The Future Roles and Responsibilities within the University of Colorado System

Principles to Guide Decisions about Future Leadership of the University of Colorado

The National Center for Higher Education Management Systems

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Charge and context for study

The Regents of the University of Colorado engaged the National Center for Higher Education Management Systems (NCHEMS) to conduct a review of the reporting relationships and decision-making authority of the Board of Regents, the President of the System, the System Administrative Officers, and the Chancellors and senior officers of the four campuses, and to recommend guiding organizational principles for the University’s future. This report documents the results of that review. The review drew upon lessons from the experience of other comparable university systems, while respecting University of Colorado’s unique history, culture, and structure.

Approach to review

In carrying out this review, NCHEMS:

- Reviewed the relevant research/analysis regarding other multi-campus university systems drawing on NCHEMS’ experience in conducting similar studies.
- Reviewed the Education Advisory Bureau’s research brief on *University System Organization: Structures and Reporting Lines*, prepared for the Board of Regents
- Reviewed the Colorado Constitution, the Laws of Colorado and CU laws and policies and current structure to understand formal roles and responsibilities by function and level
- Reviewed the minutes of Board of Regents meetings and related background documents for the period from 2007 to the present
- Conducted interviews with:
  - The nine elected regents who constitute the Board of Regents
  - President Bruce Benson
  - The System Vice Presidents
  - The Chancellors of the four campuses
  - Key campus senior administrators, such as provosts and chief financial officers

The focus of this review is future-oriented, recognizing that the university will need to attract and retain a new generation of leaders at the system and campus level as the current leaders responsible for CU’s current success retire.
This review is intended to assist the regents and the senior administration as they discuss roles, clarify their obligations and responsibilities, and prepare for the future transitions.

Context – External forces to be considered
As the University of Colorado moves into the future, it must not only deal with internal dynamics – forces involving improved efficiency and effectiveness of the System and its four campuses – but with external forces as well. Those forces that will heavily influence the decision-making environment for the Board of Regents and University leadership include:

1. **Uncertainty/actions at the federal level**: Several of the revenue streams on which CU is heavily dependent face an uncertain future at the hands of federal legislators and current and future administrations with budget priorities that may increase may decrease available funding for:
   - Research
   - Student financial aid – with direct effects on the affordability of a University of Colorado education.
   - Funding for health care. Reductions in this area not only mean financial pressures on patients at University affiliated hospitals, but could result in higher state level expenditures with commensurate reductions in funding for higher education.

   Changes in federal tax policy will also affect state tax collections and philanthropy. It is too soon to know the combined effects of these changes. Whatever the specifics of the changes, University leadership must be able to chart a path that minimizes detrimental impacts and maximizes whatever opportunities may be available.

2. **Continued competition for state financial resources**: While Colorado higher education has benefitted from increased appropriations in recent years, this trend is unlikely to continue. Competition from demands for increased funding for health care, infrastructure, and unfunded benefits liabilities will likely make it difficult for higher education to hold its own in the budget process. This competition for existing funds, combined with constitutional limitations that serve as a constraint on new tax revenue, will make advocacy for all of higher education, not just CU, a major task for future university leadership.
3. **Changing expectations of state policymakers**: Not only will state resources be harder to acquire, but the resources that are provided will likely come with more strings attached. As is the case all over the country, state policymakers have established priority goals for the higher education institutions in Colorado. These goals are stated in the CCHE Master Plan. HB1319 tied allocation of some state funds to institutions’ contributions to attaining externally imposed goals. Future leadership will be required to ensure that the CU campuses are accountable for achieving not only campus and system goals, CU will also need to respond to state goals as well.

4. **Changing demographics**: Colorado’s population – and its high school graduates – will continue to become more diverse. The students that the University of Colorado will be called upon to educate will be comprised of more students of color who are likely to be first generation students with fewer economic resources. The demands on student support services and for financial aid assistance will inevitably increase. The leadership of the University will have to ensure that these students are successfully served.

5. **The impact of technology**: Technology in its various forms is ubiquitous in higher education and is changing its operations. Thoughtfully integrating technology into the daily functioning of the University can

   - Improve productivity in both administrative and instructional activities.
   - Provide access to CU programs to students in more remote parts of the state
   - Create new audiences (and a new revenue stream) for the University

   The economic viability of the University may well depend on how well technology is incorporated into all aspects of its functioning.

6. **Public opinion regarding higher education**: Credible polls show higher education losing public trust over issues of relevance to employment opportunities, price and affordability, openness to diversity of thought, and campus safety (especially the climate regarding sexual misconduct). The board and its staff leadership will have to take the steps necessary to ensure that CU is held in high esteem and that no cause is given for diminished trust.

   The complicating factor in this is that these external factors affect the four campuses differently – CU Boulder and CU Anschutz are more susceptible to changes in research funding. UCCS and CU Denver are more affected by issues of price and affordability.
Making policy and administering these policies in ways that recognize these differences while not losing sight of the broader objectives will continue to be a challenge.

**Evolution of the University of Colorado as a system from a comparative perspective**

**Development of multi-campus universities**

The University of Colorado is one of more than 30 state universities that evolved from a single state “flagship” university into a multi-campus system in the period from 1960 to the mid-1970s. With a few exceptions, such as the University of Minnesota and University of Washington, major public research universities were located in communities away from states’ urban centers. With the massive enrollment expansion of the 1960s, business and political leaders pushed for a university presence in their states’ urban centers.

These leaders argued that having a campus linked to the state’s major research university (especially with programs in engineering and business) was a key to the urban areas’ economic future. The universities responded initially by establishing centers or branches, not autonomous campuses. A critical difference between a center or branch and an autonomous campus is that a center or branch is linked academically to the main campus and does not have institutional accreditation.1

As the size and scope of branches developed, they evolved into independently accredited campuses headed by a chief executive and academic officer, campus administrators who report to the campus head, not to the system, and with faculty governance and academic programs independent of the main campus. The role of the university governing board and chief executive evolved from heading a single campus to leading a system with several relatively autonomous campuses.2

One of the first and most prominent changes was the evolution of the University of California from a single university, Berkeley, with branches in Los Angeles and other urban areas, and with agriculture, and health science centers, to the University of California in 1969 as a multi-campus university with nine campuses.3

**Evolution of the University of Colorado as a multi-campus university**

The University of Colorado developed in a manner similar to the University of California. As established by Colorado Constitution in 1876, CU was a single university located in Boulder governed by a Board of Regents. The Board of Regents appointed a president who was the chief
executive and academic officer of the single campus. During the 1960s, the Board of Regents established centers in Denver and Colorado Springs. Nevertheless, the main campus in Boulder maintained academic and administrative control of these centers, and they were included within the accreditation of the Boulder campus by the Higher Learning Commission of the North Central Association of Colleges and Schools. In 1970, the North Central Association placed the Denver and Colorado Springs centers on probation because, among other considerations, the centers lacked the authority and capacity to function as entities autonomous from the Boulder campus. Subsequent deliberations led to a 1972 amendment to section 5 of the article VIII of the State Constitution to:

(A) describe the University as being "at Boulder, Colorado Springs, and Denver";

(B) extend the Health Sciences Center provision to include all or any part of the schools of medicine, dentistry, nursing, and pharmacy of the University, together with hospitals and supporting facilities and programs related to health, at Denver";

Current Laws of the Regents state:

"The University of Colorado shall consist of a president's office and four campuses, each of which shall be headed by a chancellor. The campuses shall operate at several principal sites located and referred to as follows:

at Boulder, "the University of Colorado at Boulder";

at Colorado Springs, "the University of Colorado at Colorado Springs";

at Denver, "the University of Colorado at Denver";

at Aurora and/or Denver, "the University of Colorado Anschutz Medical Campus."

With the change to multi-campus status, the roles and responsibilities of the Board of Regents, the president, the system office, and the chancellors also changed. The Board of Regents remained the governing body for a single constitutional entity, the University of Colorado, but the university now became a system with four distinct campuses located at different sites. The role of the president changed from being the chief executive and academic officer of a single campus with affiliated centers to the CEO of the university as a multi-campus system. Chancellors became the chief executive and academic officers of each campus.
The state Constitution, state law, the Laws of the Regents, and Regent Policies clearly define three spheres of leadership:

- The Board of Regents
- The university officers who are appointed by and report to the Board (president, secretary of the board, university counsel, treasurer, and associate vice president of internal audit),
- The chancellors, and other university administrative officers who, as delegated by the Board of Regents, are appointed by and report to the president.

**Change since CU became a system**

Since 1974, when CU officially became a multi-campus system, the role and scope of the campuses other than CU Boulder have increased dramatically. The University has evolved from a system of four campuses dominated by the largest campus to a more balanced system with two large, complex campuses, CU Boulder and CU Anschutz and two smaller but growing campuses, CU Denver and UCCS, serving major urban centers. Another change since 1974 is that the higher education system within which CU operates has become far more complex. Colorado has a decentralized state higher education system in which The Board of Regents is one of eight autonomous governing boards. The state’s Land-Grant University, Colorado State University, itself a major research university, is outside the CU system.

CU operates within the overall coordinating authority of the Colorado Commission on Higher Education (CCHE)/Department of Higher Education (CDHE). After its inception, the General Assembly has gradually enacted laws that increased the oversight responsibilities of the CCHE, but in recent years, the General Assembly has reduced CDHE’s statutory authority and returned some autonomy to the institutions of higher education. Nonetheless, the department continues to carry out a range of regulatory functions that affect the University of Colorado, including limited review of academic programs, approving performance contracts, and reviewing and making recommendations to the Governor and General Assembly on state appropriations and capital projects.

Until Hank Brown’s presidency (2006-07), the Office of the Board of Regents, the President’s Office, and system administration were housed at the Boulder campus. Consistent with the experience of other university systems that located the system office on the “flagship” campus, CU previously experienced:
• Confusion at CU Boulder between the role of the president and the chancellor. Students, faculty and alumni tended to go directly to the president to resolve campus-level issues, thereby undermining the formal authority of the chancellor as the campus chief executive and administrative officer.

• A situation in which some CU presidents, perhaps attracted to the prestige of heading a major university campus, perceived themselves more as heading the CU-Boulder campus than leading a system with three other campus with distinct roles and missions.

• Lack of balance (real or perceived) in the system’s attention to the distinctly different missions of each campus created tension between them.

NCHEMS’ interviews confirm that moving the system administration, including the offices of the Board of Regents and the president, to a non-campus location in downtown Denver has positively affected an understanding of the difference between the role of the system and the role of each campus. The move has reinforced the role and responsibilities of the chancellors as the campus chief executive and academic officers as distinct from the role of the university president and system officers. CU Boulder can better address day-to-day and campus-level issues through campus-level governance processes, thus avoiding the need to escalate issues to the level of the president and the Board of Regents. Faculty and students see the CU Boulder chancellor and the senior campus officials as primarily accountable for the campus’s operations. For the other campuses, the Denver location of the system office has contributed to a greater sense of balance and deliberate attention to differences in roles, missions and campus scale.

Notwithstanding the efforts to establish system administration independently of any particular campus, NCHEMS’ observes that some ambiguity remains as to the nature of CU as a true multi-campus university. While the separation formally exists in the governing documents, the participants in the day-to-day relationships have not agreed upon and then observed their respective day-to-day operational spheres, and resolving this ambiguity will be important in recruiting the next generation of system and campus leadership.
Roles and Responsibilities

Role of the Board of Regents

Constitution, State Statutes, and Regents’ Law and Policy

The Colorado Constitution, state statutes, and Board of Regents’ laws and policies delineate the roles and functions of the board. The orientation for newly elected Regents8 summarizes these roles and functions:

- Exercise the general supervision of the university
- Enact laws for the government of the university
- Elect the officers of the university who report to the board: the president; university counsel and secretary; university treasurer; and associate vice president for internal audit

The Board of Regents is unique in Colorado’s constitutional structure in that it exercises all three types of governmental power independently of the legislative or executive branches of the state government, unless otherwise provided by law:

- Executive Functions: Through the president, administrative policy statements, personnel, purchasing, police, and other administrative functions.
- Judicial Functions: Board hears dismissal for cause of tenured professors and makes other quasi-judicial decisions subject to limited judicial oversight.

The Constitution and state statutes confer authority on the Board as a body corporate, which operates as a collective and can bind the university only through formal action that it adopts in accordance with its laws and policies. Unless the board specifically determines otherwise, no individual regent has the authority to act or speak on behalf of the board.
Principles to guide multi-campus boards

The core legal, policy and fiduciary responsibilities of the CU Board of Regents are generally comparable to those of other public university system governing boards with two principal exceptions:

- **The election of Regents**: The CU Board of Regents is one of only a few system boards elected by a state’s voters in a general election. Even these other elected boards, however, are often not true comparators for the Board of Regents, as the University of Colorado system is not dominated by a single campus, has an AAU campus and a regional medical center, and has two urban institutions of growing scale and capacity.\(^9\)

- **The Regents’ unique status in the Colorado Constitution**: Relatively few public university systems have state constitutional status; those that do are established with provisions unique to each state.\(^10\) Although the Board of Regents is constitutionally created, it does not have the same degree of constitutional autonomy that it originally enjoyed, as the 1972 amendments to the Colorado Constitution subjected the Board of Regents to a stronger degree of legislative oversight. While the Board of Regents enjoys presumptive authority to regulate the University of Colorado, the regents are subject to legislative enactments, such as the Open Meetings Act and the Colorado Open Records Act, and the university itself is subject to statutes of statewide application.

Governing a multi-campus university, especially one as diverse as CU, is an exceptionally complicated responsibility—far more complex than that of a board for a single public university campus, a multi campus system that is dominated by a single campus, or faced by the CU Boards of Regents in an earlier time. In this context, a system board must:

- Recognize that the role and mission of the system is distinct from – but complementary to – the role and mission of each campus.
  - Establish a system mission, goals, and priorities that provide a framework for distinctive campus missions, goals and priorities.
  - Recognize that the system itself is not an accredited educational institution but instead serves to provide policy leadership, administrative oversight, and services for several separately accredited campuses with significantly different missions. It is at the campuses, not the system, where the core missions of education, research and service take place.
Focus system leadership primarily on issues that affect all campuses or relationships between and among campuses

• Use the system goals and priorities and related metrics to:

  – Guide appointment and evaluation of the system president
  – Guide system strategic finance policy
  – Define and hold campuses accountable for system priorities
  – Maintain a strategic, policy-level focus for board agendas and work plans

• Recognize differences in campus roles and missions in system-level policy-making:

  – Avoid one-size-fits-all decisions and implementation
  – Maintain a balance of resources and demands between the larger and smaller campuses

• Require that campus-level strategic plans have measurable long-term goals and strategic priorities that:

  – Integrate to encompass the range of services necessary for the University of Colorado system to serve the state of Colorado
  – Reflect system goals and priorities as well as the unique campus mission
  – Provide a means by which the president may hold each chancellor accountable for both campus and system priorities
  – Guide the board’s decisions on campus funding and capital budgets, tuition and fees, and student financial aid
  – Provide input into the president’s allocation of strategic investment funds
  – Provide input into the president’s appointment and evaluation of the campus chancellors
Figure 1 illustrates the relationship between system and campus planning (goals/priorities), finance/budget and accountability.

The reality across the country is that public university system boards, especially those that evolved from flagship campuses, vary greatly in their capacity to move beyond their historical role of governing a single campus and their traditional internal governing roles to a more strategic focus. Making the transition requires a fundamental change in mindset and culture. Common challenges that system boards face include:

- **Balancing responsibility to support the strategic leadership at both the system level as well as for each unique campus**: Some boards tend to focus only on their role as the governing board for the campuses while giving limited attention to their responsibilities to lead the system. In these cases, the sum of campus plans does not add up to a system plan. Others focus primarily on system responsibilities while giving insufficient attention to the unique missions and challenges facing each campus, thereby ignoring critical mission differences. Still others focus almost solely on the issues of the flagship campus while giving less attention either to their system responsibilities or the challenges facing other campuses.

- **Balancing core governing responsibilities with attention to strategic priorities**: System boards must use the structure of agendas and effective use of committees to ensure attention to both core governing responsibilities and strategic issues.

- **Linking finance policy decisions to strategic priorities**: System boards often act on budgets, both campus and system-level, without any reference to strategic priorities. They decide on the allocation of state appropriations, tuition changes, and student financial aid as
isolated actions. In these cases, the budget decisions, not the previously agreed-upon strategic directives, define priorities.

- **Maintaining a high-level, policy focus**: System boards regularly drift from defining a policy objective (what), to policy implementation (how). This is a problem for all boards but especially for system boards because they are far removed from the campuses where campus academic leaders and faculty must assume primarily responsibility for implementing academic policy.

- **Recognizing the different roles and responsibilities of system leaders as opposed to campus chancellors and other campus leaders.**

- **Appointing system leaders who support the board’s strategic focus**: The members of public system governing boards are appointed or elected, not as experts on higher education policy, but to represent the public interest. For this reason, these boards are rarely self-governing, but depend on the leadership capacity of the system chief executive and support of the board and system staff.

**Observations from analysis and interviews**

NCHEMS’ observation is that, in light of future challenges and the growing complexity of the system, the regents must:

- Balance routine governance and tactical issues with a more strategic leadership role for a multi-campus system

- Use agreed-upon board priorities as a means to ensure that the board functions as a cohesive high-level policy-making body

**Board of Regents’ effectiveness in performing core governance responsibilities**

As summarized earlier, Board of Regents’ role and responsibilities evolved from the governing body focused primarily on CU Boulder to the governing body for a more complex enterprise. In broad terms, the Board of Regents role has evolved from governing a single campus with relatively small satellite campuses to governing a large, multi-billion dollar, multi-division public corporation with four largely independent campuses functioning under a single brand-name, a single corporate structure, and a service organization that performs some centralized functions. Undergirding these points is that regents are elected to perform an extraordinarily important, but difficult, function.
NCHEMS’ observation is that the current Board of Regents carries out many of its system governing responsibilities with a high level of integrity and transparency and in a manner consistent with best practice in public university systems, especially in areas such as:

- Carrying out core legal and fiduciary responsibilities
- Acting on recommendations for changes in laws and policies

In NCHEMS interviews, we observed, and the senior leadership consistently confirmed, that the regents are committed to the University of Colorado’s success and consistently support the senior leadership’s efforts. The senior leadership understands and respects that each regent serves in a volunteer, elected capacity and has been tasked with providing general supervision over a complex enterprise.

The Board of Regents has also worked well together on issues that have posed significant legal or reputational concerns to the University of Colorado. When the stakes are highest, the regents have looked for common ground and worked well with senior administration to find solutions.

In NCHEMS interviews, the regents and campus leaders consistently praised the quality of work of the Office of the Board of Regents and vice presidents in supporting the Board of Regents policy-making role and in handling Board of Regents informational requests and proposed resolutions. The system officers are especially important in the policymaking process in specific functional areas, notably legal, budget and finance, and academic affairs.

**Moving to a more strategic leadership role**

As effective as the Board of Regents may be in handling routine governance and tactical issues, the NCHEMS’s observation is that the Board of Regents faces a challenge in developing and sustaining a proactive, future focus, rather than a focus that is reactive and based on current operational concerns. As an effective system board, the regents need to agree upon and remain focused on a limited number of strategic priorities. These should take into consideration the major external and internal risks and opportunities facing the system and the campuses. In developing these strategic priorities, however, the regents should not operate autonomously either as individual regents or as a board and should both gain input from and align their discussion with the senior system and campus leadership. Ultimately, the system priorities are unlikely to receive sustained attention unless they reflect a consensus of both the regents and the senior administration.
The challenge the Board of Regents faces is how to move from good intent to action. A review of the record shows that the Board of Regents has established strategic priorities. The main problems seem to be:

• Ensuring a degree of continuity in priorities over time.

• Defining the priorities in ways that define what is expected and how progress is to be measured. For example, a priority of “improving student success” will have little meaning without specifying what “student success” means, identifying what students are at risk, determining how to benchmark student success, and establishing a timeframe for evaluating progress and interventions.

• Using the agreed-upon system priorities as a practical means in the Board’s policy-making process to:
  − Focus board agendas and to deal with regents’ initiatives and information requests
  − Select and evaluate officers of the university
  − Hold campuses accountable for both system and campus priorities
  − Hold the president, and through the president the chancellors, for meeting the system priorities

Over the past decade and perhaps even earlier, the Board has repeatedly made efforts to focus on formulating high-level policy, rather than focus on implementing policy—on policy leadership not management. In other words, focusing on what is to be accomplished, not how. At past retreats and other sessions, the Board of Regents has reviewed publications from the Association of Governing Boards (AGB) best practices for governing boards, heard reports from consultants, and discussed ways to improve the policy-focus of the board. As examples,

In 2010, the Board of Regents adopted Regent Policy 1 B, including a new mission statement and guiding principles. The guiding principles include statements that could be interpreted as goals (such as encourage and provide access; be stewards of the university’s human, physical, financial, information, and national resources, promote faculty, student, staff diversity, encourage innovation; and meet the needs of Colorado. etc.). The last principal is that the board should “focus on measurable results,” which is a key concept that requires defining both the desired result and the means of measuring it.
• At the regents' mid-winter retreat, January 10-11, 2014, facilitated by AGB, a portion of the retreat focused on system/regent vision, priorities, and goals. The campuses each had their own strategic plans and goals, but board members wanted an overarching set of goals to form the connective tissue across CU. Establishing goals would also complement work the board previously did to establish the university’s mission statement, guiding principles, and vision statement. The regents developed a set of six priorities:
  – Increasing student success
  – Exemplifying Colorado’s diversity
  – Ensuring the university's ongoing financial vitality
  – Advancing Colorado’s economy
  – Advancing the health of Colorado's citizens
  – Increasing the university's outreach and reputation

• The January 2015 retreat reiterated these six priorities and discussed metrics associated with each priority. Each of the campuses subsequently proposed individual goals that it would pursue in these areas, an approach that the Board of Regents endorsed. The System Administration presents information on the CU System website displaying data summarizing the performance of each campus on these metrics and the campuses report on their performance at the Board of Regents summer retreat. http://www.cu.edu/budgetpolicy/regent-metrics-2015.

• At a session on “Governance as leadership,” at the Board of Regents 2017 Annual Retreat, the regents discussed “What is a “high performing policy board?” Among the points highlighted were:
  – Being more strategic, less tactical, and having the ability to focus on vision of the university, rather than being “in the weeds.”
  – Creating generative, non-prescriptive policies
  – Articulating clear goals and objectives and then constantly monitoring those objectives
The Board of Regents worked in 2016 and 2017 on a Strategic Framework, which the regents approved at the September 2017 regular meeting. The document reiterates the mission, vision, and guiding principles then sets forth four new “strategic cornerstones”:

− Technological innovation,
− Promoting healthy communities,
− Fostering collaboration,
− Experience and faculty excellence

The Strategic Framework then summarizes the missions and strategic plans of each campus and lists multiple priorities in some detail.

The Strategic Framework is aspirational and communicates a vision, but does not contain a concise statement of system strategic priorities and related metrics that Board of Regents and the System leaders could use to focus agendas, monitor progress, and do the other things that the board has repeatedly said that it needs to do. We could find no mention in the Strategic Framework of the six priorities that the board agreed to in 2015 and that are used to monitor campus performance on the CU website and at regent summer retreats. We cannot identify how either the regents or the senior leadership will gauge how it will implement this framework over time and use it to advance the university system’s collective interest. It has the potential to be a valuable point of reference and was a worthwhile exercise, but would be most valuable if used as a shared starting point for articulating tangible objectives.

The new committee structure approved in September 2017 represents a major effort to increase the board’s focus on high-level policy, not management, to make effective use of regents’ time, and to identify and gain consensus around strategic priorities. In the two-year process to develop the new structure, the Board of Regents reviewed recommendations from AGB and other sources on best practice and debated pros and cons about alternatives.

Notwithstanding these consistent commitments to operate at a policy level, often made at retreats, the regents and the senior system leaders acknowledge that the Board of Regents collectively and the individual regents struggle to maintain strategic focus. NCHEMS review of the agenda of the regular Board of Regents meetings revealed that the regents spend large amounts of time receiving reports and approving operational items, and very little time discussing strategic issues.

We also observed that many of the priorities that the Board of Regents have identified are so broad that they may not provide sufficient guidance to senior administration. Take, for example,
the 2014 strategic priorities, “advancing Colorado’s economy” and “increasing student success;”
these are certainly laudable aspirations, but they are open-ended and subject to very different
terpretations. Unless the regents and the senior administration share a common understanding
of what these priorities mean, they are likely to have very different expectations and both the
regents and the senior administration risk being frustrated by lack of progress and attention to
issues they feel strongly about.

We also observed that the regents have, at times, introduced resolutions as a means of enacting
policy. The regents have enacted procedures for adopting formal laws and policies, which include
vetting through the senior leadership and shared governance groups. Individual regent resolutions
do not appear to have the formal effect of abrogating duly enacted laws and policies, and
resolutions appear most appropriate for memorializing current decisions, such as approving a
budget, authorizing a capital project, or entering a term contract of employment. We believe that
using resolutions for policy-making purposes has the potential to shift the Board of Regents focus
from what it has identified as strategic priorities towards particular issues that the resolutions are
intended to address.

One of the Board of Regents’ responsibilities is to approve long-term campus strategic plans,
which is entirely appropriate, but it appears that these campus strategic plans are developed
independently of each other and autonomously from a coordinated set of Board of Regents
system priorities. In the absence of a shared set of system priorities that can serve as the baseline,
the collective campus strategic plans become the *de facto* system strategic plan.

**Balancing attention of the interests and priorities of individual regents with the priorities of the
board as a whole.**

Finally, NCHEMS’ heard concerns from both the regents and the senior administration that,
because the regents often have individual interests that may or may not be shared by other
regents, issues become associated with particular regents, rather than with the Board of Regents
as a governing entity. This leads to members of the senior administration working with and
devoting effort to tasks, which while important to the individual regents, may not be aligned with
the interests of the entire board.

When this occurs, other regents feel uninformed and become concerned that they are being
excluded. Individual regents become frustrated when their colleagues or the system
administration do not devote sufficient attention to their priorities, leading to efforts to pursue
their agendas directly at the campus level with inevitable negative consequences.
Developing a consensus on priorities among board members and with the system leadership is an important way to avoid these problems and lead to effective policy implementation. A process for setting strategic priorities can ensure continuity but provide for adjustment as new members (with their own priority issues) join the board.

NCHEMS’ interviews and its review of the board records lead to this question:

**Why is it such a challenge for the Board of Regents to implement what it has resolved to do repeatedly over the past few years?**

Part of the reason may lie in the characteristics of an elected board that make it difficult to implement a policy governance process commonly recommended by AGB and other authorities on governance\(^{15}\). These recommendations call for reaching consensus on a common set of strategic priorities and tasking senior leadership with implementing those priorities. They commonly call for a strong board chair to play a lead role with the support of the chief executive to maintain consistent, persistent attention to the strategic priorities in all decision-making processes.

All system boards, whether appointed or elected, are chosen not as experts on higher education, but as representatives of the public and the broad public interest. However, NCHEMS heard consistent views on the culture and practice of the CU Board of Regents as an elected board:

- **All regents have equal standing**: No regent, including the elected chair, has more standing or role in leading or coordinating the work of the Regents than any other member does. The board has rejected proposals in the past for the board chair to have an enhanced role and a two-year term.

- **As elected officials, regents each feel compelled individually to gather information, meet with university administrators, faculty, students, or other stakeholders or constituents**: Often, the concerns of these individuals relate to current, operational issues. While this type of engagement is inherent in a model of shared governance, when compared with more corporate, top-down models, it is different than the sphere of engagement of other governing boards that have more limited exposure to day-to-day concerns.

- **Independent ability to pursue interests**: The Board of Regents has discussed, but not adopted, a process that would require a minimum number of regents to agree on the importance of a request before it is forwarded to the System Administration for follow-through.
• Each regent has an obligation as an elected official to represent his or her constituents:
  A regent’s constituents are formally defined as the citizens in the regent’s district or, in the
case of those elected at large, the state’s total electorate, but some regents also identified their
constituents as particularly including those who supported their candidacies and voted for
them. Regents also recognize that they have campaigned on particular issues and wish to
fulfill their commitments. Often these are campus-level issues (most often at CU-Boulder)
accompanied by specific solutions far removed from the high-level policy responsibilities of
the governing body for a multi-campus system.

Based on these realities, NCHEMS’ observation is that any solution must recognize and respect
these unique characteristics of an elected board.

The need for system executive policy leadership
The future challenges facing higher education and the CU system demand that the Board of
Regents and the system leadership move to a more strategic leadership role. What has worked
well over the past decade is unlikely to be sustainable in the future. NCHEMS’ observation is
that, given the realities of an elected board, the Board of Regents will only be able to move
further towards a strategic, policy leadership role if it develops a more active partnership with the
system president.

President Benson and his senior leadership team have a functional relationship with the Board of
Regents on finance, academic, legal and other areas. President Benson has nonetheless often
depended upon the regents to provide self-governance for each other in balancing individual
regent priorities with the priorities of the whole. While the Board of Regents has come together to
face significant challenges, as described above, it has not exercised the same degree of self-
governance in its normal operations. It has not been able on its own to sustain attention to its
intended strategic focus in the absence of support from the system leadership.

Changing any organization’s culture takes time, and, as the Board of Regents recruits a new
president in the future, it should emphasize the strategic relationship that it wants to establish with
the president. Meanwhile, as the Board of Regents and President Benson work together on their
current initiatives, the system executive staff will need to take a more proactive role in supporting
the board’s strategic priority-setting process. As NCHEMS stressed earlier, the system staff
already does an excellent job in supporting the Board of Regents’ ongoing, tactical decision-
making on budgets, academic affairs and other matters. From NCHEMS’s perspective, the
system staff’s reports to the Board of Regents at retreats, regular board meetings, and committee
meetings are excellent and include much of the information that could support a more strategic priority-setting process. Nevertheless, the regents need more strategic support from the board and system staff in order to assist the board as whole to:

- Define and adhere to a limited (three to five) set of strategic system priorities and related metrics for monitoring progress that:
  - Include at least some of the priorities formerly agreed-upon, but not adequately defined or followed, to guide Board of Regents decision-making
  - Include, but not be limited to, priorities for the Board’s core fiduciary responsibilities: ensuring the sustainability/vitality of the system
  - Closely align with the senior leadership’s identified priorities
- Develop a dashboard and other means to keep these strategic priorities front and center at all board meetings and in all deliberations
- Insist that the Board of Regents develop a process for vetting regent requests for new initiatives and major information requests against these priorities. We distinguish between new initiatives and major information requests as compared to more common requests that a regent may make to better understand an issue or respond to constituent concerns. The more common requests generally would not need to be vetted in this manner.
- Ensure that when campuses engage with regents on issues that relate to system functions and responsibilities that the campuses involve system officials in the discussions
- Develop a process by which the system administration office can track and work with campus officials to respond to regent concerns.
- Support the president’s use of targeted initiative funds to incentivize campus initiatives that align with the agreed-upon system strategic priorities. Incentive or strategic investment funding is the most effective way for the president to effect campus-level achievement of system priorities.

In the short-term, following these steps could be of immediate, practical help to the Board of Regents in focusing its time and energy and could relieve some of the frustration about the gap between intent and action.
In the longer-term, an essential role of a new president must be to shape a strategic system agenda for the future of the University of Colorado as a system including long-term system goals, strategic system priorities, and related metrics.

**The Role of the President**

**Regents’ Law and Policy**

The following are key elements of Board of Regents’ policy 3.A.1 which sets forth the authority of the President

(A) As provided by laws of the State of Colorado, the president shall be the principal executive officer of the university, a member of the faculty, and shall carry out the policies and programs established by the Board of Regents.

[Section 23-20-106 C.R.S]

(B) As the principal executive officer, the president shall be responsible for the academic, administrative, and fiscal matters of the university and for compliance of all university matters with applicable regent Laws and policies and state and federal constitutions, laws, and regulations. The president shall be the arbiter in case of intra-university conflicts. The president may delegate the responsibility of university academic, administrative and fiscal operations, so long as the delegation is consistent with other university laws and policies and with federal and state law.

(C) The president shall report directly to the Board of Regents, serve at its pleasure, and hold office until removed by the Board of Regents.

(D) The president shall be the chief academic officer of the university and a member of its faculty thereof. As chief academic officer, the president shall be responsible for providing academic leadership for the university in meeting the needs of the state and shall maintain and advance the academic policies of the university.

(E) The president shall be the chief spokesperson for the university and interpreter of university policy and shall represent and interpret the roles, goals, and needs of the university throughout the state and elsewhere....
(I) The president shall advise the Board of Regents of matters that the Board of Regents should consider in meeting its policy-making responsibilities.

Observations from analysis and interviews

Changes in the president’s role

The role of the president changed in fundamental ways with the appointment of Hank Brown and then Bruce Benson. In some respects, the actual role does not appear to match the current language of Board of Regents’ policy 3.A.1 (D). Rather than attempting to serve as the day-to-day academic leader of a major research campus, as have previous presidents, President Benson has concentrated on priorities of:

- Decentralizing responsibility for academic leadership by giving the chancellors substantial autonomy to run their campuses
- Increasing efficiency at every level of the system
- Increasing the role of private philanthropy in CU’s financial sustainability
- Fostering diversity of thought

The president has concentrated at the system level on:

- Carrying out core legal and fiduciary responsibilities efficiently and effectively
- Increasing CU’s financial stability and sustainability by growing CU’s endowment
- Branding as a unified system with four diverse campuses and effective communications strategies
- Strengthening ties with the state’s major business, civic and political leaders
- Advocating for CU with state government for funding and deregulation
- Achieving economies-of-scale through the quality and cost-effectiveness of system service center functions
- Streamlining CU laws and policies
- Building CU’s reputation with the general public and shaping CU’s image as a unified system of four highly diverse campuses

Based on interviews, NCHEMS observes that the president accomplished much of what he set out to do. CU is a much stronger university than when he took office in 2007. The four campuses
are thriving. The campus leaders give the president and the system senior staff high marks for giving them the independence and support to carry out their campus-level responsibilities.

President Benson has been successful in using a tactical, problem-solving leadership style to address issues. His interest has not been in broad visions and grand strategies or in the sometimes-challenging task of gaining consensus of the Board of Regents on strategic priorities. At the same time, however:

- The four campuses operate with substantial independence without the kind of strategic system priorities and accountability requirements found in most other multi-campus university systems.

- The degree of synergy between and among the four campuses beyond non-academic shared services is lower than one would expect in a high performing multi-campus university system.

In the future, the Board of Regents and president must take a more proactive stance in identifying and confronting the major system-level risks to the university’s long-term sustainability. This may be the single most important issue facing the University, and it requires a more systematic method for identifying risks, assessing their likelihood and potential impact, and developing both near term and long term strategies for mitigating risk. We intentionally say that the university should seek to mitigate risk, rather than eliminate it. Modern universities have been forced to be more entrepreneurial and innovative in their operations, and the culture of universities must encompass a willing to accept known risks in the hopes of generating exceptional results. In addition to mitigating risks to the institution, this offers the possibility of helping the regents and the senior leadership align their priorities.

Recognizing that President Benson may continue as president for several years, those interviewed by NCHEMS emphasized the need for the Board of Regents to address:

- What kind of presidential leadership will CU need in the future?

- How can the Board of Regents ensure a smooth transition to new leadership in the coming years?

A new leader must be able to sustain the momentum of President Benson’s leadership on the points listed above. In addition, the next president must lead a collaborative effort involving the Board of Regents, the chancellors, and other university stakeholders to shape long-term goals and strategic priorities for the university as a system. As noted above, presidential leadership and the
support of the system staff, will increase the Board of Regents’ ability to focus on its policy
leadership role.

Role of the Chancellors

Regents’ Law and Policy

Policy 3.B.1 sets forth the authority of the chancellors:

The chancellor of each campus shall be the campus’s chief executive officer and
shall be the chief academic, fiscal and administrative officer responsible to the
president for the conduct of the campus in accordance with the policies of the
Board of Regents. The chancellor shall have such other responsibilities as may be
required by these Laws or regent policy or as may be delegated by the president.

Observations from analysis and interviews

NCHEMS interviews with the four chancellors and senior campus officers found strong support
for the Board of Regents and appreciation for the leadership that President Benson provides for
the system. They stressed the importance of clear lines of authority and responsibility between
the Board of Regents, the president and system officers, and the chancellors and campus officers.
Those interviewed praised the role of the president and the system officers in:

• Giving the chancellors the independence and support to lead and manage their campuses
  without micromanagement from the system level.
• Strengthening ties with the state’s major business, civic and political leaders
• Advocating for CU with state government for funding and deregulation
• Increasing CU’s financial stability and sustainability by growing CU’s endowment
• Achieving economies-of-scale through the quality and cost-effectiveness of system service
center functions
• Streamlining CU laws and policies
• Building CU’s reputation with the general public

The chancellors and campus officers consistently praise the Board of Regents and the system
officers for the quality, integrity, and transparency of the policy-making process. They appreciate
the work of the system officers for managing the Board of Regents’ policy process on legal issues and functional areas such as budget and finance and academic affairs.

The chancellors and their senior staff also indicate that most system-level functions and services add value and contribute to the effectiveness and efficiency of their campuses.

The principal concerns (as noted below in the section on the role of the system officers) relate to the need for the system to be sensitive to differences in campus mission and scale and to avoid one-size-sits-all implementation. Also, the assessment levied on campuses (Inter-Campus Cost Allocation (ICCA)) has increased over time, although the relative percentage of ICCA as percentage of total expenditures has remained relatively stable. Consequently, the campuses believe it is important to have a clear explanation and justification for system administrative costs.

Those interviewed recognize the challenging responsibilities of the Board of Regents and the quality of the decision-making process on the regents’ core governing responsibilities. Most recognize the unique character of an elected board and appreciate the efforts of the Office of the Board of Regents and system officers in coordinating the interaction between board members and the campuses. Those interviewed stressed their willingness—if not obligation—to respond to Regents’ requests. Nevertheless, NCHEMS consistently heard from campus officials that they incur the time and cost of responding to individual requests that often do not appear to reflect concerns of the board as a whole.

Also, while welcoming Regents’ campus visits, the campus-level leaders underscore that when individual Regents communicate at the campus level, students, faculty, and administrators assume, occasionally incorrectly, that the Regent is speaking on behalf of the board. The campus leaders would strongly support a more systematic process for the Board of Regents to gain consensus on a limited number of strategic priorities, to narrow the information requests to those that the board as a whole agrees are a priority, and to ensure that the Regents speak with one voice on these priorities.

The NCHEMS interviews indicate that, while appreciating the strengths that the regents and the president bring to CU, the chancellors and campus leaders emphasize the need for a more strategic focus at the levels of the Board of Regents and system administration. They see the need for clearer system strategic goals and priorities that complement, but above all do not conflict with, campus strategic plans or ignore differences in campus missions.
As noted above, the chancellors appreciate the independence they are given to lead their campuses. At the same time, they expressed a need beyond the somewhat pro forma Board of Regents’ approval of campus strategic plans, for greater awareness at the Board of Regents and system levels of the major short- and long-term risks facing the campuses, and for the system’s support and backing for campus-level decisions. Again, they emphasized the value of a stronger alignment of campus strategic plans with system strategic priorities and the use of system incentive funding to support system and campus priorities.

A common theme in interviews was the need for planning for likely leadership transitions at the system and campus levels over the next three to five years. Again, while praising President Benson for his leadership over the past decade, the campus leaders stress the need for the future president to:

• Sustain strengths that President Benson brings to the university including:
  – A deep commitment to role of the University of Colorado in the future of the State of Colorado
  – Competence and experience in leading a complex multi-dimension public corporation
  – Credibility with the state’s political, civic, and philanthropic leaders

• Assume a more strategic policy leadership role for the University of Colorado in context of the increasingly complex external environment

• Work effectively with an elected Board of Regents to support the regents’ policy-making responsibilities.

• Have a clear understanding of the difference between the roles of the system and campuses and continuing support for the appropriate allocation of responsibilities within the framework of system priorities and accountability.
Role of the System Officers and System Administration

Common themes from interviews

As emphasized earlier in this report, the system leaders (vice presidents and their senior staff) received high marks for their performance from the Board of Regents and campus leaders. Many of the tensions or concerns that were identified are common in most multi-campus universities. The current system officers work collaboratively with their campus counterparts to resolve issues, which include:

• The balance between the benefits of university-wide branding and the desire of campuses and other units to maintain their distinctive identity

• The complexity and costs of implementing new system-wide information technology

• The application of policies and systems appropriate for a large institution such as CU-Boulder to smaller institutions such as CU-Denver and UCCS

• The increasing costs of the University system office and lack of understanding of the functions carried out at the system level.

Authority of Vice Presidents

An issue raised in the interviews concerns the authority of the system vice presidents to oversee implementation of system policies by their campus-level counterparts. In many respects, this question reflects a different understanding of the role and responsibility of a system office in a multi-campus university in contrast to the leadership structure of a single university.

• Regents’ Law and Policy make clear that the University of Colorado is not technically a single academic institution but a system of four campuses with distinct missions under a single corporate body with the name “University of Colorado.” The locus for education and research is at the campus level, not the system. Even though system officers have titles that are similar to campus titles, these officers (with the exception of the University Counsel due to how authority in legal matters is delegated from the state’s Attorney General) do not have line authority to implement policy at the level of the campus. The vice presidents (Chief of Staff, Chief Financial Officer, Academic Affairs Officer, Employee and Information Services, Governmental Relations, and University Communications, and Advancement) have direct line authority for functions and employees at the system level. They do not have direct authority related to their campus counterparts.
• North Central Association’s Higher Education Learning Commission accredits the campuses independently. Accreditation standards require that campus chief academic and finance officers of an accredited institution report directly to the campus chief executive, not to the system. The one exception is the university system general counsel who usually has a direct line relationship with campus-level legal staff.

• The formal line of accountability between the system and the campuses is through the president’s direct authority over the chancellors. The vice presidents lead not by formal authority over the campus counterparts but through coordinating the policy process in their functional areas, convening their campus counterparts, and communicating board and system priorities.

The implication of these points is that the Board of Regents and the president should not expect a person with the position of vice president to direct campus-level implementation, particularly in those areas falling within the core campus academic functions and in the hiring and admissions decisions administered at a campus level. To expect a vice president to exercise this degree of authority would undermine the authority of the campus chancellor and violate basic standards for accreditation.

The most effective ways for systems to ensure that campuses respond to system priorities is not through system-level mandates or intervention at the campus level by system officers but through:

• Holding the chancellor accountable through clear system goals and metrics for campus performance

• A link between goals and finance policy, including the use of strategic investment funding to incentivize campus change

**Distinguishing system services to campuses from system executive leadership and policy functions**

From NCHEMS’ interviews, we observe that the system administration office houses two distinct, but complimentary, roles. The vice presidents and others senior administrators serve to provide important strategic leadership on issues that reach across the system. In addition, some of the system officers not only serve in this policy leadership role, but also exercise oversight of “service center” functions across the organization. By organizing these service centers, the university has been able to consolidate operations and achieve economies of scale.
The role of System Administration might be better understood if “service center” functions were more clearly separated from system leadership and coordination functions. This delineation would address concerns about the value-added of the campus contributions to support the system administration budget. The following is only an illustration of such a delineation.

- **Policy leadership, oversight and coordination functions**: These include the vice presidents who have responsibility for supporting the president in his policy leadership role and leading and coordinating major functional areas, such as budget and finance, academic affairs, communications/external relations, and governmental relations.

- **Service center functions**: These include University-wide services to each campus such as employee benefit and payroll services, information services, procurement, and advancement.

As in other multi-campus university systems, the largest percentage of the system administration budget and staff complement is in staffing the service center functions. The policy leadership and system functions are a comparatively small percentage of the overall system budget, especially because several of the vice presidents have a dual role in providing policy leadership to President Benson while also overseeing operational functions. NCHEMS’ interviews indicated that campuses have a high level of support for the CU system service-center functions and believe that they add value.

The perception of a large, growing system bureaucracy supported from campus budgets causes concerns among those interviewed. There is an understanding that increasing federal regulatory requirements and other uncontrollable forces are contributing to increased costs. To counter this perception, other systems have created separate service corporations that function as an enterprise funded primarily by the campuses but supplemented by system support for functions that must be consistent across all campuses regardless of size and demand.

One of the challenges is determining which functions require consistency across campuses and which functions should be adapted to meet legitimate campus needs. In making these determinations, we recognize that system administrators often advocate for consistency and campus administrators advocate for individualization. Both perspectives are legitimate. What is needed is a methodology for identifying the functions performed uniformly across the university system, assessing who is responsible for performing those functions, assessing whether the processes both at the campus and system are aligned, and reducing those areas where responsibilities and processes are either duplicative or ambiguous.
No matter how the university chooses to structure its system level operations, however, it is vitally important that the administrators at the system and campus levels have methods for identifying areas of conflict and escalating them to senior leadership for timely resolution.

**Principles to Guide Future Leadership Decisions**

Based on analysis and interviews, NCHEMS recommends the following principles to guide decisions regarding the future leadership of the University of Colorado:

1. Recognize and respect the unique culture and challenges of an elected Board of Regents
2. Define the difference between the roles and functions of the system leadership and administration of the campuses.
3. Focus the role of the system (the Board of Regents and the president) on providing system-wide strategic leadership and carrying out core legal and fiduciary responsibilities of a complex, multi-campus corporation.
4. Sharpen the definition of the mission, role and scope of the CU system:
   - In relationship to the future of the State of Colorado
   - Within the higher education system of Colorado
5. Sharpen the definitions of mission, role, and scope for each of the four campuses with the goal of identifying how each contributes both individually and in concert with each other to Colorado’s system of higher education.
6. Recognize the campuses’ responsibility for education, research, and service within the framework of:
   - Clearly differentiated campus missions (defined not only as in Colorado statutes but also in terms of the differences in students served and modes of delivery)
   - Accountability for system strategic goals and priorities
7. Clarify the role and responsibilities of the president as the chief executive leader of the system as distinct from those of the chancellors. Current law and policy describes their positions and responsibilities, particularly for the president, but these descriptions do not reflect how these roles have evolved over time.
8. Clarify the role and responsibilities of the system vice presidents as distinct from their campus counterparts.
9. Clarify and gain consensus on long-term strategic system goals and priorities and related accountability metrics.

   In the near term, with the support of the system administration, the Board of Regents should:

   • Define and adhere to a limited (three to five) set of strategic system priorities and related metrics for monitoring progress that:
     
     − Include at least some of the priorities formerly agreed-upon but not currently followed to guide Board of Regents decision-making
     
     − Include, but not be limited to, priorities for the board’s core fiduciary responsibilities: ensuring the sustainability/economic vitality of the system
     
     − Closely align with the senior leadership’s identified priorities
   
   • Develop a dashboard and other means to keep these strategic priorities front and center at all board meetings and in all deliberations
   
   • Insist that the Board of Regents develop a process for vetting all board member requests for new initiatives and major information requests against these priorities.
   
   • Develop a process by which the system administration office can track and work with campus officials to respond to regent concerns
   
   • Ensure that when campuses engage with regents on issues that relate to system functions and responsibilities that the campuses involve system officials in the discussions
   
   • Support President Benson’s funding of campus initiatives that align with the system strategic priorities.
   
   • Review how the Board of Regents utilizes its policy-making processes as compared to its use of resolutions and ensure that it is using the right tools to define priorities, enact policy decisions, and reflect current actions
   
   • Develop a more systematic method for the senior leadership and the Board of Regents to identify risks, assess their likelihood and potential impact, and develop both near term and long term strategies for mitigating risk.
Over the longer-term: With the leadership of the president, the Board of Regents should:

- Shape and gain consensus on long-term goals and priorities for system
  - Harmonize, to the great possible extent, the CU system goals with the state’s goals. The state’s goals are likely to evolve over time, so the university must be able to adapt to ongoing changes without losing sight of its key priorities.
  - Utilize the system goals and priorities as a framework for Board of Regents’ decision-making and, through the president, hold the campuses accountable for system priorities

- Align finance policy and accountability with strategic goals and priorities

10. Continue discussions to clarify the future role of the system and the campuses on issues where their educational missions have the potential to overlap, including:

- Increasing student mobility among campuses and the capacity of students on one campus to enroll in the academic programs and courses at another campus with a minimum of cost and bureaucratic hurdles

- Developing synergy between and among the campuses
  - Facilitating and incentivizing collaboration in innovation in the delivery of academic programs and in research
  - Achieving economies-of-scale in both academic and non-academic functions

- Leading and providing incentives for innovation in the delivery of educational services to improve access, affordability, and responsiveness to changing student populations

- Continuing to achieve economies-of-scale between and among campuses on administrative and financial services
11. Align campus goals and strategic initiatives with system goals and strategic initiatives:

12. Consistently define expectations and goals for the president in the performance evaluation process, and ensure that the president has defined aligned and consistent expectations and goals for the chancellors.

13. Evaluate the president’s performance and hold the president accountable through the performance evaluation process, and ensure that the president similarly holds the chancellors accountable.

14. Utilize finance policy as to effectuate campus responses to system priorities.

15. Establish decision-making processes for the Board of Regents that:
   - Ensure focus on agreed upon strategic priorities
   - Provide a systematic process for respecting and considering requests of individual regents for attention to specific priorities in relationship to agreed-upon System-wide strategic priorities

16. Separate System leadership functions from administrative support functions. Clarify the functions of the system:
   - System officers
     - President
     - Secretary of the Board
     - University Counsel
- Treasurer

- Associate Vice President of Internal Audit

- System strategic leadership and coordination

- Service corporation functions

  - Functions that require consistent policy and enforcement system-wide

  - Functions that should be differentiated according to the mission and scale of each of the universities

17. Recognize that leadership of a complex university system requires:

- Persistent, consistent focus on long-term goals and alignment of incentives and accountability with those goals over changes in governing board membership and system executive leadership

- Limited use of regulation as the means to effect change. Top-down mandates don’t work; innovation requires an environment in which the goals are clear, but faculty, researchers, and campus leaders are given the independence and support to explore and define how these goals are achieved.
End Notes

1 For example, the academic departments on the main campus are responsible for all academic programs at the branches and centers. All faculty at the branch or center are members of departments on the main campus. Students receive degrees from the main campus, not the branch or center.

2 The 1971 Carnegie Commission Report, The Multi-Campus University, Eugene C. Lee and Frank M. Bowen, described several characteristics of a “true” multi-campus university as follows:

   A single executive budget. When the system executive has a “decisive” role in budget formulation.

   Appointment of campus executives. When the system executive recommends the appointment of the campus executives, and none are approved without such recommendation

   Line and staff. When all administrators at the campus report to the campus executive, and all lines of authority from the campus level to multi-campus level run through the campus executive

3 Today, the University of California has 10 campuses, each headed by a chancellor as the campus chief executive and academic officer. The Board of Regents is the governing body for the whole system. The system chief executive and academic officer is the President. The president appoints the chancellors subject to the Board of Regent’s approval and the chancellors report directly to the president.


5 University of Colorado, Laws of Regents, Article 1, part B: Establishment of university campuses, 1.B.1 Location and Administration of Four Campuses

6 For example, in 2016-2017, total current fund expenditures and research expenditures at CU Anschutz now exceed those at CU Boulder. In 2016-17, CU Boulder had total current fund expenditures of about $1.6 billion compared to $1.8 billion for CU Anschutz. Even without health care expenditures, CU Anschutz’s expenditures approached $1 billion. In the same year, CU Boulder had total research expenditures of about $456 million compared to $511 million at CU Anschutz (Presentation of the 2017-18 current fund budget to the CU Board of Regents meeting, June 2017).

7 The CDHE Master Plan, Colorado Rises, establishes a goal that by 2025, 66 percent of our adult population will attain postsecondary credentials aligned with their interests, equipping them for success. The purpose of this overall goal is to meet the state’s projected workforce needs. The Colorado General Assembly utilizes Master Plan’s strategic goals and related performance metrics to allocate state appropriations to CU and other governing boards. http://highered.colorado.gov/publications/CDHE-Master-Plan-2017.pdf

8 CU Office of the Board of Regents, Regent Overview: Regent-elects Ganahl and Kroll, November 21, 2016

9 The CU Board of Regents is one of three university system boards elected by a state’s voters in a general election. The other two systems are the Nevada System of Higher Education and the University of Nebraska. In contrast to the CU Board of Regents who run as candidates from the major political parties, the Boards of Regents in Nevada and Nebraska run on a non-partisan basis. The only other universities with popularly elected boards with members who run as political party members are Michigan State, the University of Michigan and Wayne State University. The University of Michigan is technically a multi-
campus institution in that it has two relatively small campuses in addition to the main campus in Ann Arbor.

10 Examples of public university systems with state constitutional status include the University of Alabama, the University of Alaska, the University of California, Louisiana State University, the University of Michigan, the University of Minnesota, the University of Missouri, the University of Nebraska, the Board of Regents, Nevada State System of Higher Education, and the Board of Governors, the University of North Carolina.

11 NCHEMS could not find in the record of the Board of Regents’ deliberations any reference to the goals and metrics that the General Assembly uses to allocate performance funding to the University of Colorado according to the provisions of the SMART Act (H.B 1319). The FY 2016/17 budget allocated $123.8 million to CU, including $29.2 million for performance funding. The metrics are linked to the Colorado Master Plan for Postsecondary Education, Colorado Rises: Advancing Education and Talent Development. The plan sets an overall attainment goal of 66% of the population with a postsecondary education credential by 2025, and includes four strategic goals and related metrics. The goals are as follows:

- Increase credential completion: Significantly increase the number of credentials that students earn and increase credential completion in high-demand areas, including STEM and educator preparation.
- Erase Equity Gaps: Success in meeting the statewide goal of 66% hinges on improving completion for all students. That means we must address the unequal outcomes for minority students and erase equity gaps.
- Improve Student Success: Promote students’ timely completion through new approaches and practices.
- Invest in Affordability and Innovation: Increase public investment and encourage models that reduce costs and time-to-degree.

The Colorado Commission on Higher Education has a dashboard to allow the Governor, General Assembly and Commission to monitor progress toward each of the goals.11

The good news is that CU campuses perform better on the master plan metrics than most of the state’s other public universities. The metrics listed on the CU website to be used to monitor progress toward the Board of Regents’ strategic priorities cited above (http://www.cu.edu/budgetpolicy/regent-metrics-2015) include some of the same measures as those in the Colorado Master Plan.

12 More than 10 years ago in 2007, a report of Northstar, LLC,12 summarized findings from interviews with the Board of Regents and other stakeholders:

- The Board of Regents, working with its principal officers, must shift its attention to focus primarily on policy and strategy.
- The Board is unanimous in its desire to have a defined agenda for the coming year (AY 08) with goals and objectives that will be evaluated, qualitatively measured, and policy-oriented.
- Throughout this project, the second recurring theme from all participants is the desire for the Regents to focus their time and energies on policy and strategic issues.
- All Regents state that they do not have an annual or strategic agenda against which to measure the past year (AY 07). They do not identify a particular reason for this, other than the agendas have been diffuse over the past year.


14 University of Colorado, Board of Regents, Wrap-up Highlights, Board of Regents 2017 Annual Retreat, July 12-14, 2017, Stanley Hotel, Estes Park, CO.
On policy governance, see: http://www.carvergovernance.com/model.htm