

Board of Governors of the
Colorado State University System
Meeting Date: June 23, 2010
Action Item

Stretch Goal: N/A Strategic Initiative: N/A

MATTERS FOR ACTION:

Reaffirmation of support for CSU-Global Campus

RECOMMENDED ACTION:

That the Board of Governors of the Colorado State University System hereby reaffirms its commitment and support for the mission of its newest institution, CSU-Global Campus, and authorizes the Secretary to execute the attached statement of support for CSU-Global Campus.

Funding: No New Funding Required

EXPLANATION:

Presented by Becky Takeda-Tinker, President Designee

Commencing in February 2007, the Board of Governors of the Colorado State University (Board) endorsed the formation of the CSU-Global Campus initiative. Approval for funding of twelve million dollars to assist CSU-Global Campus development as a stand alone degree granting institution occurred in August 2007. This support was based on the unique mission of the CSU-Global Campus: *"...to advance student success in a global society, investing in human capital, expanding the state economy, and enhancing the quality of life for citizens in the State of Colorado and beyond by providing access to dynamic degree programs characterized by academic excellence, innovative delivery technologies and strong stakeholder engagement."*

Similar to the other two established campuses in the Colorado State University System, CSU-Fort Collins and CSU-Pueblo, the Board authorized the CSU-Global Campus to seek and achieve regional accreditation as well as financial solvency (May 7, 2008 Board Resolution). Subsequently in 2009, the Board successfully initiated legislation in the Colorado Senate to create Colorado State University-Global Campus as the first statutorily recognized online public university in this state (C.R.S. 23-30-124).

A Higher Learning Commission (HLC) Evaluation Team consisting of six evaluators is scheduled to visit the CSU-Global Campus October 4 -6, 2010 to review and evaluate it for Accreditation Status. While there are many steps associated with the accreditation decision following the onsite evaluation, we anticipate that the HLC Commission will determine our accreditation status by March 2011. In preparation for the HLC visit, it is important that Board support for the operational success of CSU-Global Campus be reaffirmed through a formal resolution to be presented to the accreditation team.

**REAFFIRMATION OF THE BOARD OF GOVERNORS OF THE COLORADO STATE
UNIVERSITY SYSTEM SUPPORT FOR THE ONGOING MISSION AND
OPERATIONS OF THE COLORADO STATE UNIVERSITY-GLOBAL CAMPUS**

Whereas, the Board of Governors of the Colorado State University System (Board) has strongly and consistently supported the mission of CSU-Global Campus, “...to advance student success in a global society, investing in human capital, expanding the state economy, and enhancing the quality of life for citizens in the State of Colorado and beyond by providing access to dynamic degree programs characterized by academic excellence, innovative delivery technologies”;

Whereas, the Board is satisfied with the progress of CSU-Global Campus’ implementation of its mission to serve nontraditional students, located in Colorado and beyond, through the delivery of quality, affordable, online undergraduate and degree programs in collaboration with other public Colorado-based universities and state agencies; and

Whereas, on May 7, 2008, the Board directed the CSU-Global Campus to move forward with the accreditation process as a degree-granting entity organized at the University level, to enable it to offer degree programs that meet market demand not served by other public universities in Colorado for fully online bachelor degree-completion and master degree programs in both existing and emerging programmatic areas; and

Whereas, CSU-Global Campus was established in 2009 as the first statutorily recognized online university in Colorado (C.R.S. 23-30-124) under the supervision of the Colorado State University System; and

Whereas, the administration of CSU-Global Campus has made significant progress to seeking accreditation status with the Higher Learning Commission of the North Central Association of Colleges and Schools; and

Whereas, the Board recognizes that its initial investment of \$12 million dollars in the CSU-Global Campus has resulted in financial stability after the first 2 years of operations and

will continue to make resources available as needed for investment in the continued growth and accomplishment of the CSU-Global Campus' mission; and

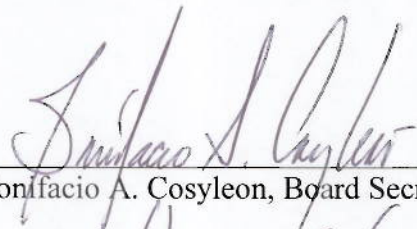
Whereas, the leadership of the University has demonstrated its ability to effectively manage the organization and ensure that it accomplishes its mission;

Now therefore, the Board of Governors of the Colorado State University System hereby formally reaffirms its ongoing support for and confidence in the CSU-Global Campus, its mission, and its strategic position within the greater Colorado State University System and the State of Colorado.

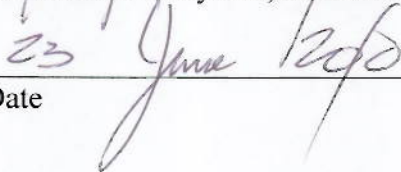


Approved

Denied



Bonifacio A. Cosyleon, Board Secretary



Date

June 7, 2010

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Phone: 720-279-0159
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www.csuglobal.org

STATEMENT IN SUPPORT OF REAFFIRMATION OF THE CSU-GLOBAL CAMPUS

Action: Reaffirm the commitment of the Colorado State University System Board of Governors for the mission and support of its newest campus CSU-Global Campus

Funding: No New Funding Required

The Colorado State University System Board of Governors endorsed the formation of the CSU-Global Campus initiative from the outset starting in February 2007, with strategic planning and research to support the approval for funding its development as a stand-alone degree granting institution in August 2007. This support is based on the unique mission of the CSU-Global Campus: *"...to advancing student success in a global society, investing in human capital, expanding the state economy, and enhancing the quality of life for citizens in the State of Colorado and beyond by providing access to dynamic degree programs characterized by academic excellence, innovative delivery technologies and strong stakeholder engagement."*

Similar to the other two established campuses in the Colorado State University System, CSU-Fort Collins and CSU-Pueblo, the Board approved the CSU-Global Campus to seek and achieve regional accreditation as well as financial solvency (May 7, 2008 Board Resolution). A Higher Learning Commission (HLC) Evaluation Team consisting of six evaluators is scheduled to visit the CSU-Global Campus October 4 -6, 2010 to review and evaluate it for Accreditation Status. While there are many steps associated with the accreditation decision following the onsite evaluation, we anticipate that the HLC Commission will determine our accreditation status by March 2011. In preparation for the HLC visit, it is important that the operational success of CSU-Global Campus be reaffirmed through a formal resolution before the Board of Governors.

Respectfully submitted,



Becky Takeda-Tinker, Ph.D.
President Designee
CSU-Global Campus

Board of Governors of the
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Approved for Submission

Stretch Goal _____ Strategic Initiative _____ N/A X

MATTER FOR ACTION:

FY 10-11 Audit Plan

RECOMMENDED ACTION:

That the Board of Governors approve the proposed FY 10-11 Audit Plan, as approved by the Audit Committee, for Colorado State University, Colorado State University-Pueblo, and Colorado State University-Global Campus.

EXPLANATION:

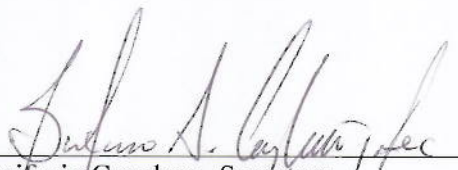
Each year the Director of Internal Auditing proposes a plan for audits at the three institutions. The plan is based on an assessment of risks considering such criteria as time since last audit, level of activity (financial activity, research activity, and other appropriate measures of activity), and visibility of programs; and is informed by input from administrators at the institutions and the audit staff.

Audit resources available at the CSUS are: An Audit Manager, Information Technology Auditor, and three Senior Auditors. One Senior Auditor will be on leave for twelve weeks, which makes 6,708 directly chargeable hours available for audits.

The approval of the FY 2010-2011 Audit Plan will provide the authority for the Department of Internal Auditing to address its charge to provide the Board of Governors and the Chancellor with an independent and objective evaluation of the internal controls necessary to accomplish System objectives in compliance with policies and procedures, regulatory requirements, and sound business practices.

Presented by Allison Horn, Director, Internal Auditing

Approved Denied



Bonifacio Cosyleon, Secretary
Board of Governors of the Colorado State
University System

23 June 2010

Date

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Stretch Goal or Strategic Initiative: N/A. Board approval of this administrative action is required by statute, CCHE, Board, or university policy.

MATTER FOR ACTION:

Approval of the FY 2011 Operating Budgets for the Colorado State University System, Colorado State University – Fort Collins, and Colorado State University – Pueblo, Tuition, Fees, Room and Board and One-Time Expenditures for Colorado State University and Colorado State University – Pueblo

RECOMMENDED ACTION:

MOVED, that the Board of Governors approve the FY 2011 operating budget increase, proposed tuition, fees including special course fees and technology fees, room and board and one-time expenditures for Colorado State University System, Colorado State University–Fort Collins and Colorado State University-Pueblo and adoption of Technology Fee Report and Manual at CSU-Fort Collins.

EXPLANATION:

Presented by Rich Schweigert, Chief Financial Officer, CSU System

This item presents the overall FY 2011 budget for the Colorado State University System. This item is recommended by the Board of Governors Finance Committee.

The Board annually adopts changes to the Education and General operating budgets, tuition, fees, room and board rates for the Colorado State University System, CSU-Fort Collins and CSU-Pueblo. For FY 2011, Board of Governors is considering a \$6.1M Education and General operating budget increase for FY 2010-2011.


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Entering Fiscal Year 2009 (July 2008 to June 2009) the General Fund support for higher education institutions totaled \$706.0 million and the Colorado State University System received \$146.7 million. In Fiscal Year 2010 (July 2009 to June 2010), General Fund support for higher education was reduced to \$324.0 million with just \$65 million for the CSU System.

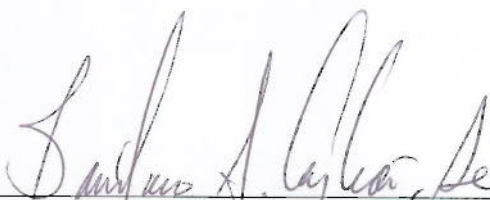
This year's Long Bill reduced appropriated funding for the governing boards, local district colleges and the area vocational schools by approximately \$150 million General Fund which is equal to FY 2005-06 funding levels. Again, the Governor recommends using federal stimulus funds to backfill cuts to higher education institutions but there are less federal stimulus funds available to higher education in FY 2011.

Thus, for the next Fiscal Year, FY 2011 (July 2010 to June 2011), state General Fund support will be restored to \$555.0 million and the CSU system will receive \$113.0 million, yet overall funding for higher education will be cut by \$61M and the CSU system will have to reduce its budget by \$15M. Looking ahead, in FY 2011-12 when the Federal dollars are no longer available, the Colorado State University system could see permanent base cuts of \$33M depending on how state revenues recover from the current economic downturn.

In addition to the reduction in General Funds and the allocation of Federal Stimulus Funds, the Long Bill also appropriates additional tuition spending authority equal to a 9% resident, undergraduate tuition rate cap for governing boards and the ability to establish non-resident, undergraduate and graduate tuition rates to market levels.



Approved Denied



Bonifacio A. Cosyleon, Board Secretary



Date

Stretch Goal: N/A Strategic Initiative: N/A

MATTERS FOR ACTION:

Appointment of the President of Colorado State University-Global Campus


RECOMMENDED ACTION:

Pursuant to C.R.S. §23-30-116, 2009 (Board to Choose Presidents); it is hereby MOVED that the Board of Governors of the Colorado State University System approve the appointment of Becky Takeda-Tinker to the position of President of Colorado State University-Global Campus effective June 22, 2010. On and after the effective date she will report to the Board and Chancellor. On and after the effective date, President Takeda-Tinker shall be designated the appointing authority for Colorado State University-Global Campus and she is hereby delegated power over all personnel matters as provided by law. Further, the Board hereby authorizes the Chancellor to execute an Employment Agreement with Ms. Takeda-Tinker after consultation with the Evaluation Committee and General Counsel.

EXPLANATION:

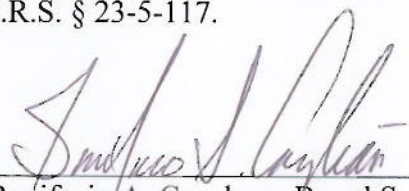
Presented by Joe Blake, Chancellor and Michael D. Nosler, General Counsel.

Ms. Becky Takeda-Tinker was selected as the finalist for the position of President of Colorado State University-Global Campus by the Board at its May, 2010 meeting. Pursuant to Colorado Statute, the Board has the duty to appoint presidents of the institutions it governs. C.R.S. § 23-30-116. Further, the Board has authority to delegate its powers over personnel matters to the Chief Executive Officers of its institutions. C.R.S. § 23-5-117.



Approved

Denied



Bonifacio A. Cosyleon, Board Secretary



Date

May 24, 2010

Ms. Becky Takeda-Tinker
President Designee
Colorado State University-Global Campus

Re: Interim Authority

Dear Becky:

Congratulations on your selection by the Board of Governors of the Colorado State University System as the finalist for the position of President of the Colorado State University-Global Campus.

This letter authorizes you to act in the capacity as Chief Executive Officer and President Designee of Global Campus until your formal appointment by the Board at its meeting in June. You shall have all personnel appointment authority as previously vested in the Chief Executive Officer position. Your salary and benefits will remain unchanged for this interim period until your official appointment by the Board as President. It is anticipated that we will negotiate an appropriate employment agreement once your appointment becomes final.

Ms. Jenna Langer, the acting C.E.O. of Global Campus will resume her position and duties as Chief Operating Officer and Assistant General Counsel effective immediately.

I look forward to working with you to make CSU-Global Campus a success.

Best regards,

Joe Blake
Chancellor

May 24, 2010

Jenna Langer
Colorado State University-Global Campus

Re: Reassignment to Chief Operating Officer and Associate General Counsel

Dear Jenna:

First, I wish to thank you for your hard work as interim Chief Executive Officer for Colorado State University-Global Campus. Your passion and perseverance has helped the CSU-System establish CSU-Global Campus as a viable higher education institution filling an important niche for Colorado citizens. As you know, Ms. Becky Takeda-Tinker has been selected by the Board of Governors as the finalist for the position of President, CSU-Global Campus. Her official appointment will occur at the June meeting of the Board.

In the interim, I have appointed her as the acting Chief Executive Officer and President designee. I am hereby re-appointing you as the Chief Operating Officer and Associate General Counsel for Colorado State University-Global Campus. You will continue your employment as an at will employee at your current salary and benefits level.

I look forward to working with you to make Colorado state University-Global a premier on-line university.

Best regards,

Joe Blake
Chancellor

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Stretch Goal or Strategic Initiative: N/A. Board approval of this administrative action is required by statute, CCHE, Board, or university policy.

MATTER FOR ACTION:

Approval of the Colorado State University System FY 2011-2012 Capital Construction Request

RECOMMENDED ACTION:

MOVED, that the attached FY 2011-2012 Capital Construction Requests and Project Lists for Colorado State University – Fort Collins and Colorado State University – Pueblo and all documents required for submission to the Department of Higher Education or to the General Assembly under current Colorado Revised Statutes is hereby approved by the Board of Governors of Colorado State University.

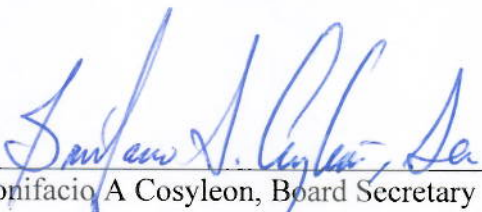
EXPLANATION:

Presented by Rich Schweigert, Chief Financial Officer, CSU System

Colorado State University System annually presents to the Board of Governors capital construction project requests for each campus to be forwarded to the Department of Higher Education for consideration and submission to the Capital Development Committee.


Approved

Denied


Bonifacio A Cosyleon, Board Secretary


Date

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Approved

Stretch Goal: N/A Strategic Initiative: N/A

MATTERS FOR ACTION:

The Board of Governors of the Colorado State University System Resolution in opposition to the passage of proposed Amendments 60 and 61 to the Colorado Constitution, and to Proposition 101 as a proposal to amend the Colorado Revised Statutes.

RECOMMENDED ACTION:

The Board of Governors of the Colorado State University System (Board) hereby declares its strong opposition to, and urges a NO vote on proposed Amendments 60 and 61 to the Colorado Constitution in the statewide ballot scheduled for November, 2010 because the Board feels the proposed amendments are not in the best interests of higher education in the state of Colorado. Further the Board hereby declares its strong opposition to, and urges a NO vote on Proposition 101 as a proposed amendment to the Colorado Revised Statutes in the statewide ballot scheduled for November 2010 because the Board feels the proposed amendment is not in the best interest of higher education in the state of Colorado.

Copies of the resolution shall be sent to the Governor, Speaker of the House and President of the Senate, and Majority and Minority leaders of the House and Senate of the State of Colorado.

EXPLANATION:

Presented by Joe Blake, Chancellor and Michael D. Nosler, General Counsel.

A brief summary of these ballot initiatives follows:

Amendment 60

This citizen initiative is a proposed amendment to the TABOR provisions contained in the Colorado Constitution. It includes several major changes in property tax policy. The full text of the proposed amendment is attached.

Amendment 61

This is another citizen initiative and proposed amendment to the TABOR provisions of the Colorado Constitution. It prohibits the state from contracting for any debt by loan in any form. This would include bonding, lease purchase, certificates of participation etc. It further limits

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voter-approved borrowing to a maximum of 10 years. It also includes a provision requiring a tax cut equivalent to the average annual repayment of any loan obligation that is paid off. The full text of the proposed amendment is attached.

Proposition 101

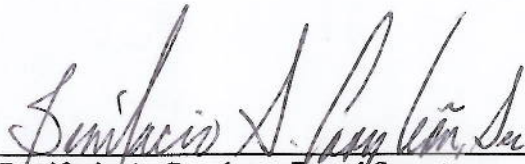
This is a citizen initiative and proposed amendment to the Colorado Revised Statutes relating to taxes and fees. It proposes an eventual reduction in the state income tax rate to 3.5%; a significant reduction of the specific ownership tax on vehicles; and a reduction of vehicle registration fees to \$10 per year per vehicle. The full text of the proposed amendment is attached.

Pursuant to Colorado law, the Board may pass a resolution or take a position of advocacy on a state wide ballot issue. C.R.S. 1-45-117 (1) (a) (III) (A).



Approved

Denied



Bonifacio A. Cosyleon, Board Secretary
28 June 2010

Date

Text of Amendment 60

Be it Enacted by the People of the State of Colorado:

Article X, section 20, The Taxpayer's Bill of Rights, is amended to add:

(10) Property taxes.

Starting in 2011:

(a) The state yearly shall audit and enforce, and any person may file suit to enforce, strictest compliance with all property tax requirements of this section. Successful plaintiffs shall always be awarded costs and attorney fees; districts shall receive neither. This voter-approved revenue change supersedes conflicting laws, opinions, and constitutional provisions, and shall always be strictly interpreted to favor taxpayers.

(b) Electors may vote on property taxes where they own real property. Adapting state law, all districts shall allow petitions to lower property taxes as voter-approved revenue changes. Property tax issues shall have November election notices and be separate from debt issues. Property tax bills shall list only property taxes and late charges. Enterprises and authorities shall pay property taxes; lower rates shall offset that revenue. Enterprises and unelected boards shall levy no mandatory fee or tax on property. Future property tax rate increases shall expire within ten years. Extending expiring property taxes is a tax increase. Prior actions to keep excess property tax revenue are expired; future actions are tax increases expiring within four years. Non-college school districts shall phase out equally by 2020 half their 2011 rate not paying debt; state aid shall replace that revenue yearly. Nothing here shall limit payment of bonded debt issued before 2011.

(c) These property tax increase, extension, and abatement rates after 1992 shall expire:

(i) Taxes exceeding state laws, tax policies, or limits violated, changed, or weakened without state voter approval. Those laws, policies, and limits, including debt limits, are restored.

(ii) Taxes exceeding the one annual fixed, final, numerical dollar amount first listed in their tax increase ballot title as stated in (3)(c).

(iii) Those rates without voter approval after 1992 of a ballot title as stated in (3)(c).

RR

Text of Amendment 61

Be it Enacted by the People of the State of Colorado:

SECTION 1.

Article XI, section 3 is repealed and re-enacted to read, as stated in the original constitution: "The state shall not contract any debt by loan in any form."

Sections 4, 5, 6(2), and 6(3) are repealed as obsolete and superseded.

Section 6(1) is repealed and re-enacted as section 6 to read: "Without voter approval, no political subdivision of the state shall contract any debt by loan in any form. The loan shall not be repealed until such indebtedness is fully paid or discharged. The ballot title shall specify the use of the funds, which shall not be changed."

SECTION 2.


Article X, section 20 is amended to add:

(4)(c) After 2010, the following limits on borrowing shall exist:

(i) The state and all its enterprises, authorities, and other state political entities shall not borrow, directly or indirectly, money or other items of value for any reason or period of time. This ban covers any loan, whether or not it lasts more than one year; may default; is subject to annual appropriation or discretion; is called a certificate of participation, lease-purchase, lease-back, emergency, contingency, property lien, special fund, dedicated revenue bond, or any other name; or offers any other excuse, exception, or form.

(ii) Local districts, enterprises, authorities, and other political entities may borrow money or other items of value only after November voter approval. Loan coverage in (i) applies to loans in (ii). Future borrowing may be prepaid without penalty and shall be bonded debt repaid within ten years. A non-enterprise shall not borrow if the total principal of its direct and indirect current and proposed borrowing would exceed ten percent of assessed taxable value of real property in its jurisdiction.

(iii) No borrowing may continue past its original term. All current borrowing shall be paid. Except enterprise borrowing, after each borrowing is fully repaid, current tax rates shall decline as voter-approved revenue changes equal to its planned average annual repayment, even if not repaid by taxes. Such declines do not replace others required. Future borrowing is void if it violates this paragraph (c), which shall be strictly enforced. Conflicting laws, rulings, and practices are repealed, overturned, and superseded.



Text of Proposition 101

Be it Enacted by the People of the State of Colorado:

Title 39, article 25 of the Colorado Revised Statutes

Reducing government charges

(1) **Enforcement.** This voter-approved revenue change shall be strictly enforced to reduce government revenue. It is self-executing, severable, and a matter of statewide concern that overrides conflicting statutes and local laws. Prevailing plaintiffs only shall have their legal fees and court costs repaid. The state shall audit yearly compliance with this reform to reduce unfair, complex charges on common basic needs.

(2) **Vehicle.** Starting January 1, 2011:

(a) All annual specific ownership taxes shall decrease in four equal yearly steps to: New vehicles, \$2; and other vehicles, \$1. All state and local taxes shall cease on vehicle rentals and leases, and on \$10,000, reached in four equal yearly steps, of sale prices per vehicle. Sale rebates are not taxable.

(b) All registration, license, and title charges combined shall total \$10 yearly per vehicle. Except those charges, and tax, fine, toll, parking, seizure, inspection, and new plate charges, all state and local government charges on vehicles and vehicle uses shall cease. Except the last six specific charges, added charges shall be tax increases.

(3) **Income.** The 2011 income tax rate shall be 4.5%. Later rates shall decrease 0.1% yearly, until reaching 3.5%, in each of the first ten years that yearly income tax revenue net growth exceeds 6%.

(4) **Telecommunication.** Starting January 1, 2011, except 911 fees at 2009 rates, no charge by, or aiding programs of, the state or local governments shall apply to telephone, pager, cable, television, radio, Internet, computer, satellite, or other telecommunication service customer accounts. Added charges shall be tax increases.

Stretch Goal or Strategic Initiative: Competitive Facilities (MWC and Division I)

MATTER FOR ACTION:

Approval of up to \$2,500,000 from the Land Endowment Income Fund for improvements to Hughes Stadium. Projects include \$1,620,000 for Parking Lot and Ram Town Improvements and \$880,000 for Landscaping and Entry Improvements.

RECOMMENDED ACTION:

MOVED, that up to \$2,500,000 from the Land Endowment Income Fund be used for improvements to Hughes Stadium. Projects include \$1,620,000 for Parking Lot and Ram Town Improvements and \$880,000 for Landscaping and Entry Improvements.

EXPLANATION:

Presented by Amy Parsons, Vice President for University Operations

Two projects are planned to provide major visitor and image improvements at Hughes Stadium. The first project will address parking, vehicular circulation and provide a stadium drop off plaza at the southeast corner of the stadium. A 300 space parking lot will be paved, with a formal drop off drive in front of the Ram Town site. Ram Town will have new landscape and fencing to create a "village green" and a sense of place. The second project will address the entries to Hughes Stadium off of County Rd 42 C and Overland Trail. New signage and monumentation will be included, as well as new landscaping. This project will also address pedestrian walkways from parking areas to the stadium and potentially the replacement of deteriorated stadium seating.

Approved

Denied


for Bonifacio Cosyleon, Board Secretary

June 23, 2010
Date