

METROPOLITAN STATE COLLEGE of DENVER
BOARD OF TRUSTEES
Wednesday, June 3, 2009
8:30am – 11:30pm
Tivoli Student Union Room 320
Auraria Campus

MINUTES

CALL TO ORDER

Chair Adele Phelan called the meeting to order at 8:08 a.m.

Trustees Present

Chair Adele Phelan, Vice-Chair Robert Cohen, Trustee Maria Garcia-Berry, Trustee Dawn Bookhardt, Trustee Michelle Lucero, Trustee Melody Harris, Trustee Ellen Robinson, Trustee Antonio Esquibel and Student Trustee Kailei Higginson.

Representative Present

Gerie Grimes, Alumni Representative

Trustees Absent:

Trustee Bill Hanzlik

EXECUTIVE SESSION

The Chair asked for a Motion to Go into Executive Session to discuss the *Bierer vs. Metropolitan State College of Denver Board of Trustees, et al.* Ms. Bookhardt so moved and Ms. Harris seconded the Motion which was unanimously **approved**. The Board entered into Executive Session.

APPROVAL OF MINUTES

Student Trustee Kailei Higginson asked the minutes be corrected to reflect he that he was elected, not appointed, to his position. Ms. Bookhardt moved to approve the Minutes of the May 6, 2009 Board meeting as corrected and Mr. Esquibel seconded the Motion. The minutes were unanimously **approved as corrected**.

REPORTS

Chair's Report

Chair Phelan reported that Trustees Bookhardt, Robinson, Higginson and Saxe attended the Commencement ceremony. The article "No Time for Timidity" in the latest edition of the Association of Governing Boards publication supports some of the bold moves Metro is making in response the current budget crisis. The study of Colorado Opportunity Fund (COF) in the President's report is very informative.

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AHEC Board

Trustee Garcia-Berry reported that Dean Wolfe had tendered his resignation as Executive Director of Auraria effective July 1, 2009, but will serve as a consultant until construction of the Science Building is completed. The AHEC Board will conduct a search and an interim Director has not been named.

President's Report

President Jordan referred Trustees to his written report and showed videos highlighting Metro and the NCAA.

- The first video was an ABC report on the May, 2009, Metro graduate who was presented her degree by her soldier son whom she had not seen for nine months and who had been injured in combat in Iraq.
- The second video showcased the personal accomplishment of Metro student Anthony Luna who won the Indoor National Championship 800 meter race and the Outdoor National Championship. He has one more year of eligibility at Metro and intends to try out for the Olympics. He is the "Metro Story".
- The third video highlighted the NCAA Division II National "Life in the Balance" reforms focusing on student academic, athletic and community achievement and involvement. Reforms include but are not limited to reductions in competition, modifications to seasonal sport schedules and policy review. Member schools are energized about potential changes benefiting students and schools.

Dr. Jordan said higher education officials in Colorado will begin to work on a Strategic Plan for higher education and the College Opportunity Fund (COF) would be among the issues addressed in the one to two year study. The impact of COF and funding enrollment growth at the community colleges and Metro will be reviewed. The Governor's office intends to keep general fund appropriations for higher education at the FY 2005-06 appropriation level. Higher education will receive \$150M of stimulus money and there is no substantial tuition policy change.

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Student Government

Trustee Bateman reported on the successful Student Government Association (SGA) April, 2009, elections and introduced the SGA officers. Due to the very hard work of work study students, alumni and others, the Metro food bank has been very successful and averaged 170 daily student visits. He has been elected Chair of the Associated Students of Colorado.

Legislative Report

Trustees were referred to Capstone Group's written report in their materials. Christine Staberg, The Capstone Group, Vice President Lutes and her staff and trustees were commended for their hard and successful work during the 2009 Legislative Session.

Finance Committee

Trustee Robinson said their report would be addressed in the Action Items to be considered later in the meeting.

Academic and Student Affairs Committee

Trustee Esquibel reported there will be meetings to discuss the progress made on implementation of graduate programs by Fall 2010. Recommendations regarding the format and the criteria for Board approval of graduate programs will be presented at the Board Retreat. Academic decisions need to be made in order to begin financial planning.

Private-Public Partnerships

Trustee Bookhardt said the committee had narrowed the choice of construction firms for the hotel learning center project to four companies and gave the schedule for choosing one of the firms to be recommended to the Board at the September 2, 2009, meeting. Requests for Proposals for the neighborhood project architecture and engineering services and for the construction management and general contractor will be completed by August.

Foundation Report

Trustee Cohen reported on creation of the Leadership Circle which will encourage continued involvement in the Foundation. Charlie Gallagher and outgoing Chair, Ray Sutton, will be its first honorees. Jon Robinson will be Chair of the Foundation Board. The Foundation Retreat and reception will be held on June 23, 2009, and Board members are invited to the reception. He thanked the Trustees for the gifts they have given and will give to the Foundation.

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Faculty Senate Report

Tony Ledesma represented Lynn Kaersvang. The Faculty Senate recognized and acknowledged Dr. Jordan for his self-imposed salary reduction, initiating Internet updates to keep Metro employees apprised of decisions regarding the institution's financial situation and budget challenges and thanked him for the town hall meetings. He thanked the Board on behalf of the Metro community for their work in these challenging economic times

Council of Chairs

No Report was given.

Alumni Report

Trustee Grimes reported that the Alumni Board was evaluating and closing out the past year and preparing for their Annual Meeting on September 26, 2009 and Annual Retreat on July 22, 2009. Board member evaluations are being conducted and potential new members are being considered. Scholarship applications are being reviewed and fewer scholarships will be awarded due to financial constraints. The Metro Alumni Association won the International Silver Award from the Council for the Advancement of Education (CASE) – Support of Education for the Apprentice Challenge Program. Alumni membership increased with the addition of 1400 new graduates.

ACTION ITEMS

The budget presented for approval reflects nearly \$10 million in permanent cuts and an unknown future with a potential for further decline. Strategic decisions that allocate resources to important priorities will need to be made relative to important initiatives. The broad implication of the direction of the budget will need to be addressed at the Retreat. The presented budget includes \$9.9M in permanent cuts and a \$9.9M in one-time Federal stimulus funds. Reductions and additions are paper transactions and positions eliminated are added back. Particular issues to be highlighted in this budget are an allocation for equity adjustments to bring some employees to 85 percent of the CUPA average. There is base money to continue the first year success program associated with the new building.

Preliminary FY2009-2010 Student Charges

The Board was asked to approve a 9% increase in resident and non-resident tuition, which equates to a \$9.80 per credit hour increase for residents and a \$42.50 increase for non-residents. The Board was presented with student fee increases as indicated in the material sent to the Board in advance of the meeting. Total tuition and fees for a resident student taking 15 credit hours will be \$1,820. While 9% is a significant increase, due to Metro's low tuition structure and the

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window from 12 to 18 credit hours, the net increase in tuition and fees for a full time resident student is only \$200. Staff will prepare a comparison of total costs to attend Metro versus the other Colorado and peer institutions for FY2010 once the comparison data is available.

Mr. Cohen moved and Ms. Lucero seconded a motion to approve the FY2009-2010 Student Charges as presented which was unanimously **approved**.

Mr. Cohen moved and Ms. Bookhardt seconded a motion to approve the recommended tuition increase for the Accelerated Nursing program of 14.6% or \$362 per credit hour. The motion was unanimously **approved**.

Proposed Fiscal Year 2010 (FY2009-10) Metro State Operating Budget

Higher Education institutions' Fee-for-Service (FFS) allocations had to be increased for all institutions in order to have sufficient funds to backstop construction bonds under the Intercept program, which has the State Treasury standing behind the bond issue of the institution by utilizing the institution's FFS allocation to guarantee the bonds. Due to this, the COF stipend was reduced to a level that allowed the increase in FFS to the institutions, yet kept total state funding to higher education institutions at the FY2005-06 level.

The FY2009-10 college budget was based on enrollment growth of 6 percent for residents and 10 percent for non-residents; however this portion of expected tuition revenue, equivalent to \$3.6 million, is being set aside as a contingency until the state budget is more certain. New money from the 9% tuition increase was allocated to buy back essential positions that were on the tier reductions, for increases in institutional infrastructure costs and to continue funding institutional priorities.

A detailed review of the recommend budget was presented in accordance with the materials that were sent in advance of the meeting. Approved allocations of \$4,336,258 in base, \$3,310,723 in anticipated prior year fund balance, and \$3,338,604 in federal stimulus were presented. The remaining \$33,220 in base, \$3,189,277 in prior year fund balance, and \$6,596,240 in federal stimulus will be allocated in the coming months and presented to the Board by the November board meeting.

The Board was presented the FY2009-10 budget as of July 1, 2009 totaling \$154 million for approval. This amount includes \$101 million in state appropriated funds, \$23 million in auxiliary funds, \$2 million in plant funds, and \$27.5 million in restricted funds.

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Ms. Garcia-Berry moved and Ms. Robinson seconded a motion to approve the FY2009-10 operating budget subject to any action that may occur pursuant to any special legislative session. The motion was unanimously **approved**.

The Trustee Finance Subcommittee will be meeting on July 27th to address the evolving State budget outlook.

Draft Policy Statement on Future Tuition and Fees

Metro has been discussing the budget and looking at the trend of declining Colorado General Fund dollars as a percent of Metro's overall operating budget in relation to the increasing need to use a higher proportion of tuition for funding operations. Even in the best of circumstances, funding for higher education will not be solved with state appropriations alone and tuition will be a necessary component. Currently, the State General Fund supports about 40 percent of Metro's budget with tuition and other non-tuition funds supporting the remaining 60 percent. The draft tuition statement is a declaration of the idea that tuition is a critical component in Metro's ability to achieve preeminence in the context of Colorado's current fiscal climate. The value propositions and community perception of the quality of the education received at Metro relative to the cost to obtain the education must be considered. The quality product Metro delivers with very limited resources and low tuition will be an integral and necessary component to position Metro to meet its goals and deliver value. This draft statement will be discussed at the Board Retreat.

Proposed Year 2009-2010 Board Trustees Meeting Schedule

Ms. Robinson moved and Mr. Esquibel seconded the motion to approve the 2009-2010 Board of Trustees Meeting Schedule as presented. The Motion was unanimously **approved**.

Proposed Board of Trustee Meeting Dates

Members chose the dates of September 14 and 15 as the dates for their retreat which and inquired if the meeting would be in the Metropolitan area.

Ms. Garcia-Berry moved and Mr. Esquibel seconded a Motion to have the Board Retreat on September 14 and 15, 2009, which was unanimously **approved**.

CONSENT ITEMS

Personnel Items, End of Session Legislative Report and Additional Personnel Items.

A Motion was made and Ms. Phelan seconded the Motion to approve the Consent Items. The Motion was unanimously **approved**.

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ELECTION OF OFFICERS FOR FISCAL YEAR 2009-2010

Trustees unanimously nominated Ms. Phelan to continue as Chair and Mr. Cohen to continue as Vice-Chair for the next fiscal year. The nominees were praised for their dedication to and hard work on behalf of Metro.

Ms. Lucero moved and Ms. Garcia-Berry seconded the motion to approve the nominated slate for the positions of Board Chair and Vice-Chair as presented. The Motion was unanimously **approved**.

PUBLIC COMMENT

There was no public comment.

The meeting was adjourned at 10:55 a.m.