

RECORD OF PROCEEDINGS

Golden, Colorado
September 11, 2009

The Board of Trustees met in regular session on September 11, 2009 in the Coors Board Room.

Present: Trustees Cowart, DeFilippo, Fox, Hutson, Nyikos, Spaanstra (via teleconference), Tschatschula; Faculty Trustee Dorgan and Student Trustee Illing.

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

Trustee Nyikos presided.

Regular Session. The Trustees convened in regular session at 9:15 a.m.

Approval of Minutes. Trustee Hutson made a motion, seconded by Trustee DeFilippo, to approve the minutes of the June 5, 2009 regular meeting, the June 6, 2009 retreat, and the July 23, 2009 teleconference as submitted. Motion carried.

Board Committee Reports. Trustee Hutson reported that the Finance and Audit Committee met on September 2, 2009 to review the June 30, 2009 financial reports and discuss the status of capital projects and bond financing. Trustee Hutson reported that the President and his staff have done an exemplary job of managing the School's finances during a difficult period.

President's Report. President Scoggins announced that it was Trustee DeFilippo's birthday. The Trustees joined President Scoggins in expressing their best wishes.

President Scoggins reported that Mr. David Skaggs has resigned as executive director of the Department of Higher Education. As such, Governor Ritter has postponed the higher education summit originally planned for September 21.

President Scoggins reported that he has begun preliminary discussions with state officials regarding the possibility of pursuing public authority status, as discussed in the June retreat. He expressed concern about the likely drop-off in state support in FY12 and the probable lack of funding for capital projects.

President Scoggins reported with great sadness the passing of Mr. Ralph Peterson, chief executive officer of CH2MHill and member of the Colorado School of Mines Advisory Board.

President Scoggins reported on a meeting organized by University of Denver Chancellor Robert Coombe to discuss possible areas of collaboration.

President Scoggins reported on several changes instituted at the start of this academic year. Freshman Convocation was held in Lockridge Arena the Saturday of orientation, and for the first time included parents. Approximately 2500 people were in attendance at Convocation, which was followed by a reception for parents. On the Monday morning before classes, faculty and staff participated in an M-Climb send-off celebration, lining the streets by Kafadar Commons to cheer on the freshmen students as they departed on the M-Climb. Faculty Conference was moved to Monday afternoon to accommodate this change. All of these event changes were well-received and will be continued again next year.

President Scoggins also indicated he is planning to make several changes related to commencement. For both the December and May ceremonies, the Graduation Banquet and post-commencement luncheon will be eliminated. In December, graduating seniors will be invited to the CSMAA Denver area holiday party. In the spring, reunion will be moved to a few weeks prior to commencement and a major event will be planned in conjunction with reunion, at which Mines Medals and Distinguished Achievement Medals will be awarded.

President Scoggins asked Vice President Dan Fox to give an update on placement results. Dr. Fox reported that, despite the poor economy, placement rates and starting salaries held up well. The upcoming Career Day will feature 186 employers, the second largest number in the School's history.

President Scoggins asked Senior Vice President Volpi and Vice President Fox to give an update on the School's planning related to the H1N1 flu pandemic. A campus committee has been working for some time to develop a campus response plan. A web site for students to self-report their symptoms has been established; the Student Health Center will contact all students who use this self-reporting mechanism. Arrangements have been made to deliver meals to affected students who live in the dorms; faculty members of ill students will be automatically notified about the student's absence.

President Scoggins asked Chief of Staff Peter Han to provide an update on some current public relations efforts. Mr. Han reported that the School received a great deal of national press coverage following the release of the most recent report of the Potential Gas Agency, directed by Dr. John Curtis. Mr. Han also reported that the School continues to have ads at Denver International Airport and has added advertising on Colorado Public Radio. The second edition of the research magazine has been well-received and enables the School to raise its profile among university presidents and deans, who are a pivotal group in the School's efforts to move up in the national rankings. Mr. Han reports that the website continues to improve; Trustee DeFilippo mentioned his desire to have multi-lingual web pages for parents of international students. Faculty Trustee Dorgan suggested the School consider having ads on the lifts at ski resorts.

President Scoggins reported that he was interviewed for the Rocky Mountain Athletic Conference Showcase, highlighting the athletics program at Mines.

President Scoggins commended the students who are organizing the upcoming Leadership Summit and reported that the Alumni Association is hosting a reception following the event.

Research Activities. Dr. John Poate provided an update on research activities for the months of June and July. FY09 research volume exceeded \$50M for the first time in the School's history. Dr. Poate mentioned that three Mines faculty members were recognized with NSF Career Awards. Dr. Poate also highlighted several recent major awards received by Professor Pyles, Boak, Nummedal, Petrella, Wiencke and Bunge.

Dr. Poate remarked that a number of excellent proposals were submitted for American Reinvestment and Recovery Act funding. He thanked Mr. Ralph Brown and the Office of Research Services for their outstanding work in processing the high volume of proposals.

Dr. Poate reported that he made a presentation at the Faculty Conference regarding what will be needed to take the School to the next level of research funding. One key factor will be our ability to attract outstanding graduate students and to develop successful collaborations with targeted partners. Additional laboratory space will be another key component.

President Scoggins congratulated Dr. Poate and the faculty for achieving the \$50M research goal.

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 June 30, 2009. Ms. Volpi reported that the School ended the FY09 fiscal year in a strong position, due largely to the commitment shown by the campus community to fiscal prudence.

Student Trustee Oath of Office. Trustee Nyikos administered the Oath of Office to Student Trustee Damian Illing.

Approval of Housing Project Cost Increase. Senior Vice President Volpi presented a request to increase the amount budgeted for the upcoming student housing project. The proposed increase will enable the project scope to increase from 263 to 291 beds. Trustee Hutson made a motion, seconded by Trustee Fox, to approve the following resolution:

BE IT RESOLVED that the Board of Trustees of the Colorado School of Mines hereby approves of the School's Housing Project Cost Increase from an original total project cost of \$24,871,380 to \$27,887,877.

Motion carried.

Foundation Report. Ms. Linda Landrum, Executive Director of the Colorado School of Mines Foundation, presented a report on the status of the endowment. Due to a very diversified portfolio with good liquidity, the Foundation's losses were less than those experienced by many other institutions. The total fair market value of the endowment as of June 30, 2009 was \$148,089,000, with an annual net investment return of -15.3%. President Scoggins commended the Investment Committee and the Foundation Board for their focus, and thanked Trustees Nyikos and Tschatschula for their service on the Foundation Board. President Scoggins also remarked that it had been a very successful fundraising year, and particularly noted the \$10M

contribution from Hugh and Michelle Harvey. President Scoggins also remarked that the Foundation's Board of Governors will be meeting on campus on October 9.

Capital Project Update. Senior Vice President Volpi presented an overview of the School's various capital projects. The Hall of Justice abatement and demolition project is almost complete, with site restoration expected to be completed this fall. The Brown Hall addition is in the construction drawing phase, with plans to break ground in early 2010 with a planned summer 2011 opening. In addition to these two active projects, the Board has approved several program plans for projects which remain to be financed; the financing will need approval by the Board of Trustees.

Staff is currently assessing financing options for the Marquez Hall project, with a goal of moving forward with financing in November 2009. Phase I of the student housing project also has a November 2009 anticipated financing date. Regarding the parking garage, the timing of design work and financing is yet to be determined. The School is currently assessing debt capacity prior to moving forward with this project.

Ms. Volpi reported that program plans are being developed for a renovation of Weaver Towers and for a new Student Health Center. Once completed, the program plans will be brought to the Board for approval.

Ms. Volpi indicated that funding is still being sought for the Earth Energy Institute (from a National Institute of Standards and Technology proposal), an addition to the General Research Laboratory (through a National Institute of Health proposal), and for Meyer Hall (from the State).

Faculty Trustee Dorgan remarked that the faculty are concerned about the need for additional classroom space. Ms. Volpi remarked that a space utilization study is being conducted to help inform decisions about campus space use and to help determine what the campus' most pressing needs.

Upcoming Bond Financing. Ms. Volpi reported that she anticipates coming to the Board at the October 23, 2009 meeting for approval of bond financing in November 2009 and provided an overview of the likely components of the financing.

New Faculty Hires. Provost Castillo presented biographical information for the 2009-2010 new faculty hires. In response to a question, Dr. Castillo indicated the number of tenure/tenure track faculty is at 191, up from 168 in 2006.

Undergraduate Admissions Report. Vice President for Student Life Fox presented the September 1, 2009 admissions report for Fall 2009. He reported that 974 students enrolled, 883 of whom are freshmen; 68.4% are residents. The quality of the class is consistent with previous classes. Ms. Heather Boyd, Director of Enrollment Management, reported that the admissions office worked to manage down the size of the class, given the large number of students who sent in their non-refundable deposits. She indicated the admissions office is considering whether to institute a waiting list process for future years. President Scoggins remarked on the need to

focus on the quality of the incoming students in order to take the School to the next level of excellence.

Auditor's Communication to the Board of Trustees. Senior Vice President Volpi presented a letter from the external auditors, BKD, LLP, summarizing the planned scope and timing for the June 30, 2009 audit of the financial statements of Colorado School of Mines.

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

Executive Session. The Trustees went into executive session at 11:30 a.m. to receive legal advice pursuant to CRS § 24-6-402 (3) (a) (II),

Regular Session. The Trustees reconvened in regular session at 12:00 p.m.

There being no further business, the meeting adjourned at 12:00 p.m.

Secretary