COLORADO MOUNTAIN COLLEGE
BOARD OF TRUSTEES
REGULAR MEETING
Friday, November 10, 2000
8:30 a.m.

Location: Summit Campus, Dillon Center
Dillon, CO

MINUTES

A. Board of Trustees Check-In

The Board of Trustees conducted their check-in exercise.

B. Call to Order, Pledge of Allegiance, Roll Call

Chairman Giardino called the meeting to order at 9:10 a.m. The following Board members were in attendance:

John Giardino, Chair
Judith Hayward, Secretary
Donald Salanty, Treasurer (via telephone)
Jeanne Sheriff
Gary Beach
James Rodkey
Robert Dick

All Board members were in attendance.

President Cynthia Heelan, the Board of Trustees, and the staff celebrated the successful passage of CMC’s TABOR relief initiative. Trustee Salanty was commended for his support, the Board was thanked, and the campus deans were commended. Board members and staff shared several stories about the community meetings and feedback during the campaign, an overwhelming amount of which was highly supportive and very moving.

The Pledge of Allegiance was then conducted.

C. Consent Agenda

1. The Board of Trustees to Approve the Minutes of the September 8, 2000 Regular Board Meeting.

Page 5 – Trustee Salanty asked for the third paragraph to be struck. Several people noted that Timberline Campus Professor Robert Hartzell said this and the paragraph should not be struck. The paragraph will stand.

Page 5 – The fourth paragraph was corrected to read, “Trustee Salanty then reported on comparisons between CMC and NACUBO averages.”

Trustee Sheriff Moved that the Board of Trustees Approve the Minutes of the September 8, 2000 Regular Board Meeting as Corrected. Trustee Rodkey Seconded the Motion and It Passed Unanimously.
2. The Administration Recommends that the Board of Trustees Approve that the Richard C. Martin Grant be Expanded to Include Students Who Have Been Home Schooled Based Upon the Attached Criteria.

Trustee Beach Moved that the Board of Trustees Approve the Richard C. Martin Grant be Expanded to Include Students Who Have Been Home Schooled Based Upon the Attached Criteria. Trustee Dick Seconded the Motion.

Discussion:

Vice President Robert Spuhler reported that CMC does not require any information from homeschooled students because the institution is an open admissions institution. Some school districts issue certificates/diplomas to homeschooled students; some do not.

The Motion Passed on a Unanimous Vote.

D. General Information

1. Summit Campus Update on Excellence – Dr. Tim Hoopingarner

Dr. Hoopingarner shared news articles from local newspapers about the Summit Campus. Dr. Hoopingarner commended the College’s in house crew for their work on remodeling the new Dillon Building. Dr. Hoopingarner also highlighted the local campus Supergrad Program. The Campus has 95 high school students enrolled in the program this fall. Other highlights:

- The English as a Second Language (ESL) program has grown significantly as has the entire developmental studies program at the Summit Campus.
- The number of development education students expressing interest in continuing their college education, has increased.
- Several career programs have grown dramatically including: Fire Science and Paramedic.

Christy Price, Director of the Family and Intercultural Resource Center, was introduced by Dr. Hoopingarner. She discussed the new program which supports new immigrants in helping people find the various services they need, i.e., a resource and coordinating center. The CMC Summit Campus has been involved in supporting and collaborating in this program. The program is housed in the lower level of the new CMC Dillon Center. The program is an outgrowth of the Summit Campus diversity program.

Dr. Hoopingarner also highlighted the Culinary Arts student’s recent travels and competitions.

The retention rate in the program is 90%.

2. Board Members’ Activity Reports

Trustee Beach had nothing to report at this time.

Trustee Rodkey reported on the work he is doing to help area lawyers bring the CLE program locally to the CMC Summit Campus.

Trustee Dick reported on his experience at the American Leadership Forum class in September, which was an Outward Bound program. He is very excited about the ALF chapter. He believes the program will connect the various CMC communities in a regional collaborative relationship.

Trustee Sheriff had nothing to report at this time.

Trustee Salanty reported on his attendance at Eagle County meetings regarding land issues and potential new sites for the Eagle-Vail Valley Campus. The ideal parcel being discussed is 16.5
acres. Trustee Salanty also stated that issues surrounding the diverse nature of each of CMC’s sites (collegewide programs vs. unique programs at specific sites) needs to be discussed at the Board level. He also reported on his attendance at the Association of Community College Trustees annual convention in October. He discussed an economic impact study conducted by the ACCT and presented at the convention which could be useful to the CMC district.

Trustee Hayward attended a Rifle Campus community advisory committee meeting recently. She has also attended two CMC seminars held at the Battlement Mesa Recreation Center. The seminars have been very well attended.

Trustee Giardino reported on his attendance at a state meeting held to discuss the NORED study. He also attended the ACCT annual convention in Nashville. He was elected the Western Regional Chair for the ACCT.

3. Future Meetings

<table>
<thead>
<tr>
<th>Date</th>
<th>Time</th>
<th>Location</th>
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<tbody>
<tr>
<td>December 8</td>
<td>8:30 a.m.</td>
<td>Spring Valley Center</td>
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<tr>
<td>January 26, 2001</td>
<td>8:30 a.m.</td>
<td>District Office</td>
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<tr>
<td>February, 2001</td>
<td>No Meeting</td>
<td>Rifle Campus</td>
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<tr>
<td>March 2</td>
<td>8:30 a.m.</td>
<td>Rifle Campus</td>
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<td>March 3</td>
<td>Retreat (?)</td>
<td>Location to be Announced</td>
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<tr>
<td>April 27</td>
<td>8:30 a.m.</td>
<td>Aspen Campus</td>
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<tr>
<td>May, 2001</td>
<td>No Meeting</td>
<td>Eagle Center</td>
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Discussion of Proposed Date Changes for April and June, 2001 Meetings.

**April 30, 2001**, was chosen – in Leadville.

**June 8, 2001**, was chosen - in Eagle or Vail.

Board members were asked to note that January 12, 2001, is the building dedication in Aspen.

Dr. Heelan asked that the Board mark January 19, 2001, in their calendars for a possible meeting with the Aims Community College Board of Trustees, CCHE Executive Director Tim Foster, and the state legislators from the CMC and Aims districts, to discuss the NORED study. This meeting will take place in Denver.

E. Ends

1. Review of Board Policy IV.D. – Asset Protection

The Board reviewed the document.

Discussion ensued regarding some of the physical activities courses and the College’s liabilities.

Further discussion regarding the language in the present policy:

- Item #6. Replace with “fail to provide adequate preventative maintenance and repairs of physical assets.”

- Item #7. Add the word “unreasonable” prior to liability.

- Item #8. This item refers to FERPA regulations. Delete the word “public.”
The policy will be revised to reflect the changes and distributed to all manual holders.

**Trustee Beach Moved that the Board Approve the Revisions to Board Policy IV. D., Asset Protection, as Discussed. Trustee Hayward Seconded the Motion and It Passed Unanimously.**

2. **Board of Trustees Outcomes/Indicators – Outcome 4.B.**

   Dr. Steve Rice, Dean of Student Learning, reviewed the indicator related to K-12 students enrolled at CMC. He highlighted what CMC is doing on a collegewide basis, in partnership with K-12 school districts. Mesa State College has partnered with CMC to offer courses for teacher certification for those individuals who already have Baccalaureate degrees. Another agreement is being finalized in the area of K-12 teacher education. This program should be place by Fall, 2001.

   It was agreed to add an indicator to track how many high school graduates are matriculating to CMC. This information will be shared with the Board in the near future.

3. **Board Feedback to Draft Guidelines for Future CMC Sites (Most Recent Revisions)**

   Discussion occurred regarding the most recent edition of the proposed guidelines:
   - Trustee Beach expressed his concerns regarding the guidelines being too limiting. He would like to propose an application process for communities to utilize when they are interested in having a CMC site in their area.
   - Trustee Sheriff believed the guidelines take CMC out of the “bad guy” role of saying no. The guidelines serve to offer up front statements regarding considerations for new sites.
   - Trustee Salanty suggested an additional guideline that includes an economic feasibility test.
   - Trustee Hayward supported Trustee Beach’s comments regarding the negativity of the proposed guidelines. She wondered if it should be the Board’s decision to consider new sites.
   - Trustee Beach added that consideration would be conducted based on a community’s application for a new site.
   - President Heelan gave a brief history of the issue of new sites and the eternal obligation to keep the site in existence and feasible even if it is not feasible.
   - It was clarified that, at this time, CMC cannot financially support another in-district site.
   - Trustee Hayward would be more supportive of a Board action stating that CMC would not be considering any additional in-district sites in the near future.
   - CMC is delivering courses to communities other than those with permanent sites via technology.
   - Trustee Hayward could accept the criteria if items b. and c. were removed.
   - Trustee Dick emphasized that he would like to see deliver additional education via technology; the College already has a lot of real estate.
   - Trustee Salanty offered additional language to #3 of the guidelines.

   **Trustee Dick Moved to accept the guidelines with the language addition. Trustee Sheriff Seconded the Motion.**

   Trustee Beach asked that further action be delayed until after the lunch break. The Board agreed to this.

   After the break, Dr. Heelan presented a proposed Resolution developed for the Board to consider adopting in place of the guidelines.

   **Trustee Dick withdrew his original motion and Moved that the Board of Trustees accept this proposed Resolution with minor grammatical revisions. Trustee Rodkey Seconded the Motion.**
Further discussion occurred regarding tabling the proposed Resolution until the December meeting. The Board of Trustees agreed to this.

It was proposed that Trustee Beach will re-draft the proposed resolution. The item was withdrawn for action at this time and will be put on next month’s agenda.

*Trustee Dick Moved that Trustee the Board of Trustees request Trustee Beach to re-draft the proposed Resolution and bring the draft back to the December Board meeting. Trustee Beach Seconded the Motion and it passed unanimously.*

4. President’s Report – Dr. Cynthia Heelan

Dr. Heelan shared the updated strategic initiatives document. The Board needs to update the strategic plan in the near future and she asked that the Board make this an agenda item for a future meeting.

Dr. Heelan also reported on the success of Mission Day which engaged everyone who participated. The Lincoln Center Institute brought an aesthetic education program in the arts to Mission Day.

Dr. Heelan reported on the presentation she gave on community conversations, at the ACCT convention in October. She saw a new approach used at the CMC Board meeting in Steamboat Springs recently, initiated by Trustee Robert Dick.

Dr. Heelan also reported on new activities being implemented at the American Association of Community Colleges, of which Dr. Heelan is the Chair of the Board of Directors. She told the story of AACC’s work on a new mission statement and the discussion surrounding using the word “learning.”

Dr. Heelan and Trustee Dick also reported on the resolutions being implemented in relation to the local chapter of the American Leadership Forum and former Director Ron Zee’s departure.

Dr. Heelan clarified the duties of the new Dean of Student Access and Success, who will be responsible for implementing the student access and success plan. The person will be functioning in a coordinating capacity.

Trustee Salanty asked if the College has benchmarks from which this new person will operate. Dr. Heelan explained that the College has student learning benchmarks. Trustee Salanty reported that he wants to ensure that CMC has measurements in place to explain what this person is going to be doing.

Trustee Rodkey expressed concern that the President may have too many direct reports to ensure quality is maintained. Vice President Spuhler reported on the processing that took place regarding the reporting relationship and at this time, determined it was in the best interest to have this person report directly to the President at this time.

Dr. Heelan reported on recent discussions that have taken place internally regarding this issue.

Trustee Hayward asked at what point the CampusWorks initiative involves the Board. Dr. Heelan reported that CampusWorks will be coming to the December Board meeting.

F. Monitoring Reports
1. Annual Audit with Mike Nelson

The CMC Board of Trustees to Accept the Audited Financial Statements as Submitted and Authorize the College’s Audit Firm, Chadwick, Steinkirchner, Davis & Co., and the Staff to Forward Copies of the Audited Statements to the Appropriate State Officials and Agencies.

Mike Nelson, representative from the College’s audit firm, Chadwick, Steinkirchner, Davis & Co., presented the external audit. He thanked the CMC staff for their cooperation and assistance during the audit process, in which a sampling process is applied to the evaluation of CMC’s financial status and operations.

He presented information on the third party billing system and the technological programming challenges CMC is addressing in trying to upgrade the system and bill third parties in a more timely manner. Third party billings are conducted manually and therefore time consuming and cumbersome. The College is moving toward a new software system which automates third party billing.

Discussion ensued regarding whether CMC is obligated to extend credit to the businesses for their employees taking courses or whether the students/businesses can pay up front.

Regarding the auxiliary fund, the Board of Trustees has taken an historical position that the auxiliary fund must break even. Discussion occurred regarding whether the Board should conduct discussions regarding bookstore operations and the philosophical issues of for-profit opportunities. The College is addressing ways to decrease overhead costs at the bookstores. The audit of the bookstores yielded some helpful suggestions for enhancing operations.

Mr. Nelson then reviewed the financial statements.

Trustee Beach Moved that the Board of Trustees Accept the Audited Financial Statements as Submitted and Authorize the College’s Audit Firm, Chadwick, Steinkirchner, Davis & Co., and the Staff to Forward Copies of the Audited Statements to the Appropriate State Officials and Agencies. Trustee Sheriff Seconded the Motion and It Passed Unanimously.

Mike Nelson gave CMC an A- on the overall audit.

2. Reserves (Discussion and Action)

The CMC Board of Trustees to Authorize the Administration to Establish the Designated Reserve Accounts for Future Expenditure of Current Unexpended Funds.

Trustee Beach Moved that the Board of Trustees Authorize the Administration to Establish the Designated Reserve Accounts for Future Expenditure of Current Unexpended Funds. Trustee Salanty Seconded the Motion and it Passed Unanimously.

Dr. Spuhler asked the Board for permission to put together a Request for Proposal to go out to bid for auditors. The Board gave their permission.

3. Financial Information – Dr. Spuhler

Dr. Spuhler asked Trustee Salanty for his perspectives on the memorandum in the Board’s packet regarding the meeting Trustee Salanty and Dr. Spuhler had regarding CMC’s finances and College operations. Trustee Salanty reported that he felt the memo was accurate in reporting the meeting discussion.

Trustee Salanty agreed with the recommendation set forth in the memo to bring in a consultant on staffing.
Discussion:
- Trustee Beach reported that he is comfortable with the staffing figures and would like to put the issue to bed. He maintains that cost per FTE is not the most important indicator regarding CMC’s fiscal soundness. He agreed with Dr. Spuhler that cost of living is not the most important consideration. His question is: what is CMC’s cost per FTE? He doesn’t think we need a consultant to tell us what should go into figuring a cost per FTE.
- Trustee Dick reported that if Dr. Spuhler feels he needs a consultant to be an arbiter to put the cost per FTE issue to rest, he should do so.
- Trustee Beach believes that if the Board is comfortable with the College’s computation of cost per FTE, the Board should put the issue to rest.
- Trustee Sheriff stated that if Board is satisfied, it is time to move on; if Dr. Spuhler desires assistance from a consultant, let him do it.
- Chairman Giardino will support Dr. Spuhler’s need for a consultant.
- President Heelan explained the work of previous consultants in the area of staffing.
- Trustee Beach stated that if the College wants to have an audit, he can support this; if the need is to put to rest the cost per FTE, then he cannot support it.
- Discussion ensued regarding delaying hiring a consultant to study staffing since the most recent consultants hired to look at other areas, addressed staffing as it related to the areas they studied.
- Trustee Dick asked if there is one established accounting system that can be used so longitudinal data can be tracked year to year on an “apples to applies” basis. Dr. Spuhler will research a singular system that can be used.
- Trustee Salanty reported that his concerns lie in the areas of financial transfers and how they are conducted at CMC.
- Trustee Salanty reported on his presentation last month and his perspectives on cost of living.

Dr. Spuhler reported that he would want to use a consultant to dispel any issues of credibility regarding the data being provided by the administration. If the Board accepts that the College is providing accurate information, then there is no need to hire a consultant.

The following Motion was made in regard to the method of determining administrative cost:

**Trustee Beach Moved that Dr. Robert Spuhler provide the Board of Trustees with a brief description of two to three methods of analyzing administrative costs, including their recommendation for the best method. The Board of Trustees will then decide on the one method to be used to calculate FTE. Trustee Dick Seconded the Motion and it passed on a Vote of Six in favor, with Trustee Salanty abstaining.**

4. Financial Statements – Final June Statement; September Statement

Trustee Beach questioned the 1999-2000 actual tuition revenue collected vs. the budgeted tuition projected – there is a large difference. Linda Huttenhower, Dean of Finance, reported that CMC’s credit FTE has decreased due to ESL being moved to noncredit. The net tuition revenue difference was not nearly as dramatic.

Trustee Beach asked if other Board members would like to have a discussion of the costs of some of CMC’s programs, particularly the Hospitality program. Chairman Giardino stated that the administration reviews programs on an ongoing basis.

Trustee Rodkey would like information on CMC’s FTE by campus for the next meeting.

Trustee Salanty asked for information regarding the impact of the residence halls being half empty at the Timberline Campus.
Dr. Heelan shared a list of financial needs previously identified should the TABOR relief initiative pass. At today’s meeting, and the next few meetings, the various projects and needs will be reviewed. Technology will be discussed at the December meeting.

G. Audience

No one wished to address the Board of Trustees.

H. Study Session

1. Possible Uses of Potential TABOR Money

   a. Home Loans – Robert Dick
      - Silent Second

   Trustee Dick shared information regarding the lack of affordable housing in the CMC District. He has discovered the negative impact the lack of affordable housing is having on the communities in the Steamboat Springs area. People who are paying 30% or more of their wage for housing, are financially stretched.

   What can CMC do to help alleviate this situation? They can educate students who can then get better jobs and make more money. He warns that the College should not get too involved in affordable housing. However, the College can educate people about housing.

   The College could also help its own employees with housing. A silent second is a loan to an employee to help them purchase a home. Terms and conditions apply, however, they are much less expensive and therefore more affordable. He advocates the College to look into this as an employee benefit in an effort to attract and retain employees. The loan is in the form of a second mortgage.

   Dr. Spuhler sees this concept as something that could be offered across the College District. We would have to use some of our capital from the TABOR initiative to fund this benefit.

   Dr. Heelan reminded the Board that CMC’s cost of living is approximately 23% higher than other areas. This could help alleviate the disparity. This discussion was for information only.

   b. Self Insurance for Health – Urman Company

   Dr. Spuhler introduced a program of self insurance the College may want to consider in light of rising health insurance premium costs.

   The representatives from the College’s insurance company presented the concept of a self insurance program for health and the pros and cons of such a program.

   Discussion/questions:

   - Dr. Spuhler emphasized that the College is merely begin to explore the possibility of self funding and today’s presentation was intended to present the pros and cons of the concept.
   - If we wanted to revert back to traditional insurance after trying self funding, what is the cost? Answer – it could be high to revert back to a traditional insurance program.
   - What is the critical mass of the staff in order for this to work? About 100 employees minimum.
   - We could include students and adjunct faculty as well as employees in the program. A less expensive program could be offered to students. At Trustee Dick’s request, Dr. Spuhler will take the inclusion of students and adjunct faculty under consideration.
   - Sometimes the savings can be 20-30%.
   - Dr. Spuhler wants to customize the program to include paying for more preventive health care and screenings.
J. NORED Study/Discussion

Tabled until January 19 when a special meeting of the Boards of Trustees of CMC and Aims Community College, along with the legislators representing each institution, will meet in Denver to discuss the recommendations in the study.

K. Adjournment

Chairman Giardino adjourned the meeting at 3:05 p.m.

Respectfully submitted,

Board of Trustees Secretary

Toni Black, Recording Secretary

Judith R. Hayward