for every advertising spot vacated, and more.
- CSU is No. 1 in Top of Mind Awareness in 58 of 64 counties in Colorado. The six counties in which it is in a distant second place, behind CU, are those comprising the Denver metro area.

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- The Denver Initiative, Mr. Anderson said, will not come at the cost of everything else the institution is trying to accomplish within the state, but rather is an incremental part of it. The pool of possible donors in the Denver metro area is staggering, but the institution has not yet successfully connected with it.
- Mr. Anderson said that Brad Bohlander and his team have done a phenomenal job in attracting media attention, actually moving CSU slightly ahead of CU in number of times mentioned.
- CSU's competitors have been better at attracting visitors who don't have an affiliation to any university, and this is a key population that CSU wants to target

Mr. Anderson reviewed the financial side of the plan:

- Over a three-year period, the entire plan results in about a \$3.5 million investment. What we committed to was a return on investment of at least \$20 million. So, we've got about a 600% return on investment.
- The funding, in full disclosure, comes from one-time bond proceeds. The bond proceeds aren't going completely to the Denver Initiative, but a key component of that is the Denver Initiative.

Mr. Anderson brought the Board's attention to office space and the importance of having visibility in Denver. CSU's presence right now is on the 24th and the 14th floor of a building and its sign is basically in the alley. CSU's lease for that space is up at the end of June, and it is moving its Denver offices to a new location, at a lower price, that affords it first-floor space in downtown Denver. The building is allowing a 20-foot sign for Colorado State University to be placed on each side of the building, giving CSU visibility. There will be a small version of the CSU Bookstore, with CSU gear for sale.

Mr. Anderson reviewed results thus far, and asked if there were questions. Chairman McConathy asked how the plan relates to Pueblo. Mr. Anderson responded that when there's a Fort Collins event that could benefit the System, Denver Initiative funds have been applied. He gave as an example the Legislative Reception. President Frank added that the office and conference facilities that will become available in the new office space in Denver is certainly available to President Garcia and his colleagues whenever they're in Denver, and that recruiting materials for both CSU-Pueblo and CSU-Global Campus can be made available in the new bookstore. President Frank mentioned the efficiencies that would be gained from having a critical mass of people who are cross-trained and co-located, with the Executive MBA program and the Denver DCE operation.

Governess Salazar asked if the plan is to move other offices as well. President Frank said that is the goal, because the Executive MBA program currently shares the 24th floor with the System Office, and the DCE operation and others associated with Denver occupy space on the 14th floor, so the new space is substantially cheaper, by about 35%, per square foot than the current space, and it has better visibility and a better location. The decision hasn't been made whether to keep the space on the 24th floor. Chancellor

Blake added that there isn't a time constraint, as staff are attempting to extend the lease until the end of the year.

Currently the System Office and the Executive MBA will stay on the 24th floor.

Governor Ikard remarked that the Denver Initiative is only going to be successful if leadership at the top is great, and stated that he has worked with Brett Anderson on several other venture and believes Mr. Anderson is a great leader and the institution is very fortunate to have him.

Governess Makepeace inquired as to the address of the new space; President Frank answered that the lease hasn't yet been executed.

Governess Makepeace inquired, with regards to fundraising, whether there is a board policy regarding giving. Chairman McConathy said he plans to address that at the main meeting, and hopes to have full Board participation in giving. Mr. Anderson echoed that it would certainly help to be able to say to a potential donor that the board has bought into the institution.

Governor Cosyleon asked if a lease purchase is contemplated in the new office space, and whether the Ram and the Thunderbolt will be on the signage outside the building. Mr. Anderson responded that they're working with building management to understand the limitations on signage.

Chancellor Blake echoed Governor Ikard's sentiments regarding Mr. Anderson's abilities. He mentioned that, on behalf of all three campuses, the CSU Advocates have reached out to a hundred thousand people by e-mail, with the goal of connecting electronically with alumni, friends, and donors. As an example, Chancellor Blake stated that, following Dr. Frank's presentation on the budget yesterday, Michelle and Rich are working on a message to say, This is what the System is already doing on its budget. **Chancellor Blake asked Mr. Anderson and Michelle McKinney to e-mail the Board specifically, asking them to join the CSU Advocate program.**

Brett Anderson introduced Pauline Meyer, Executive Director of the Fort Collins Alumni Association. Ms. Meyer presented an overview of the Alumni Association.

Chairman McConathy then asked for the report from Governor Ikard with regard to his special assignment reviewing Global Campus. Governor Ikard referred to a memo going back to 2006 and 2007. In 2007, the Board approved the \$12 million investment in Global.

Governor Ikard stated that, in retrospect, the projections for Global Campus were probably too optimistic. Governor Ikard thanked Chancellor Blake, Presidents Garcia and Frank, Mike Nosler, Jenna Langer, Rich Schweigert, the Outreach Program, the faculty and advisers.

There had been some turf battles between various factions, and Governor Ikard stated that perhaps the biggest accomplishment in the last year was getting everyone on board heading in the same direction. Governor Ikard feels the people involved in Global Campus actually are doing what's best for CSU.

The next step for Global Campus is to hire a permanent leader, someone with vision and operational ability. Governor Ikard again thanked Jenna Langer and Rich Schweigert for their work in bringing the campus to the next step. The process was started and the position has been posted, but before going too far, Governor Ikard wanted to make sure the Board of Governors was comfortable and on board so that when a candidate asks whether the Board of Governors is behind this project, Governor Ikard can look them in the face and tell them the Board is behind them 100%.

Governor Ikard believes the campus will at least break even this fiscal year, hopefully starting the repayment of its loans in a couple years and generating a good income stream.

Chairman McConathy asked what risks Governor Ikard sees remaining. Governor Ikard said that, going in, he was somewhat skeptical, he felt that the initial \$12 million investment in Global Campus could perhaps have been taken and invested elsewhere. He believes that the major hurdles -- the relationships between faculty members, the various schools, and the various stakeholders -- are past. Governor Ikard complimented Mike Nosler and Chancellor Blake for their handling of the relationship issues, stating that if progress had not moved past that hurdle, Governor Ikard would not have been in support of this project. Governess Salazar recalled that a search had been begun, and asked whether those applicants will remain in the pool of candidates. Governor Ikard responded that they will be considered the core of the group of applicants and will absolutely be considered. Based on the quality of applicants so far, Governor Ikard feels very good about the process. He apologized for not coming to the Board for an update before going out and soliciting resumes. Dan Turk added that the collaboration has been working, he's worked more with Becky Takeda-Tinker than with Ms. Langer, but faculty feels their concerns have been addressed and are satisfied with where the process is leading. Governor Ikard stated his appreciation of people putting aside their differences in an effort to create a better whole. Mr. Turk said that faculty believes it's important for Global Campus's master's programs to be at the same level as their campus's master's degree program.

Chairman McConathy thanked Governor Ikard for his support, and asked for a motion to proceed with the search and to finish this phase at Global Campus.

Governor Cosyleon responded with a motion. Governor Haselden added that the Board should not only authorize the search, but authorize the search with the intent of making the hire. Chairman McConathy answered that the job is the chancellor's and that Chancellor Blake should form the search committee. Governor Ikard clarified that the search committee is already formed.

Governor Cosyleon retracted his motion.

Dan Gearheart asked if the committee includes a student, and indicated that that he would like to serve on the committee. Governor Ikard welcomed Mr. Gearheart to the committee.

Chairman McConathy asked for a motion, and Governor Cosyleon again made the motion with the correction added. Governor Haselden seconded the motion, which was unanimously approved by the Board.

Chairman McConathy asked President Frank to complete his presentation. President Frank introduced Lee Sommers, Director of the Ag Experiment Station. The Ag Experiment Station contributes many tangible and intangible benefits to the state; the economic benefit of its programs total about \$72 million a year.

President Frank introduced Jeff Jahnke, Director of the Colorado State Forest Service and the State Forester for Colorado, who presented his report on the Colorado State Forest Service, an outreach and service agency of the Warner College of Natural Resources at Colorado State University-Fort Collins.

Chairman McConathy asked General Counsel to proceed with the action items. General Counsel requested approval of the naming for the South Campus, for recognition of extraordinary service by key individuals in the College of Veterinary Medicine and Biomedical Sciences, and Governess Makepeace responded with a motion, seconded by Governor Zimlich, and unanimously approved by the Board.

General Counsel requested that the Board of Governors approve the acceptance of gifts in naming, in recognition of gifts relating to the 2010 Conference Room in the College of Business. Governor Zimlich responded with a motion, seconded by Governess Salazar, and unanimously approved by the Board.

General Counsel requested approval of gifts and naming, in recognition of gifts relating to the Indoor Practice Facility Lobby. Governess Salazar responded with a motion, seconded by Governor Zimlich, and unanimously approved by the Board.

General Counsel requested approval of the acceptance of gifts and naming in recognition of gifts relating to the Anderson Academic Center Lobby in the Department of Athletics. Governor Zimlich responded with a motion, seconded by Governess Salazar, and unanimously approved by the Board.

General Counsel requested approval of the awarding of the posthumous degree presented to a candidate in Bachelor of Science in Mechanical Engineering degree, posthumously. The posthumous degree is to be conferred in conjunction with the May 2010 commencement ceremonies. Dan Gearheart spoke in remembrance of his colleague and friend. Governor Johnson moved approval of the motion, which was seconded by Governor Farley, and unanimously approved by the Board.

General Counsel requested the Board of Governors approve the proposed Colorado State University-Global Campus Handbook for Administrative Professional Employees, to which Governess Salazar responded with a motion, seconded by Governor Cosyleon, and unanimously approved by the Board.

General Counsel requested the approval of the revised debt management policy and derivative policy for the Colorado State University System, to which Governess Salazar responded with a motion, seconded by Governor Zimlich, and unanimously approved by the Board.

General Counsel requested approval of a grant of a non-exclusive improvement easement and temporary construction easement along the Mason Street, through Main Campus, to the City of Fort Collins, for the installation of the Mason Transportation Corridor Project. Governor Zimlich responded with a motion, seconded by Governor Cosyleon, and unanimously approved by the Board.

General Counsel requested approval of the lease and easement to expand the leased premises from 15 to 29 acres, and associated easements for the current lease with the Fotowatio Renewable Ventures, to enlarge the current two-megawatt solar facility, to up to 5.3 megawatts, on the CSU-Fort Collins campus, to which Governess Salazar responded with a motion, seconded by Governor Cosyleon, and unanimously approved by the Board.

Governess Salazar confirmed that that concluded the report from Finance Committee.

Stuart McMillan introduced himself and stated he's looking forward to working with the Board.

Jenna Langer thanked the Board for its vote of confidence in Global Campus. Working with the new Executive in Academic Leadership at the Colorado Department of Higher Education, Ms. Langer said, has provided a good opportunity to demonstrate the role of Global Campus at the state level, and the unique population of students Global Campus serves. At its February board meeting, the Colorado Department of Higher Education unanimously passed an agenda item giving Global Campus its own admissions standard, and expressing recognition of Global Campus as an independent institution, with statutory authority to operate and a distinct mission. Ms. Langer stated this represented a big step towards Global Campus being able to stand on its own and work within the system to address academic issues instead of being directed by outside forces. Chairman McConathy thanked Ms. Langer, and asked for the report from Audit Committee.

Governor Zimlich reported that the external auditors reviewed their audit report for last year in Audit Committee, and their management recommendations. He stated that Allison Horn updated the committee on audits that were complete, their findings, management's responses to the findings, and on the status of open recommendations.

Chairman McConathy asked for the report from the Evaluation and Compensation Committee chair. Governor Farley asked if he had correctly that the Board would be evaluating Joe Blake, Chancellor; Tony Frank, President CSU-Fort Collins; Joe Garcia, President of CSU-Pueblo; Frank Pierz, Executive Secretary to the Board of Governors; Mike Nosler, General Counsel to the Board; Allison Horn, Director of Internal Audit; and possibly the Interim CEO of Global Campus, as well as Rich Schweigert. Governor Farley asked for clarification on the role of the Board Evaluation and Compensation Committee. Governor Zimlich stated that the Roles and Responsibilities handed out at the meeting state that the Board of Governors has the ultimate responsibility to appoint, evaluate, and reappoint the presidents of each institution, and the Chancellor is charged with recommending the appointment, reappointment, and evaluation for the presidents.

Governor Zimlich said that his understanding is that the Board has the ultimate responsibility for the evaluation of a president, with the chancellor leading that process.

Governess Makepeace pointed out there seemed to be a misunderstanding of terms, such as ‘evaluate.’ She recommended asking the chancellor to develop an evaluation process of the presidents, including how input from faculty and students will be gathered, for the Board to review. Chairman McConathy agreed with Governess Makepeace and asked Governor Farley how he’d like to proceed. Governor Farley asked if the chancellor and he could meet on the topic and come to agreement on how to proceed, in the next few weeks. He stated that he and the chancellor would discuss evaluation of the two presidents, the Committee would be responsible for taking the lead on the evaluations of Chancellor Blake, Frank Pierz, Mike Nosler, and Allison Horn, and would only indirectly be involved in evaluations of Jenna Langer and Rich Schweigert. Chairman McConathy added that he would like to get the input of Steven Porch and of Buddy Shaw.

Chairman McConathy asked the members to complete the meeting evaluation form and return it to him or Mr. Pierz. The chair reported his idea of a challenge, among perhaps the art departments on each campus, including Global Campus, for a new System logo that incorporates the Ram, the ThunderWolf, and the mascot for Global Campus, with a first prize of some amount of money.

Chairman McConathy asked if there was any other business for the good of the order and seeing and hearing none, asked for a motion to adjourn, with a motion by Governor Cosyleon, second by John Ikard, with unanimous approval by the Board.

The meeting adjourned at 2:02 p.m.