The Trustees for Adams State College convened a meeting on Friday, October 10, 2008 on the campus of Adams State College, Student Union Building, room 308/309.

I. The meeting was called to order at 9:14 a.m.

II. Roll Call

Board of Trustees

Chairman Tim Walters – Present
Vice Chair Rice – Present
Trustee Bachicha – Present
Trustee Darricades – Present
Trustee Lamm – Present
Trustee Montoya – Present

Trustee Oreck – Present
Trustee Rice – Present
Trustee Scoggin – Excused
Trustee Valdez – Present
Faculty Trustee Armstrong – Present
Student Trustee Pryor – Present

ASC Staff, Students and Others

Stephanie Ballard – ASC Student
Benita Brink – Faculty Senate President
Brian Flores – ASC Student
Melissa Freeman – ASC Faculty
Danté Gonzales – ASC Student
Heather Heersink – Budget Office
John Hereford – Oakleaf Energy Partners
Matt Hildner – Pueblo Chieftain
Sandy Lowman – ASC Student
Bill Mansheim – Finance and Administration
Heather Martin – ASC Student
Ken Marquez – Student Affairs

Michael Mumper – Provost’s Office
Frank Novotny – APAA
Christine Preiss – ASC Student
Tracy Rogers – Department of Human Resources
Bill Schlaufman – ASC Business Office
Chris Skelly – ASC Student
David Svaldi – Office of the President
James Trujillo – Office of the President
Erik van de Boogaard – Facilities Services
Rebecca van Dyke – Valley Courier
Julie Waechter – Office of the President
Nancy Wahl – Attorney General’s Office

III. Approval of Agenda

Chairman Walters called for a motion to amend and approve the agenda as follows: the addition of Action Item V H – “Lamm Resolution” and Information Item VI E – “HACU Report/Update”, and an Executive Session VII to immediately follow the information items. Trustee Bachicha moved to approve the agenda as amended. Trustee Darricades seconded. The motion passed unanimously.
IV. Public Comment

Dr. Melissa Freeman, part-time faculty with the School of Business, introduced her Public and Non-profit Management class members that were present to observe the proceedings of the meeting. She explained that the focus of study for the week was “governance boards” and intends to incorporate discussion related to the board meeting into future class assignments.

V. Action Items

A. Approval of the August 1, 2008 Board of Trustees regular meeting minutes

Chairman Walters called for a motion for the approval of the August 1, 2008 Board of Trustees regular meeting minutes. Trustee Montoya moved the motion. Trustee Rice seconded. The motion passed unanimously.

B. Approval of the August 29, 2008 Board of Trustees special meeting minutes

Chairman Walters called for a motion for the approval of the August 29, 2008 Board of Trustees special meeting minutes. Trustee Valdez moved the motion. Trustee Lamm seconded. The motion passed unanimously.

C. Approval of Richardson Hall COP Resolution

Bill Mansheim, Vice President of Finance and Administration, requested the Board adopt a resolution pertaining to the State of Colorado Higher Education Capital Construction Lease Purchase Financing Program Master Trust Indenture, as supplemented by the State of Colorado Higher Education Capital Construction Lease Purchase Financing Program Series 2008 Supplemental Trust Indenture. He explained that the adoption of this resolution is necessary in order to obtain $12.6 million COP financing for the renovation of Richardson Hall. Mr. Mansheim further described other relevant financial transaction documents that will be required at closing.

Mr. Mansheim went on to explain how the current global financial market conditions negatively impacted the probability of Adams State receiving this funding. At the time the Federal Mineral Lease legislation during the 2008 Legislative session, twenty year COP bond rates were low enough to get the Richardson Hall project fully funded. However, the collapse in the bond market puts Richardson Hall, which was 12th on the list to be funded, in jeopardy of not being funded this year. The Treasurer’s office planned to market the COPs in early November and if rates did not fall by 25 basis points or more, Richardson Hall would not be funded.

There was additional discussion about how the price of oil and other political considerations might impact future FML COP packaging.

Chairman Walters called for a motion to approve the Richardson Hall Certificate of Participation as amended. Trustee Oreck moved the motion. Trustee Lamm seconded the motion. The motion passed unanimously.
D. Approval of New Hires

President Svaldi informed the Board that the Trustee Policy Manual requires Board approval of the initial hiring of faculty on probationary contract and administrators on a regular contract. The Board was provided with a summary of the new hires as follows and asked for their approval:

Mr. Aaron Miltenberger – Coordinator of Student Activities  
Dr. Renee Beeton – Assistant Professor – Chemistry, Computer Science and Mathematics  
Ms. Beth Bonnstetter – Assistant Professor – English, Theatre and Communications  
Mr. William J. Herrmann – Assistant Professor – School of Business  
Dr. Mark Joyce – Full Professor and Chair of the Department of Teacher Education  
Ms. Karen Lemke – Interim Director – Developmental Education  
Ms. Elizabeth Thomas – Assistant Professor – School of Business  
Dr. Michael Travers – Assistant Professor – Chemistry, Computer Science and Mathematics  
Mr. Michele Trujillo – Assistant Professor – Department of Teacher Education  
Ms. Cindy Whitney – Assistant Professor – Department of Sociology  
Mr. Syed Masood Ahmad – Director of Student Engagement and Success  
Mr. Donald Johnston – Associate Provost for Graduate Studies/Full Professor  
Ms. Diana Wenzel – Associate Provost of Extended Studies

Chairman Walters called for a motion to approve the new hires as presented. Trustee Montoya moved the motion. Trustee Oreck seconded. The motion passed unanimously.

E. Approval of Implementing a Consent Agenda

President Svaldi presented a proposal to implement the use of a “Consent Agenda” to help save time and ensure that the board meetings focus on substantive topics. Through the “bundling” process, approval of routine and non-controversial board action items can be voted on in one action versus taking the time to vote on each individual item. Items may be on a consent agenda only if all board members agree. If one member considers a specific item to need discussion, it must be removed and placed on the regular agenda. Complete information will be provided in advance of the meeting to all board members so that each knows what is being proposed and has the opportunity to consider whether the item truly is “non-controversial”. As with all formal board action, a quorum must be present in order for action on the consent agenda item to be legitimate and binding.

Chairman Walters called for a motion to implement the use of a consent agenda for subsequent board meetings as appropriate. Trustee Oreck moved the motion. Trustee Rice seconded. The motion passed with Trustee Darricades voting against.

F. Approval of Planning Report

In accordance with Section 5.1 of the Trustee Policy Manual, a yearly Academic Planning Report is due the board by September 1 of each year. As the Board did not meet in September of 2008, President Svaldi submitted this year’s report at the October 2008 meeting and included the following reports for board approval: 1) Academic Master Plan; 2) A set of College goals and objectives and report; 3) An annual report; 4) Goals for the following year; 5) A list of potential new academic programs.
After brief discussion, Chairman Walters called for a motion to approve the 2008 Planning Report as submitted by President Svaldi. Trustee Montoya moved the motion. Trustee Lamm seconded. The motion passed unanimously.

G. Approval of Faculty Handbook Amendment

Nancy Wahl from the State Attorney General’s Office reminded the board that due to a dispute in the language of Section VI.A.4 of the Faculty Handbook between the administration and faculty, all but one section of the handbook was approved at the August 29, 2008 Board of Trustees meeting. Subsequently, both parties have come to an agreement with regard to the section with the addition of the following language: “...but may participate in departmental discussions of such matters if invited to do so by a majority of tenured members of the department.”

Chairman Walters called for a motion to approve the Faculty Handbook Amendment as presented. Trustee Rice moved the motion. Trustee Darricades seconded. The motion carried unanimously.

H. Approval of Lamm Resolution

Chairman Walters read and presented a written resolution on behalf of the entire Board to acknowledge Trustee Lamm’s involvement and dedication in Trustee activities throughout her appointment and her future support to the community and the State of Colorado. Trustee Lamm briefly addressed the Board and thanked them for the opportunity to serve on the Board.

VI. Information Items

A. President’s Report

Dr. David Svaldi gave a brief President’s Report to the Board. Some items reported were: the name of the fall commencement speaker, Mr. David Evans, ASC Alumnus 1970; the presentation of ASC’s FY09-10 budget request to the Colorado Commission of Higher Education; the recent occupancy of the Marvel House by the Svaldi’s and an “open house” for the campus community; the hosting of the first cohort of Porter Scholars and the Porter Scholarship Committee; the presentation of a 4-year degree to a young man incarcerated at the Sterling Correctional facility; and the upcoming hosting of the RMAC Presidents/AD Summit on campus which will include presidents, athletic directors and coaches from across Colorado, New Mexico and Nebraska.

B & C. Review of FY08 & FY09 Periods 1 & 2 Financials

Bill Mansheim, Vice President of Finance and Administration, presented the Board with a comparative balance sheet between FY02 and FY08. Adams State’s unrestricted cash position improved by $5 million over the time span after backing out $3 million for the State’s payroll shift. Trustee Montoya asked about the decline in total assets over the same period. Mr. Mansheim explained that the decline was due to the State capital construction investment in Adams State College not adequate over that period to offset the cost of depreciation. He advised the Board that the current year period 3 financials had
some good news and some bad news, but assured the board that the institution was in a position to weather the storm. Trustee Oreck questioned the adequacy of the $250,000 FDIC insurance cap on the CDs that the College has at local banks. Following a brief discussion, Mr. Mansheim informed the Board that he would research any problems and advise the Board of actions taken.

Trustee Bachicha inquired about the financial status of the Adams State College Foundation. Mr. Mansheim responded that he was not aware of their current financial condition or the status of their ability to meet their budgeted investment income target. He noted that he was concerned that if the foundation was unable to meet their obligations, the College needed to have a plan in place as a backstop. He referred again to the College’s unrestricted fund balance and advised the board that external problems such as these may necessitate the need to expend College unrestricted cash. Trustee Oreck commented that any non-discretionary expenditures be held at a minimum due to the uncertain financial times.

Mr. Mansheim reviewed Period 13 FY07 to Period 13 FY08. Cash decrease slightly due to the purchase of real estate, however unrestricted net assets gained $157,000. The income statement showed that scholarship allowance was up by approximately $4 million to reflect increase in third party payer such as increased Pell and state need based aid. Operating income exceeded budget slightly over $1 million. Actual increase in net assets equal to $5.1 million vs. a budgeted decrease in net assets of $200,000.

Mr. Mansheim reviewed Period 3 FY09 financials. Points out $9.1 million construction in progress which is a positive note. In reviewing the income statement, he commented that tuition and fees are up by $800,000 compared to last year. Although it appears favorable, the actual YTD revenue falls short of where the institution needs to be by approximately $500,000. Offsetting this is that instructional costs are well below historical trend vs. budget. Gifts and donations are up, partially due $160,000 in deferred revenue from the Foundation from the prior year to offset their obligation to the College this year.

**Note:** Action item VI-D and VI-E were taken out of sequence on the agenda, with Board acquiescence.

**E. HACU Summary/Update**

Trustee Montoya gave a brief summary/update on the Hispanic Association of Colleges and Universities. He informed the Board that he and others from the institution will be attending the annual convention taking place in Denver on October 11 – 13, 2008 and will have opportunity to showcase what Adams State has to offer.

**D. Review of Proposed Adams State College Solar Project**

John Hereford from Oakleaf Energy Partners of Denver, Colorado presented an overview regarding a proposed solar project for Adams State College. The proposal is to locate a 1.3 mw system on Adams State property utilizing ground mounted tracking system. ([http://sunpowercorp.com/Products-and-Services/~media/Downloads/for_products_services/spwr_t20tracker_en_lt_w_ra.ashx](http://sunpowercorp.com/Products-and-Services/~media/Downloads/for_products_services/spwr_t20tracker_en_lt_w_ra.ashx)).
The system would tilt at 20 degrees south and rotate on an East/West axis tracking the sun as it moves across the horizon and is expected to generate approximately 2600 mwh DC of power output per year and would be connected to meters nearby Plachy Hall. The expected date of completion would be June 2009.

This project would be structured as a Third Party Developer transaction, standard practice for commercial solar projects in Colorado and nationally. Oak Leaf Energy Partners, as the owners of the successful REC bid with Xcel, would be the project developer. They would coordinate the entire project design, permitting, construction, operations and financing. Adams State would execute both a Site Lease Agreement allowing the location of the solar array on its property, and a Power Purchase Agreement (“PPA”), obligating Adams State to purchase the power output from the system at a pre-set rate. Both of these contracts would be for 20 years. The PPA would be priced at $.08 per kwh with a 3% annual escalator. Adams state would also have a purchase option on the array after the tax credits are exhausted in Year 6. The buyout price would be based on the fair market value of the system.

The Board further discussed the proposed location of the system, economic factors and solar technology lifecycles. No action was taken on this item.

VII. Executive Session

No Executive Session was held at the Boards acquiescence.

Note: The meeting was recessed at 12:01 p.m. and reconvened at 1:15 p.m.

General Board Discussion

The Board informally discussed issues of general concern regarding current and future projects and matters pertinent to the mission and objectives of the College including enrollment, recruitment and retention issues, construction of new and renovation of existing residence halls, incorporating renewable energy vocational programs and rapidly evolving solar technologies.

VIII. Adjournment

Chairman Walters called for a motion to adjourn. Trustee Bruce moved the motion. Trustee Rice seconded. The motion passed. The meeting adjourned at 2:43 p.m.