

THE BOARD OF GOVERNORS OF THE COLORADO STATE UNIVERSITY SYSTEM
MEETING MINUTES
Conducted Remotely
February 3, 2022

ROLL

Governors present: Kim Jordan, Chair; Armando Valdez, Vice Chair; Russell DeSalvo, Treasurer; Nate Easley, Secretary; John Fischer; Steve Gabel; Dr. Sara Metz, Faculty Representative, CSU Global; Dr. Melinda Smith, CSU Faculty Representative; Mikayla Lerch, CSU Pueblo Student Representative; Paige Martinez, CSU Global Student Representative; Dr. Christen Picicci, CSU Pueblo Faculty Representative; and Christian Dykson, CSU Student Representative.

Governors Elect present: Kenzo Kawanabe, Betsy Markey, Louis Martin

Administrators present: Tony Frank, Chancellor, CSU System; Jason Johnson, General Counsel, CSU System; Joyce McConnell, President, CSU; Timothy Mottet, President, CSU Pueblo; Pamela Toney, President, CSU Global; Henry Sobanet, Senior Vice Chancellor and CFO, CSU System; Lynn Johnson, CSUFC CFO; Susy Serrano, Director of Internal Auditing, CSU System; and Rick Miranda, Chief Academic Officer, CSU System.

CSU System Staff present: Melanie Geary, Board Liaison; Adam Fedrid, IT Manager; Wayne Hall, IT Manager; Ashleigh Martin, IT Manager; and Josh Pinsky, IT Technician.

Guests present: Jenelle Beavers, VP For Strategy, CSU; Yolanda Bevill, VP of University Communications; Mohamed Abdelrahman, Provost, CSU Pueblo; Johnna Doyle, Deputy General Counsel, CSU Pueblo; Jannine Mohr, Deputy General Counsel, CSU; Juanita Pena, Director of Business Financial Services, CSU Pueblo; Mary Pedersen, Provost and Executive Vice President, CSU; Yvonne Harris-Lott, CSU Global; Dr. Paul Savory, Provost, CSU Global; Ajay Menon, CEO, CSURF; Jocelyn Hittle, AVC, CSU System; Tiana Kennedy, AVC, CSU System; Cara Neth, Executive Communications, CSU System.

CALL TO ORDER

Chair Jordan called the Board Meeting to order at 9:02 a.m.

BOARD CHAIR'S AGENDA

Chair Jordan thanked outgoing Board member Steve Gabel for attending and continuing to serve until the new members are confirmed by the Senate and then sworn in at the next meeting. She then welcomed the new appointees Kenzo Kawanabe, Betsy Markey, and Louis Martin. Chair Jordan then explained the criteria for the Board of Governors Excellence in Undergraduate Teaching award, which is awarded to each campus annually. She asked CSU Pueblo Provost Mohamed Abdelrahman to introduce the recipient of the Excellence in Teaching Award for CSU Pueblo, Dr. Karen Yescavage. He honored her work and thanked her for all she does for the students and community of CSU Pueblo. Dr. Yescavage thanked the Board for the recognition and discussed her work at CSU Pueblo.

PUBLIC COMMENT

Chair Jordan then discussed the customary Public Comment that occurs at every meeting. She noted that Public Comment is an important part of our Board meetings, and the Board considers the comments as they carry out their duties. In light of the continuing public health guidance, the Board asked for public comment by e-mail and did not receive any prior to the meeting.

CHANCELLOR'S REPORT

Chancellor Frank highlighted an IT matter that was included in the written report and noted that Ohio State had been working for years to implement an alternative product at significant expense, and had to abandon it. This was further testament to the hard work of our CSU team that led the successful Banner implementation.

Annual Calendar of Reports

Chancellor Frank reviewed changes to the annual Board calendar and reporting schedule. The February and June retreats have been eliminated, so those will now be regular board meetings, and the retreat will now be held in August. The new reports that were added to the annual calendar are Brand and Reputation, Philanthropy, Alumni, Status of the Physical Plant, and the partially new report for CFI's related to budget preparations.

CSU Spur

Chancellor Frank thanked the CSU Spur team and volunteers who helped with the opening of Spur. He invited AVC Jocelyn Hittle to provide an update on CSU Spur and acknowledged her wonderful leadership of the project and team. She reviewed and shared photos from the January 2022 opening activities, including the neighborhood sneak peek and ribbon-cutting, and the National Western Stock Show. There were more than 9,000 visitors to Spur during the Stock Show. Governor Fischer asked Ms. Hittle to provide some additional background for new Board members, she discussed the uniqueness of Spur and its educational/access mission and goal of demystifying career options for young people. President McConnell expressed considerable excitement and appreciation for the project on behalf of the Spur project. Governor Valdez praised the launch and emphasized the importance of continuing to raise the profile of the project. Chancellor Frank discussed that there is no one else offering this sort of co-curricular experience between higher ed and K-12, particularly with the emphasis on food, water, and health. Governor Gabel described the project as phenomenal and, as an ag rep, discussed how well it has been received by the production ag community. Chair Jordan said the primary mission of Spur is why we do it, and the secondary benefit of having a stronger presence in Denver is also great. Prospective Governor Lewis also shared the positive impressions of his family, particularly his daughter who works with the GrowHaus in Denver.

CSU REPORTS

Student Report – Presented by Christian Dykson

Governor Dykson introduced himself and discussed the role of CSU Fort Collins student government. He noted that his pride in CSU is driven by how it's impacting the world, and CSU Spur highlights that commitment in a dynamic way. He then highlighted recent activities and priorities of ASCSU.

Faculty Report – Presented by Melinda Smith

Governor Smith reported on recent faculty awards and honors. She asked the Board how useful the faculty's evaluation of the president is to them. Governor Smith discussed how they are working to make the evaluation a more meaningful effort, which comes with a cost that is not in the council's budget. Governor Valdez responded as Evaluation Committee Chair; he said this year the Board is conducting a 360 evaluation of President McConnell at the mid-point of her 5-year appointment and the goal is to provide formative, useful feedback for the president as she moves into the next few years. Chancellor Frank discussed the question of the evaluation cost and the financial support of the Faculty Council, and offered to work offline with the campus to make sure the evaluation is not a burden for the council. Governor Jordan asked for an executive summary of the council's process so the Board can better understand how to support.

President's Report – Presented by Joyce McConnell

President McConnell expressed her hope that the Board will be able to meet in person on campus in May. She discussed the importance of students being back on campus, and how much the on-campus experience

means to students whose high school experience was so severely impacted by the pandemic. This influenced the decision to open as scheduled in January, and it has been a success (including full houses in Moby Arena for basketball games). She reviewed the December commencement and MLK march in January, as well as recent achievements and news highlights. She presented on a veterinary clinical care program that is in development in partnership with Denver Dumb Friends League and Spur and is expected to come to the Board for approval.

COURAGEOUS STRATEGIC TRANSFORMATION (CST)

President McConnell introduced the CST presentation with a video. She provided context for the plan and expressed gratitude to the CSU community for their courage and conviction in developing the action plan – and she thanked the BOG and Chancellor Frank for their support. She provided an overview of the CST plan and its priorities, as well as the implementation plan. Governor Easley asked for a future update on the transfer plan with community colleges. Governor DeSalvo asked how success will be measured and what the plan's priorities will be. President McConnell discussed cascading priorities, and Governor DeSalvo asked her to break it down that way when presenting to the Board. Governor Fischer discussed the importance of rankings because striving for a No. 1 ranking requires strategic efforts to achieve it. Governor Dykson asked how the plan sets students up for future workforce opportunities. In response, President McConnell discussed the importance of looking at future workforce needs as well as current ones. Governor Gabel asked that the planning continue to reflect the university's roots. Chair Jordan asked for a summary document for Board affirmation at the next meeting.

The Board paused for a break at 11:14 a.m. and the meeting resumed at 11:30 a.m.

CSU PUEBLO REPORTS

Student Report – Presented by Mikayla Lerch

Governor Lerch reported on student government activities and their focus on providing a great college experience for CSU Pueblo students through innovative activities and services.

Faculty Report – Presented by Chris Picicci

Governor Picicci reported on the online convocation that kicked off the semester and the Center for Teaching and Learning. He highlighted ongoing faculty activities and the benefits of Banner implementation. He then discussed the ongoing impacts of COVID to the campus and then the potential for salary increases.

President's report – Presented by Tim Mottet

President Mottet welcomed the new nominated governors and congratulated the Board of Governors Undergraduate Teaching Award recipient. He also recognized Dr. Chad Kinney for his leadership of the Institute for Cannabis Research. President Mottet introduced Fred Galves, the new special assistant to the president for community engagement, who discussed his initial efforts since joining the campus in October and his approach to strategically partner with local schools, Community Colleges, and the community.

Vision 2028 Update

President Mottet reviewed the Vision 2028 strategic plan to become the People's University. He discussed their efforts to add capacity to generate \$10 M in additional revenue. He discussed the Colorado Promise which provided free tuition eligibility to Colorado residents within certain financial criteria. He reviewed their plans to enhance student success and investments to develop faculty and staff.

The Board paused for lunch at 12:08 p.m. The meeting resumed at 12:51 p.m.

CSU GLOBAL REPORTS

Student Report – Presented by Paige Martinez

Governor Martinez noted that CSU Global was now celebrating 13 years since establishment and discussed the growth in the CSU Global alumni family and efforts to promote and encourage student involvement, including through activities like e-sports and a CSU Global day at a CSU Football game with plans to do the same for a basketball game and include CSU Pueblo in the future.

Faculty Report – Presented by Sara Metz

Governor Metz shared recent faculty successes and publications, as well as some updates from a “whole human” perspective.

President’s Report – Presented by Pam Toney

President Toney noted that her report stood as submitted and then provided background on CSU Global and its unique mission. She also reviewed the university’s goals and initiatives. President Toney highlighted that the January start had been the largest January start with enrollment of 761 students. She also informed the Board that CSU Global was one of four institutions that will be announced as an official education provider for a large national and international business. They then played the CSU Global Direct video.

AUDIT AND FINANCE COMMITTEE

Governor DeSalvo, Chair of the Audit and Finance Committee, convened the committee at 1:06 p.m. and asked Director of Audit Serrano to begin.

Ms. Serrano reviewed the status of the Internal Audit Dashboard, which reflected their key performance metrics and provided an update on hiring in the current challenging labor market. The IT Auditor search had been successful, but the other search had not. She explained that Internal Audit was reprioritizing to ensure no critical gaps and they had the ability to use external firms to ensure no critical issues are missed.

Status of FY 21-22 Audit Plan

Director Serrano reviewed the status of the FY22 audit plan noting that she would review it in more depth at the May meeting.

Review of Audit Reports Issued

Director Serrano then reviewed recent audit reports noting ten (10) audit reports had been issued since the December meeting.

State Budget Update

CFO Sobanet introduced a presentation on the Governor’s budget request and the status of budget discussions with the General Assembly noting that the proposed budget at that time did not provide enough dollars to meet mandated costs at the System’s two physical campuses. He also provided an update on work to get all System campuses on the same financial system. CFO Sobanet then introduced each campus to provide updates on four tuition/state funding scenarios: no tuition increases and a 4.6% increase from the state (Governor’s proposal); 3% tuition increase and 6% state funding increase; flat tuition and 14% state funding increase; and 3% non-resident tuition with 14% state funding increase (Fort Collins only). Governor Valdez asked about the potential impacts of flat tuition on future financial models. Mr. Sobanet noted this is a major policy issue for higher education in Colorado; in years when we do not raise the base tuition rate, it is lowered by that amount in perpetuity. Governor Smith noted this also applies to faculty salaries. Governor Fischer asked how CSU compares to CU in out-of-state tuition and what percentage of out-of-state students CSU accepts. Chancellor Frank replied that in general, CSU’s tuition rates are a bit below CU’s, although there are differences by professional master’s degrees. President McConnell said the issue is not so much admission of

non-resident students (92% are admitted) but how many enroll. Mr. Sobanet also addressed Board questions on historical data.

FY 2023 Campus Budget Scenarios with Enrollment Update and Tuition Discussion CSU Fort Collins

President McConnell introduced the CSUFC budget scenarios, noting that the first scenario would leave the campus underfunded. She reviewed the financial impacts of the pandemic, discussed salary pressures, and introduced CSUFC CFO Lynn Johnson to discuss how the institution would approach the various scenarios. She also reviewed anticipated new expenses and budget reductions. CFO Sobanet explained the different detailed budget sheets included in the Board packet.

CSU Pueblo

President Mottet framed the discussion with a review of the FY22 budget, including headcount declines and a melt rate of 13% when the budget had targeted 9% which added \$600,000 to the budget deficit. He discussed the \$2.5M budget deficit in the current fiscal year noting they did not want to carry the deficit forward into FY23. He then explained the work to decrease expenses (through strategic reductions in administrative staff) and increase revenues through a transfer from extended studies (\$1.3M) to support university operations. He reviewed options under consideration for balancing the FY23 budget. He also noted that employee compensation is an ongoing concern and the planned salary increase for Admin Pro and Faculty for January 2022 had not been implemented. He explained they were budgeting for flat enrollment next year but that early indicators for fall 22 were promising. President Mottet then discussed the development of a P3 (Public Private Partnership) for the removal of the Belmont Hall residential facility on campus. He also noted they had hired a firm to help them evaluate and better utilize the facilities on campus that are built-out for 7,000 students and current enrollment was just below 4,000. He noted the potential for revenue generation through conferences and outsourcing.

CSU Global

President Toney reviewed the budget for CSU Global, and noted for the new Governors that CSU Global does not receive any state appropriated funds. She noted the budget was on track even with decreased revenues due to enrollment shortfalls early in the year. President Toney introduced CFO Yvonne Harris-Lott, who said the budget stands as it was presented in December. Budget for FY23 is based on a flat tuition rate of \$350 per credit hour for undergraduate and \$500 for graduate.

Action on Amendment to Two-Year Cash-List – CSU

Lynn Johnson explained that the annual action on the two-year cash list happens in June each year but amendments can come forward at any time, she then explained the items being presented for approval. The Chiropteran Research Facility \$8M (\$6.75M NIH Grant, \$1.25M CSU Match) is a bat vivarium facility, which houses one of the only captive breeding colonies for the use in infectious disease research. The second item was the Westfall Hall abatement and window replacement of \$15.7M due to the presence of asbestos.

Motion/Action: Governor Easley moved to approve the amended FY 21-22 2-year Cash List for CSU. Governor Valdez seconded, and the Motion carried unanimously. This Action Item is included in the Board materials.

CSU System Treasury Update

CFO Sobanet reviewed the performance of the System treasury and refinancing activities noting the balance remained high due to the scoop and toss proceeds. He also reviewed the staffing adjustments because of the Treasurer's retirement.

The Board adjourned for a break at 2:12 p.m. and the meeting resumed at 2:20 p.m.

ACADEMIC AND STUDENT AFFAIRS COMMITTEE

Governor Easley, Chair of the Academic and Student Affairs Committee, convened the committee at 2:24 p.m. and introduced Chief Academic Officer Miranda, who discussed new academic programs and certificates, which included a new degree for CSU: Master of Addiction Counseling in Psychology and Social Work, and for CSU Pueblo a certificate in Diversity Studies and one in Creative Industries Essentials. CSU Pueblo also retitled a degree program as a Bachelor of Science in Media and Entertainment and a new degree, Bachelor of Fine Arts in Gaming and Immersive Design. He then reviewed the faculty manual revisions: Section C.2.1.9.2 and C.2.1.9.5, The Standing Committees of Faculty Council; Section D.4, Letters Regarding Performance and/or Behavior; and Section E.15, Disciplinary Action for Tenured Faculty. Dr. Miranda discussed the sabbatical leaves, highlighting some of the activities of individual faculty on sabbatical. He also provided a brief overview of enrollment and retention at the start of Spring semester.

ACCREDITATION OF AVENIR MUSEUM

Dr. Miranda explained the need for a Statement of Institutional Permanence for Accreditation of CSU's Avenir Museum of Design and Fashion Merchandising with the American Alliance of Museums and reaffirms Colorado State University's commitment to the permanence of the Avenir Museum collection.

Motion/Action: Governor Valdez moved to approve the Action Item. Governor DeSalvo seconded, and the Motion carried unanimously. This Action Item is included in the Board materials.

REAL ESTATE/FACILITIES COMMITTEE

Chair DeSalvo convened the meeting of the Real Estate and Facilities Committee at 2:47 p.m.

Lynn Johnson presented the program plan for the Chiropteran Research Facility. This project will construct an approximately 14,000 gsf stand-alone bat vivarium adjacent to the CVID building at Foothills Campus and primarily funded through a grant. The project will take approximately three years to complete and CSU anticipates a design-bid-build delivery method with occupancy expected in September 2024.

Motion/Action to Approve the Program Plan for the Chiropteran Research Facility at CSU: Chair Jordan asked for a motion to approve the Action Item. Governor Easley moved for approval of the Chiropteran Research Facility Program Plan. Governor Valdez seconded the Motion, and the Motion carried unanimously. The Action Item is included in the Board materials.

APPROVAL OF CONSENT AGENDA

Motion/Action to Approve Consent Agenda: General Counsel Johnson presented the Consent Agenda to the Board of Governors for approval. Governor Fischer moved for approval of the Consent Agenda. Governor Gabel seconded the Motion, and the Motion carried unanimously.

The Consent Agenda included the following items:

Colorado State University System

Minutes of the November 24, 2021 Audit and Finance Committee

Minutes of the December 2-3, 2021 Board and Committee Meetings

Colorado State University

New Degree: Master of Addiction Counseling in Psychology and Social Work

Faculty Manual Section C.2.1.9.2 and C.2.1.9.5, The Standing Committees of Faculty Council

Faculty Manual Section D.4, Letters Regarding Performance and/or Behavior

Faculty Manual Section E.15, Disciplinary Action for Tenured Faculty

Avenir Museum Statement of Permanence

Colorado State University Pueblo
Certificate, Diversity Studies
Certificate, Creative Industries Essentials
Retitle Degree Program, Bachelor of Science in Media and Entertainment
New Degree Bachelor of Fine Arts in Gaming and Immersive Design

EXECUTIVE SESSION

Motion/Action: Governor Easley moved for the Board to go into Executive Session for the reasons listed in the meeting notice. The Motion was seconded by Governor Gabel and carried unanimously. General Counsel Johnson read the Board into Executive Session at 2:57 p.m. and noted the reasons for going into Executive Session under the Colorado Open Meetings Law, as stated in the meeting notice:

The Board moved to go into Executive Session under C.R.S. § 24-6-402 (3) (a) (II), C.R.S. § 24-6-402 (3) (a) (VII), and C.R.S. § 24-6-402 (3) (a) (VIII) to discuss matters concerning trade secrets, privileged information, and confidential commercial, financial data furnished by or obtained from any person, for the consideration of an honorary degree from CSU Pueblo and to consider a proposal for a naming on the CSU campus, and to receive specific legal advice on questions regarding the meeting topics referenced in this public notice and the meeting agenda, and to receive the Litigation Report from General Counsel related to pending and imminent litigation, as well as specific claims or grievances.

Following a Motion, second, and unanimous vote to leave Executive Session, the Board of Governors returned to open session at 3:19 p.m.

Chair Jordan asked General Counsel Johnson to lead the Board through the two action matters discussed in Executive Session.

Motion/Action: General Counsel Johnson asked for approval of the acceptance of gifts and the naming in recognition of gifts relating to the Bernard Rollin Knowledge Well in the Nutrien Agricultural Sciences Building. Governor Gabel moved for the Board to support the naming recommendation. The Motion was seconded by Governor Jordan and carried unanimously.

Motion/Action: General Counsel Johnson asked the Board for approval of the CSU Pueblo honorary degree to be awarded at the May 2022 commencement and discussed in Executive Session. Governor Valdez moved for the Board to support the honorary degree recommendation. The Motion was seconded by Governors Gabel and Easley, and carried unanimously.

EVALUATION COMMITTEE

Motion/Action: Governor Gabel moved for the Board to go into Executive Session for the meeting of the Evaluation Committee. The Motion was seconded by Governor Easley and carried unanimously. The Board moved into Executive session of the Evaluation Committee at 3:22 p.m. and General Counsel Johnson read the Board into Executive Session of the Evaluation Committee and noted the reasons for going into Executive Session under the Colorado Open Meetings Law, as stated in the meeting notice:

The Board moved to go into Executive Session under C.R.S. § 24-6-402(3) (b) (I) for discussions regarding the Board's evaluation and performance update for the Chancellor, Presidents, and professional staff employees of the Board.

Following a Motion, second, and unanimous vote to leave Executive Session of the Evaluation Committee, the Board returned to open session at 4:37 p.m.

With no further business, the meeting was adjourned at 4:38 p.m.