

## **RECORD OF PROCEEDINGS**

Golden, Colorado  
June 5, 2009

The Board of Trustees met in regular session on June 5, 2009 in the General Research Laboratory conference room.

Present: Trustees Cowart, DeFilippo, Hutson, Nyikos, Spaanstra, Tschatschula; Faculty Trustee Dorgan and Student Trustee Dubetz Absent: Trustee Fox.

Also in attendance: President Scoggins, Provost Middleton, Senior Vice President Volpi, Vice Presidents Fox, Poate, and Williams and other staff and visitors.

Trustee Nyikos presided.

Regular Session. The Trustees convened in regular session at 9:05 a.m.

Approval of Minutes. Trustee Cowart made a motion, seconded by Trustee Tschatschula, to approve the minutes of the April 24, 2009 meeting as submitted. Motion carried.

Board Committee Reports. Trustee Hutson reported that the Finance and Audit Committee met on May 27, 2009 to review the first three action items on the agenda.

President's Report. President Scoggins remarked on the May 8 commencement ceremony and related events, and indicated that he had asked his Chief of Staff, Peter Han, to make recommendations for future changes to commencement, reunion, and other associated events.

President Scoggins reported that the Materials Science Visiting Committee met on campus May 14 – 15. Reports have been received from the Environmental Science and Engineering, Metallurgical and Materials Engineering, and Library visiting committees. Responses are being prepared and will be shared with the Trustees.

President Scoggins reported that the Department of Higher Education is planning to organize a higher education summit that may include Board participation; President Scoggins will forward information to the Board as it becomes available.

President Scoggins remarked that Dr. Middleton will assume his new position as Senior Vice President for Strategic Enterprises on July 1 and thanked Dr. Middleton for his many contributions as Provost and Executive Vice President for Academic Affairs. The Office of Academic Affairs is hosting a reception for Dr. Middleton, to which the Trustees are invited, at 3:00 p.m. in the Geology Museum.

At Trustee DeFilippo's request, President Scoggins gave a brief overview of the legislative session. Faculty Trustee Dorgan remarked on the appointment of Max Tyler to fill the Colorado House of Representatives position vacated by Gwyn Green.

The Trustees asked for clarification from General Counsel Anne Walker regarding Amendment 54. Ms. Walker and President Scoggins indicated that the potential impacts are unclear at this point but that Ms. Walker will continue to monitor this issue and communicate with the Trustees.

Research Activities. Dr. John Poate provided an update on research activities for the months of March and April. Dr. Poate reported that the research enterprise is going very well, and highlighted four recent awards of significance to Professors Posewitz, Batzle, Krahenbuhl, and Snieder. He indicated that a number of proposals were under development for American Recovery and Reinvestment Act (ARRA) funding. Dr. Poate also gave an update on the federal relations program and indicated that Representative Perlmutter and Senator Udall have already expressed support for the development of the Earth Energy Institute. President Scoggins commented that the new research magazine will be issued shortly; its theme will be the international span of Mines' research enterprise.

Financial Report. Senior Vice President Volpi reviewed the *Statement of Net Assets*, *Statement of Revenue and Expenses* and the *Statement of Cash Flows* for the period ending April 30, 2009. Ms. Volpi reported that the School's cash position is still strong. At this point in the fiscal year, it appears the School will finish with a surplus in the current unrestricted fund.

Approval of AY09-10 Tuition and Fees. Senior Vice President Volpi presented the proposed tuition and fees for the 2009-10 academic year. A 7.8% tuition increase is proposed for resident undergraduate students; due to market conditions, a 3.9% tuition increase is proposed for nonresident undergraduate students. Full-time graduate student tuition rates are proposed to be level with full-time undergraduate rates. Trustee Tschatschula remarked that he would like to see the dollar amount of the proposed tuition increase in addition to the percentage increase.

The proposed mandatory fee increases reflect inflationary and operating increases, including the student recreation center fee. A new fee was added for biology labs, and the students approved increases in the intermodal transportation fee and the academic construction fee. Faculty Trustee Dorgan inquired as to whether the School is losing money on the Recreation Center; Ms. Volpi indicated she would check into this.

President Scoggins indicated that enrollment projections for the incoming class are larger than anticipated. As of June 5, 1070 potential students had paid the new \$200 non-refundable commit fee. Some of these students will not enroll, but there are concerns about the class size, particularly as it may impact laboratory classes like chemistry, as well as freshmen housing. President Scoggins remarked that the Office of Academic Affairs is working closely with the academic departments and the registrar to develop a plan to manage what may be a large freshman class.

Trustee DeFilippo remarked that despite the increases in tuition and fees, Mines is still a bargain given the quality of the education. Trustee DeFilippo made a motion, seconded by Trustee Hutson, to approve the following resolution:

*BE IT RESOLVED that the Board of Trustees of the Colorado School of Mines hereby approves the following tuition and fee charges:*

- 7.8% increase for resident undergraduate rates;
- 3.9% increase for nonresident undergraduate rates;
- Full-time graduate rates set level with full-time undergraduate rates; and
- Increases in mandatory fees that reflect inflationary and operating increases.

Motion carried.

Approval of FY10 Budget. Senior Vice President Volpi presented the proposed 2009-10 operating budget. Because of the uncertainty of the State's budget situation, the School's spending on new initiatives is constrained. For the first time in recent years, a reserve will be held as a precaution. The School will also begin to reserve and expend controlled maintenance funds, which had historically been provided by the State. Faculty Trustee Dorgan expressed concern that there will be more students but the same number of faculty. Ms. Volpi indicated that last year there was significant growth in the faculty, with 24 faculty hires representing 20 net new faculty positions. Trustee DeFilippo remarked that he is an advocate for the faculty but given the financial uncertainties, it is important to be prudent. President Scoggins remarked that there are concerns particularly for FY12 when the ARRA funding and Referendum C expire. He also noted that the Foundation had frozen salaries for its employees and reduced its operating expenses by five percent. Trustee DeFilippo questioned why the Colorado School of Mines Board of Trustees approves the Foundation's unrestricted budget, indicating it made more sense to note their contribution to the School's budget. Trustee Spaanstra made a motion, seconded by Trustee Tschatschula, to approve the following resolution:

*BE IT RESOLVED that the Board of Trustees of the Colorado School of Mines hereby approves the FY2010 All Funds Operating Budget, and notes the contribution from the Colorado School of Mines Foundation unrestricted budget.*

*The Board further grants the President of the School the ability to realign as needed un-utilized reserves while maintaining a balanced budget.*

Motion carried.

Approval of Five Year Capital Plan. Senior Vice President Volpi reported that the School must submit its five year (FY11-FY15) capital construction plan to the Colorado Commission on Higher Education. The proposed plan includes projects in the amount of \$367M; the School intends to seek state capital construction funding for \$162M during the five year plan period, with the remainder coming from private donations and debt financing. Faculty Trustee Dorgan inquired about the status of the USGS building; Ms. Volpi reported that their lease was renewed for ten years since it was determined that the building is not suitable for renovation for campus needs. Trustee DeFilippo inquired as to the status of fundraising for Marquez Hall. President Scoggins reported that cash and pledges totaling \$25M have been

received to enable the construction of the first phase of the building as soon as sufficient cash is on hand. Trustee Hutson made a motion, seconded by Trustee Cowart, to approve the following resolution:

*BE IT RESOLVED that the Board of Trustees of the Colorado School of Mines hereby approves the five year capital plan with a total project cost of \$367million as listed and prioritized in the agenda item and approves the following within the plan:*

1. *State requests for the fiscal year 2011 funding year for the following projects:*
  - a. *Marquez Hall - \$15,000,000*
  - b. *Meyer Hall Replacement - \$25,000,000; and*
  - c. *Earth Energy Institute phase one - \$20,000,000*

Motion carried.

Approval of Faculty Handbook Changes. Provost Middleton presented the proposed changes to the Faculty Handbook, as recommended by the campus Faculty Handbook Committee. The most substantive changes were in Section 10, with a re-written intellectual property policy. Faculty are supportive of the proposed change to the intellectual property policy, although Faculty Trustee Dorgan remarked that a few issues are not yet resolved. Dr. Middleton indicated that the Faculty Handbook is a living document and the policy can continue to evolve over time. In response to a question, Dr. Middleton reported that the new director of the Office of Technology Transfer is looking into the issue of whether donors could receive equity for their contributions. Trustee Hutson made a motion, seconded by Trustee DeFilippo, to approve the following resolution:

*BE IT RESOLVED that the Board of Trustees of the Colorado School of Mines approves the following Faculty Handbook changes:*

**Section 4:**                      *Section 4.3.3, “Senior Lecturer”:* change qualifications for Senior Lecturers.

*Section 4.7.1.A and 4.7.1.E, “General Outline of Faculty Appointment Process”:* add language that allows for search waivers for administrative and academic faculty, when appropriate.

*Section 4.7.1.B and 4.7.1.G, “General Outline of Faculty Appointment Process”:* eliminate redundancy between sections 4.7.1.B and 4.7.1.G, which deal with adjunct and temporary faculty.

**Section 5:**                      *Section 5.3.2, “Tuition-Free Courses for Credit”:* change language to allow eligible faculty to take tuition-free courses in any credit hour combination, not to exceed 6 credit hours per year.

*Section 5.4.3, “Annual Leave”:* change language from years to months to clarify how leave is accrued.

**Section 8:** *Section 8.3, “Promotion and Tenure Decision Appeal Procedure”:* update section so that it is less cumbersome and remove outdated legal terms.

**Section 9:** *Delete section 9.8.2, “Individually Negotiated Retirement Agreements,” which is obsolete and now against State rules.*

*Section 9.8.3, “Transitional Faculty”:* provides health insurance for transitional faculty over the entire academic year, not just the semester in which they are teaching. Please also find attached a justification for this proposal.

**Section 10:** *Section 10.1, “Intellectual Property Policy”:* update policy on IP.

Motion carried.

Campaign Planning. Vice President Williams gave a campaign planning overview. The School’s last campaign had a goal of \$125M, with a total of \$140M raised over the six year period. For the next campaign a preliminary goal of \$500M is being considered. Trustee Tschatschula remarked that the School fights the perception that it is funded by the State, so there is a challenge in crafting the appropriate message to translate loyalty to giving.

Regular Written Reports. There were no questions on the regular written reports.

Other Business. The Trustees commended Student Trustee Amy Dubetz on her exemplary service on the Board.

Executive Session. The Trustees went into Executive Session at 11:25 a.m. to receive legal advice pursuant to CRS § 24-6-402 (3) (a) (II),

Regular Session. The Trustees reconvened in regular session at 12:15 p.m.

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

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Secretary