

## RECORD OF PROCEEDINGS

Colorado School of Mines  
Golden, Colorado  
May 24, 2010

The Board of Trustees met in regular session on May 24, 2010 in the Coors Board Room.

Present: Trustees Bliss, Cowart, Fox, Hutson, Misra, Spaanstra and Truly; Faculty Trustee Dorgan; Student Trustee Illing.

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

Trustee Hutson presided.

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

Approval of Minutes. Trustee Bliss made a motion, seconded by Trustee Spaanstra, to approve the minutes of the March 19, 2010 meeting as submitted. Motion carried.

Chairman's Report. Trustee Hutson introduced the following resolution recognizing Student Trustee Damian Illing's service:

*Whereas Mr. Damian Illing served as the Student Trustee during the 2009/2010 academic year; and*

*Whereas during that time Mr. Illing gave generously of his time, energy, and talent all for the betterment of The Colorado School of Mines; and*

*Whereas Mr. Illing was an exemplary representative of the students of Colorado School of Mines during his service on the Board of Trustees;*

*Therefore,*

*BE IT RESOLVED that the Board of Trustees of Colorado School of Mines unanimously commends Mr. Illing for his service and contribution to the advancement of Colorado School of Mines and expresses its sincere thanks and best wishes.*

Trustee Spaanstra made a motion, seconded by Trustee Cowart, to approve this resolution. Motion carried. Trustee Hutson presented Student Trustee Illing with his silver certificate of recognition and the Board's resolution of appreciation and thanked

him for his outstanding service as a Student Trustee. Student Trustee Illing thanked the Board and indicated that it had been his honor and pleasure to be a part of the Board of Trustees.

Trustee Hutson remarked that the planning session held by the Trustees was valuable and that the goal will be to follow up on these discussions at another similar session in August.

Trustee Hutson commended the staff for their hard work during the past legislative session.

Board Committee Reports. Trustee Cowart reported that the Finance and Audit Committee met on May 12. In addition to approving the items that will be covered later in the agenda by Senior Vice President Volpi, the internal auditor, Ms. Marilyn North, provided the committee members with an in-depth review of the internal audits.

Trustee Fox reported that the Presidential Evaluation and Compensation committee, consisting of herself, Trustee Spaanstra, and Trustee Hutson, is continuing to discuss the evaluation process and hopes to have a proposal for the next board meeting.

Trustee Spaanstra reported that the Strategy Committee has been focused on Senate Bill 003. The Committee is also working on developing a short mission statement to guide their efforts, which will be circulated to the Board.

President's Report. President Scoggins reported on the reception held on April 8 at the Denver Art Museum as part of the Foundation Board of Governors meeting. The attendees enjoyed the opportunity to view the restored Bierstadt painting on loan from the School to the Denver Art Museum.

President Scoggins reported that Governor Ritter spoke on campus on April 19 as the Erickson Distinguished Lecturer. Prior to his speech, Governor Ritter toured the Renewable Energy Materials Research Science and Engineering Center (REMRSEC) and attended a brief reception with Justice Erickson's family and student leaders.

President Scoggins remarked on the successful groundbreaking ceremony for the Harry D. Campbell Football Field, held on April 24.

President Scoggins reported on the many activities associated with Reunion Weekend, including a celebration of life in memory of Ted Stockmar and the Celebration of Alumni Dinner at which the Distinguished Achievement Medals were presented.

President Scoggins reported on the May 14 commencement ceremony, featuring Mr. James Mulva, Chief Executive Officer of ConocoPhillips, as the speaker. Mr. Mulva also attended at a reception in his honor in downtown Denver the evening before commencement, attended a post-commencement luncheon with graduating

ConocoPhillips SPIRIT scholars and their families, and attended a series of presentations on Mines research initiatives.

President Scoggins reported on the Foundation Board meeting held on April 8 & 9. At their meeting the Foundation Board of Governors approved moving ahead with planning for a capital campaign. The Board anticipates setting an ambitious goal for the campaign, which will necessitate reaching out beyond the typical donor base. A campus committee has been formed to identify needs and set priorities for the campaign. An external review committee will be helping the School review the Office of University Advancement and make recommendations regarding organizational structure and best practices. The next steps will be to interview campaign consultants and establish a timeline. Trustee Truly remarked that it will be important for the Board to be educated about the campaign and President Scoggins suggested that, at the appropriate time, a joint meeting with the Foundation Board of Governors be arranged.

Legislative Update. Chief of Staff Peter Han gave an update on the legislative session, particularly the impacts of Senate Bill 003 in the areas of tuition authority, master planning and operational flexibility. He also discussed the potential impact of several upcoming ballot initiatives which may require communication with the Board prior to the next Board meeting.

Research Activities. The Director of Technology Transfer, Dr. Will Vaughan, reported for Vice President Poate and presented research highlights for the months of February and March. Dr. Vaughan indicated that research award volume is on target to match or exceed last year, and highlighted recent major awards to Professors Matlock, McCray, Liberatore, Williams and Squier.

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, 2010. Ms. Volpi indicated that the School is in a good cash position, and that tuition and fee revenue had been higher than anticipated.

Status of Active Capital Projects. Senior Vice President Volpi presented an update on capital projects. She indicated that a space study is being implemented as part of the effort to update the existing Campus Master Plan. The Master Plan will be presented to the Board at a meeting this fall.

Tuition and Fees for AY2010/2011. Senior Vice President Volpi presented the proposed tuition and mandatory fee rates for AY2010-11. The proposed rates were reviewed by the Board's Finance and Audit Committee, which recommends a 9% increase for resident undergraduate and graduate rates; a 5% increase for nonresident undergraduate and graduate rates and the proposed increases in mandatory fees that reflect student-supported increases. After discussion, Trustee Cowart made a motion, seconded by Trustee Spaanstra, to approve the rates recommended by the Board's Finance and Audit Committee. Motion carried.

FY2011 Budget. Senior Vice President Volpi presented the proposed operating budget for FY11. Ms. Volpi gave an historical review of the School's budget, particularly in regard to state funding levels. The Board's Finance and Audit Committee has reviewed the proposed budget and recommends approval. Trustee Bliss made a motion, seconded by Trustee Spaanstra, to approve the following resolution:

*BE IT RESOLVED, that the Board of Trustees of the Colorado School of Mines hereby approves of the Fiscal Year 2011 School's Operating Budget, including:*

*Current Unrestricted:*

Revenue =	\$125.5 million
Expenses =	\$121.6 million
Reserve =	<u>\$3.5 million</u>
Net =	\$0.4 million

*The expense budget of \$121.6 million includes the following:*

- *Mandatory increases totaling \$2.6 million*
- *Non-mandatory increases of \$1 million*
- *Policy increase for \$1.36 million*
- *\$1 million for 8 net new faculty positions (14 new hires with 6 retirements)*
- *14 new non-academic faculty positions totaling \$796,140*
- *Operating expense increases totaling \$77,560*

*Designated:*

Revenue =	\$11.2 million
Expenses =	<u>\$ 6.1 million</u>
Net =	\$ 5.1 million

*Restricted:*

Revenue =	\$64.4 million
Expenses =	<u>\$64.1 million</u>
Net =	\$ 0.3 million

*Endowment:*

Revenue =	\$1.7 million
Expenses =	<u>\$0.5 million</u>
Net =	\$1.2 million

*CSM Foundation Budget:*

Support=	\$0.8 million
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*The Board further grants the President of the school the ability to realign as needed unutilized reserves while maintaining a balanced budget.*

Motion carried.

Welcome Center Program Plan. Senior Vice President Volpi presented the program plan for a proposed Welcome Center, which will be funded entirely by donations. The structure, to be located on the northwest corner of Illinois and 19<sup>th</sup> Streets, will serve as a gateway to the campus and provide office space for the

Colorado School of Mines Alumni Association, the Colorado School of Mines Foundation, the Office of University Advancement, and the Admissions Office. The Board's Finance and Audit Committee has reviewed the program plan and recommends approval. Trustee Cowart made a motion, seconded by Trustee Spaanstra, to approve the following resolution:

*BE IT RESOLVED that the Board of Trustees of the Colorado School of Mines hereby authorizes the School to submit to the Colorado Commission on Higher Education (CCHE) the Welcome Center Program Plan as outlined with a total project cost of \$6.8 million.*

Motion carried.

Capital Construction Five Year Plan. Senior Vice President Volpi presented a proposed five year capital construction plan (for fiscal years 2012 – 2016). Each year the School is required to submit a five year capital construction plan to the Colorado Commission on Higher Education, subject to the approval of the Board of Trustees. The Board's Finance and Audit Committee reviewed the proposed plan and recommends approval. Trustee Cowart made a motion, seconded by Trustee Spaanstra, 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 \$408.6 million, with \$174.5 million requested from the State and the remainder to come from other sources.*

Motion carried.

Pfeil Gift Endowment. Senior Vice President Volpi reported that the School received a gift of property from the trust of Mary Jane Pfeil, and that the terms of the bequest are that the proceeds from the sale of the property be used as general scholarship. The Board's Finance and Audit Committee has reviewed the bequest and recommends that the funds be endowed to ensure that the principal remains intact so that a greater number of students will benefit from these scholarship funds. Trustee Cowart made a motion, seconded by Trustee Spaanstra, to approve the following resolution:

*BE IT RESOLVED that the Board of Trustees of the Colorado School of Mines hereby approves that the School endow the proceeds of the Mary Jane Pfeil trust gift proceeds in the amount of \$168,074.26 for the purpose of providing an annual distribution for scholarships to students. It is further resolved that this endowment be invested with and managed by the CSM Foundation.*

Motion carried.

Faculty Handbook Changes. Provost Castillo presented the recommended changes to the Faculty Handbook arising from the work of the campus Handbook Committee. Trustee Fox made a motion, seconded by Trustee Truly, 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:*

<u>Relevant Section</u>	<u>New (N) or Revised (R)</u>	<u>Name/Policy</u>	<u>Description</u>
Section 4.1.8	R	Non-remuneration Appointments	Revise language to read that non-remunerative appointments are made for a maximum of one calendar year, rather than two.
Section 5.3.2	R	Enrollment of Courses (Tuition Free Courses for Credit)	Add language to clarify that a faculty or staff member can take a maximum of six credit hours per fiscal year, regardless of whether the course(s) are for-credit or not for credit.
Section 5.3.3	R	Enrollment of Courses (Tuition Free Courses for No Credit)	Add language to clarify that a faculty or staff member or spouse can take a maximum of six credit hours per fiscal year, regardless of whether the course(s) are for-credit or not for credit.
Section 5.4.11	R	Injury Leave	Replace "Colorado Compensation Insurance Authority" with "CSM workers compensation insurer".
Section 10.9.B	R	Sabbatical Leave Policy	Revise language to clarify when a faculty member becomes eligible for sabbatical.
Section 12.3.2	R	Budget Committee - Membership	Remove the Vice President for Institutional Advancement as a voting member and replace this member with the Senior Vice President for Strategic Enterprises.
Section 12.12	N	The President's Committee on Diversity	Convert this ad hoc committee to an official university committee responsible for providing guidance and making recommendations to the President regarding campus diversity issues. The committee has functioned for ten years. Placing this committee within the Handbook acknowledges the importance of diversity at CSM and recognizes formally the participation of all faculty and staff.

Section 12.13	N	Conflict of Interest Committee	Add a new sub-section creating a new committee to help facilitate the implementation of the university's conflict of interest policies by clarifying faculty obligations, providing guidance to enforce conflict of interest policies and develop management plans, review potential or actual conflicts of interest, and make recommendations to the Provost.
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Motion carried.

Performance Contract Report. Chief of Staff Han reported that the School will be submitting a status report on the School's performance contract to the Colorado Commission on Higher Education (CCHE) for its October 7, 2010 meeting. A copy of the report will be sent to the Board of Trustees prior to that time.

Undergraduate Admissions Report. Dr. Dan Fox, Vice President for Student Life, and Mr. Bruce Goetz, Director of Admissions, presented a report on undergraduate admissions for Fall 2010. Total applications during this admissions cycle were up 36.3 percent as compared to the year prior. Non-resident applications were up by 41.9 percent. The targeted number of new students is 950; 995 students are currently committed but there will be "melt" from this number over the summer. Of the committed students, 27 percent are women, 17 percent are members of an ethnic minority and 36 percent are non-residents. The quality of the class is excellent, with the average index score up two points from last year.

Faculty Senate Report. Dr. Mark Eberhart, Faculty Senate President, reported on the work of the Senate. Among other accomplishments, the Senate approved the graduation lists, updated and enhanced its website, improved communication with the Registrar's Office, adopted a posthumous degree policy, and established an ad hoc efficiency committee to provide faculty input to the administration on proposed policies and procedures. He indicated that the Undergraduate Council had worked hard on the new distributed science core choices. Dr. Eberhart reported that the Research Council had established a set of metrics to aid in evaluating research productivity and developed a research award to be presented annually at the Faculty Conference. Dr. Eberhart remarked that next year the Senate will pursue the development of an academic freedom statement as part of the Faculty Handbook Committee's process. He stated that the Senate wants faculty to feel involved in governance; he also remarked that the Senate would like to develop ideas for how to communicate more effectively with the Board of Trustees, and indicated that the Senate would welcome input from the Trustees in this regard. The Trustees thanked Dr. Eberhart for his service as Faculty Senate President and indicated that they welcomed continuing discussions on how to enhance communication.

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

Executive Session. Trustee Cowart made a motion, seconded by Trustee Bliss, that the Trustees go into executive session at 12:10 p.m. to receive legal advice pursuant to §24-6-402 (3)(a)(II), C.R.S. Motion carried.

Regular Session. The Trustees reconvened in regular session at 12:40 p.m.

Institutional Alcohol Policy. The Trustees discussed the adoption of an overarching institutional alcohol policy. Several suggested changes were made to the draft policy. Under the implementation section of the policy, the Trustees indicated that they would like to be kept informed of major changes to the related administrative policies and procedures, while authorizing the President or his delegate to develop, administer, and maintain the appropriate administrative policies, procedures and guidelines to implement the Institutional Alcohol Policy. Trustee Spaanstra made a motion, seconded by Trustee Truly, to approve the Institutional Alcohol Policy with the changes discussed.

Motion carried, with Trustee Cowart opposed.

There being no further business, the meeting adjourned at 12:45 p.m.

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Secretary