The Trustees of Adams State College convened in regular session on Friday, October 24, 2003 in Richardson Hall at Adams State College. Chairman Lamm called the meeting to order at 10:20 a.m.

I. ROLL CALL

Board of Trustees
Chairman Lamm
Trustee Walters
Trustee Cavanaugh
Trustee Eck
Trustee Ford
Trustee Rodriguez (Excused)
Trustee Salazar
Trustee Scoggin
Faculty Trustee Nehring
Student Trustee Richardson

ASC Staff, Students and Others
Interim President Halgren
Patti Wilson
Provost Svaldi
Vice President Mansheim
Assistant Provost Sanchez
Guy Farish
Gary Jones
Rodney Martinez
Tracy Rogers
Heather Heersink
Richard Scanga
Karla Wilschau
Darlene Clayton
Opeyemi Daramola
Jake Zambrano, CCHE
Hew Hallock, Valley Courier

II. APPROVAL OF AGENDA

The agenda was approved.

III. PUBLIC COMMENT

None.

IV. ACTION ITEMS

A. Approval of Minutes: Trustee Eck moved that the September 5, 2003 minutes be approved. Motion seconded by Trustee Salazar and passed.
B. **Personnel Action Items:** Trustee Ford moved that the personnel items be approved. Motion seconded by Trustee Walters and passed. Following discussion of a consent agenda, the Board agreed that it would become a regular part of the agenda.

C. **Bond Refinancing/Auxiliary Capital Projects:** Vice President Mansheim introduced Lee White, Executive Vice President of George K. Baum, the firm Adams State has contracted with on the bonds. Pictures of the College Center roof project were circulated. Vice President Mansheim reported that the college is looking at refinancing the auxiliary bonds, which total $9.1 million and are pledged against the revenues generated from the dormitories, food service, College Center and other auxiliary activities. The existing service debt structure is $860,000 per year beginning in 2006 and the next two years is $940,000. George K. Baum calculated the savings if the bonds were refinanced both by extending the maturity and without changing the maturity date. Four options were presented for board consideration followed by a recommendation from Vice President Mansheim for approval of Option 4. (With the extended maturity structures, the College pays debt service for five years after the Series 1994 bonds final maturity. The net present value of $700,000 in 2020 (at 4.50%) is $350,000 and the PV of $860,000 is $420,000). Following board discussion, Trustee Saltzman moved that Option 4 be approved. The maturity date will be extended an additional five years and will raise an additional $2.2 million. It was also moved that the debt service matrix be reviewed to see if there is additional bonding capacity. The motion was seconded by Trustee Cavanaugh and passed.

D. **Health Insurance Benefit Rate Renewal:** Vice President Mansheim explained that the Colorado Higher Education Insurance Benefits Alliance (CHEIBA) will receive a premium refund from Anthem due to 2003 claim expense coming in at less than originally projected. CHEIBA voted to apply this refund to the premium for 2004, which will reduce the increase from 13% to 9%. Vice President Mansheim indicated that Adams State had budgeted 20%. He recommended that the board approve a transfer out of the reserve and that the college absorb the entire premium increase for employees. Trustee Eck moved to approve the transfer of an additional $4,000-$5,000 out of the reserve and that Option #1 be funded. The motion was seconded by Trustee Ford and passed. An overview on fringe benefits for employees will be an information item at the next board meeting.

Vice President Mansheim noted that salaries continue to be a concern on campus. He recommended the possible consideration of a 2-3% pay increase for faculty and exempt staff this fiscal year and that it be retroactive back to first of this year. A proposal on the salary issue will be presented after an assessment of the state fiscal and internal environment is done this spring.
E. **International Baccalaureate**: Provost Svaldi explained that H.B. 1108 requires the college to report on students who come in with all or part of an international baccalaureate. Legislation requires the college to show that the college would accept up to 24 credit hours for any student who has completed the baccalaureate as well as show the course equivalencies. This information is placed on our website and catalog materials. A correction was made to the listing for the math equivalencies. They were changed from ASC 120 and 106 to Math 120 and 106. Provost Svaldi recommended that the Board approved the policy. Trustee Ford moved to approve the policy. Motion seconded by Trustee Walters and passed.

F. **Nursing BSN**: Provost Svaldi called attention to a corrected page on the proposed nursing program. He gave a history of the proposal, which was approved by the previous board last spring. Since then, CCHE changed the process for the approval of new programs in June and now most of the authority is vested in the governing board. CCHE will determine if the program is consistent with our mission and whether there is program duplication in Colorado. The program duplication issue should be decided before second reading at the next board meeting. Provost Svaldi recommended that the Trustees approve the proposal upon first reading.

Interim President Halgren added that this is one of the first initiatives as a regional education provider and the proposal is a valley partnership to solve a need in the community. Adams State and Trinidad State Junior College along with representatives from the health care community in the Valley have been very involved in this issue. Formal action will be taken at the next meeting. Trustee Saltzman offered to help with funding through foundations and asked that he be contacted.

G. **Quality Indicator System**: Provost Svaldi called attention to a corrected version of page 35 of the agenda. This is a proposal for approval of institution-specific indicators for Adams State College that would be used to measure our unique mission. Supporting materials were distributed earlier and include the National Survey on Student Engagement. Interim President Halgren mentioned that a report of these indicators as well as seven others would be brought before the board in December or January along with a recommendation on what can be done to meet these indicators.

Trustee Eck moved that the two indicators for the QIS be accepted. The motion was seconded by Trustee Saltzman and passed.

H. **Approval of Revised Meeting Schedule**: Interim President Halgren requested approval of the schedule as presented. An all-day legislative retreat in January will be to work with legislators on issues of interest to Adam State. Trustee Cavanaugh suggested that the schedule remain flexible because of the
presidential search. Trustee Salazar moved, seconded by Trustee Scoggin that the revised schedule be approved. Motion passed.

I. Approval of PASC Constitution: Interim President Halgren introduced the formation of the Professional Administrative Staff Council. He reported that it is the only constituency group on campus that had not organized, and they have now developed a constitution. Trustee Scoggin moved that the constitution and by-laws of the Professional Administrative Staff Council be approved. Motion seconded by Trustee Walters and passed.

V. DISCUSSION/INFORMATION ITEMS

A. Zero-Based Budgeting: Vice President Mansheim reported that the college is looking at zero-based budgeting. He stated that the advantage of going to ZBB enables the college to strengthen communication with the Board, the Governor’s Office, the legislature and internally. Vice President Mansheim explained the process and indicated that it allows the measurement of performance, and gives autonomy and accountability. The goal is to get the campus engaged in shared governance by involving managers in the budgeting process and in strategic planning. ZBB presentations have been held with the Budget Committee, Faculty Senate and PASC. The campus is excited and ready to move forward. The Board commended the staff for pursuing this method of budgeting.

B. Financial Reporting: Vice President Mansheim presented a breakdown of ASC’s budget using a chart that he and Trustee Saltzman developed. The report reflects the annual budget, fiscal year actual expenditure and revenues and projected revenue and expenses by month. Total operating revenues are down by about $55,000 under projection; however, expenditures are under $114,000 for a net operating gain of about $60,000. A year-to-date comparison of the first quarter of this fiscal year and the first quarter of last fiscal year was presented. Vice President Mansheim pointed out that the state contracts and grant line revenue is down due to the reduced state financial aid, which is not a general fund appropriation. The decrease of $185,000 is a result in cuts of financial aid. The expenditures for scholarships and fellowships are up by $214,000, which offsets the cut received in financial aid. Vice President Mansheim pointed out that revenue is up year-to-date by $250,000 and expenditures are down $290,000. This results in one-half million dollars ahead in the first quarter as compared to last year. The graph also shows operating loss in revenue and expenditure before the state appropriation and includes a non-cash expense of about 2.5 million dollars in depreciation.

The new form will allow the Board to better measure the future and will allow the Board to be responsive to any problems. The key figure is the net income loss, which is projected at about 9.6 million. A glossary of terms to explain
the budget document and a booklet on how the budget process works will be prepared. Any recommendations from the Board are encouraged and appreciated. The Board commended Vice President Mansheim and his staff for doing this.

VP Mansheim handed out a statement of auditing standards for financial statements in relation to fraud. This becomes effective beginning January 2003. The auditors will meet with the Board and the staff to see how to implement it for the remainder of the year. Following discussion, the Board made a recommendation to name an audit committee to work with Vice President Mansheim and his staff. Chairman Lamm and the Board resolved that an audit committee be established and would be composed of three members, two with a substantial background in accounting. Trustee Saltzman will chair the committee and Trustee Cavanaugh and Trustee Rodriguez will serve as members. The resolution passed.

C. Full-Time Student Definition: Provost Svaldi gave a history of ASC’s requirement that students must be enrolled in 15 credit hours to be considered for full-time financial aid calculation. He stated that students who are not on financial aid are not affected. The policy was adopted in 1996 because of under enrollment and at the time, many students were taking less than an average of 15 credit hours. An analysis was done on campus and the college was losing approximately $400,000 in state support because of that issue. There was also a push from the state for getting students to graduate in a timelier manner. Since we have used this as a mechanism, the average load for ASC students has increased. The policy needs close review and a recommendation will be presented before year’s end. The review will entail looking at going back to a 12-credit hour definition for full time student financial aid calculation. The potential budget impact of reducing it and an assessment of how the 15-hour requirement is affecting students will be done prior to making the recommendation.

D. Credit for Prior Learning and Life Experience: Provost Svaldi reported that the college has a very good system for evaluating transcript credit that is brought in from other institutions, but we have never had a well-defined system for giving credit for other kinds of learning experiences. The deans have always evaluated military credits and since that level of administration is disappearing after this semester, it is a good time to review this. Provost Svaldi emphasized that the issue is about credit for prior learning and not for prior experience. He explained the reason for doing this addresses non-traditional student issues for students who have been in the workforce and never attended college or went to college 10-15 years ago. If non-traditional students can prove, based upon a careful evaluation, that the requirement should not apply to them because of their prior learning, they will be given an opportunity for credit for the other experience.
The Board conceptually supported looking at this issue with careful analysis by the staff. In depth discussions will be held with the faculty and with alumni. Being able to measure this should be an important factor in the process.

E. **H.B. 03-1175:** Provost Svaldi reported that this bill is legislation to stop using student SSN’s as a primary method of identification. The process entails notifying the Board and CCHE. The college has been in compliance since early August and has moved to a different ID that uses a student pin generated number.

F. **Process for Dealing with Constituency Concerns/Issues:** This is a protocol question on how to deal with people that want to discuss concerns or complaints with the Board. Should calls go to the Chair or the president? Interim President Halgren will follow up with the Board on this issue by E-mail to get a consensus. Chairman Lamm said her inclination is to have all Board members involved in any issues.

VI. **REPORTS TO THE BOARD**

A. **Student Trustee:** Dustin Richardson reported on recent campus activities. Trustee Scoggin was thanked for attending the Homecoming football game. There is a campus issue on fire alarms and equipment in one of the residence halls. Coronado D wing was flooded and the students will be looking at repairs. Public Safety is investigating the person/s responsible for taking the cap off and turning on the water. Mr. Richardson and Assistant Provost Sanchez will meet to discuss public safety on campus. Adams State hosted the Colorado Student Association meeting in September and it was a success. CSA’s budget was approved at the October meeting. Discussions are being held that positively affect Adams State and the other schools associated with CSA. They include the voucher bill, international in-state tuition and enterprise status, military student in-state tuition and several other items.

The lobbying, coordinating and investigative committees of the Senate are developing a proposal to the ASC foundation for eight blue phones for the campus. This will help with public safety issues. Mr. Richardson raised a question for the Board about whether the raising of student fees by 5 cents requires a vote by the students or whether the board can approve the raise for next year. This is being proposed because CSA has raised their fees by 25 cents per FTE for their operating budget as they are hiring new staff.

B. **Chairman’s Report:** Chairman Lamm reported that she along with Trustees Cavanaugh, Ford and Scoggin plan to attend the ASC hearings before the Joint Budget Committee on November 17, 2003. She also reported that the Trustees met for the first time with the Presidential Search Advisory
Committee. An additional faculty person will be named from Arts & Letters to serve on the committee. The search process is moving forward for the selection of a new president for Adams State College.

C. President’s Report: Interim President Halgren reported on campus activities. Homecoming was a success and Trustee Ford was congratulated for receiving the Outstanding Alumnus award. The first tailgate party sponsored by the Alumni Association, Athletic Department and AS&F was held and went extremely well. Interim President Halgren attended a Colorado 100 meeting recently held on campus. He stated it is important for Adams State to be represented at these types of events as they create a sense of community as a regional education provider. The community is facing difficult decisions and the college should be a source of education by being involved as a facilitator. The Chemistry Department sponsored a guest speaker on campus to talk about another regional problem, arsenic and drinking water. There is also a genetic disease in the Valley with the Hispanic population and Julie Waechter will be working with the medical community to see how the college might be involved as an education tool. Interim President Halgren, Vice President Mansheim and Todd Wright attended the Capital Development meeting and received approval on the roofing projects. Legislation calling for a pilot project on a guaranteed tuition plan is being developed. Vice President Mansheim and Assistant Provost Sanchez will look at models to see whether it would be feasible for ASC to be a part of this study. AS&F and some of the faculty have put together suggestions for revision of our posting policy for review by the Attorney General’s office. This is a significant issue that the Board needs to understand and be involved in as there are first amendment and hate speech issues imbedded in the policy. Nancy Wahl from the AG’s office will prepare a briefing for the next meeting. Interim President Halgren and Assistant Provost Sanchez will work with the students on this issue. Some members of the board may need to be available for a focused visit on December 1-2, 2003 by the Higher Learning Commission. This is a result of the change in governance structure.

D. Colorado Commission on Higher Education: Interim President Halgren reported on the October 2 Commission meeting at Western State College. Two new commissioners were introduced, Richard Garcia and Greg Stevenson. Mr. Garcia is a native of Monte Vista and is very familiar with our teacher preparation programs. The commission is proposing a new financial reporting methodology and the reporting format developed by Trustee Saltzman and Vice President Mansheim fits within those guidelines. Interim President Halgren reported that the Commission approved a new admissions policy. They approved the ACT core curriculum, which goes into effect in 2008-2009. Two years later an additional foreign language component to the high school curriculum goes into effect. Discussions of implementation have been held with superintendents around the Valley.
Interim President Halgren attended a BOCS meeting to encourage working collaboratively with the college in making the transition to post-secondary education easier for students. Interim President Halgren further explained the changes, which include a narrowing of the admission index from 20% to 10% for some of the more selective institutions. Also associated is a change in how the admissions index is computed. A third component is greater restrictions on alternative admissions programs that are in existence particularly at UNC and CSU. He stated that the net effect in theory should be to have more stringent requirements at those selected institutions. The commission also approved an operating budget and special CDE requests.

E. Legislative Report: Jake Zambrano gave a report on the legislative agenda. He indicated that CCHE is working on some fairly significant items with the Governor’s Office. He mentioned that the Commission is trying to move away from the term voucher and is calling it the College Opportunity Fund. The original voucher amount has changed from $4,000 to $3,300. Part of the reason is that the private sector wants to be included in the plan. Two additional components are being discussed, enterprise status for higher education and the COF. The Guaranteed Tuition Plan is another bill that will be brought forward and it allows students the option of signing up for the guarantee for four years. The Principle Licensure Program is another bill. Adams State is the only institution in Colorado that has gotten the elementary education program to 120 credit hours. Chairman Lamm asked Mr. Zambrano to give a report at the December board meeting on the impact on Adams State of the College Opportunity Fund including the financial impact and enterprise status if it passes. The presentation will also include the position of CCHE on the language on floor funding.

F. AS&F: Darlene Clayton reported in behalf of Ope Daramola who was attending class. Three new clubs have been approved and club participation is up significantly. There are 31 active clubs on campus. The Judicial Committee was newly added to the constitution and recently resolved a conflict with the dance team in a professional matter. AS&F is sponsoring the annual haunted house again this year. It is a fundraiser, which is a community service project. Donations of food go to the homeless shelter. The event not only involves ASC students but students around the valley. AS&F is working on a faculty/student leadership recognition program. A recognition day will be announced and faculty will be invited to the cafeteria for a free lunch to give them an opportunity to socialize with the students whereby they will be thanked for their efforts toward the students. An ASC Care Day is being held whereby clubs have volunteered to do community service projects. This is an effort to connect with the community. Freshman elections were held and two new Senators were elected. They are Tiffany Morgan and Brandy Zimmerman.
G. **Faculty Senate:** Guy Farish thanked the Trustees in behalf of faculty for attending classes. Vice President Mansheim was thanked for his presentation earlier on the issue of salary increases. Dr. Farish encouraged the Board to look for a long-term solution, as there is a serious problem currently with compression and even inversion with salaries. This is a concern and a morale issue, primarily for faculty. Thanks were also expressed in behalf of the faculty for the buy down of the insurance premium. Dr. Farish reported that the faculty generally supports the concept of zero-based budgeting. Though there might be some apprehension about it from certain areas on campus, it is seen as an opportunity to move forward. The presidential search process and the meeting of the advisory committee with the Board is greatly appreciated by the Faculty Senate and the faculty at-large are encouraged that the process has begun and that faculty are involved.

H. **PASC:** Gary Jones thanked the Board for including exempt staff representation in the presidential search process. A proposal on Handbook issues, i.e., evaluation, tenure and contract issues for administrators will be presented in the future.

I. **Classified Staff:** Rodney Martinez reported that the Council is seeking new members on its board. The Council is in the process of preparing care packages for students during finals week. This is an annual fundraiser that involves parents. Packages are delivered to the students. The Council has begun a new fundraiser this year. Gourmet nuts are being sold with the potential of raising $1,800 for scholarships. The Council is also proposing an increase in the amount of scholarships offered to encourage potential local students to attend ASC. Holiday baskets are being prepared at Thanksgiving as well as Christmas for needy students and families. The Council is also collecting food donations to give to the local food bank. The state liaison council will meet on campus November 7th.

J. **Trustee Comments:** Chairman Lamm expressed gratitude for the efforts of Interim President Halgren and Patti Wilson for setting up the Board meeting.

VII. **ADJOURNMENT**

There being no further business, the meeting adjourned at 12:15 p.m.