

(Subject to approval at the 8/10/12 meeting)

**DRAFT BOARD OF TRUSTEES OF THE COLORADO SCHOOL OF MINES
MINUTES OF THE BOARD MEETING**

Monday, May 21, 2012

**COLORADO SCHOOL OF MINES
1500 ILLINOIS ST., COORS BOARD ROOM**

Chairman Spaanstra called the Board of Trustees to order in regular session at 9:20am on May 21, 2012 in the Coors Boardroom. Trustees present were Spaanstra, Misra, Truly, Bliss, Cowart, and Faculty Trustee Dorgan. Trustees Hutson and Vallejo joined the proceedings by phone. Student Trustee Earle was absent. Select CSM executives and directors were also present including President Scoggins, Provost Parker, Senior V.P. Trubacz, Senior V.P. Middleton, V.P. Poate, V.P. Dougherty, V.P. Fox, V.P. Winkelbauer, Dr. Boyd, Dr. Dean, Ms. Walker, Mr. Bowersock, Ms. Nichol, Ms. Pariseau, and Mr. Han.

II A. Approval of Minutes

Moved by Trustee Truly, seconded by Trustee Bliss, that the minutes of March 29, 2012 be approved. Motion carried 5-0 (Trustee Misra was not in the room at the time, Trustee Cowart abstained).

B. Reports

Board Committee Reports: _____ Board Reports: Trustee Cowart reported that the Finance and Audit Committee met on May 9 to review current financial reports and discuss possible tuition rates for AY13, FY13 budget, and the 5-year capital plan. The Committee's recommendations are on the action item list for approval today. Trustee Bliss reported that he attended the Foundation Board of Governors meeting on behalf of Trustee Truly on April 13. They approved \$350K in support for the proof of concept fund, announced an additional \$11M grant from the Harvey family, and heard Dr. Middleton's presentation of a public policy institute concept.

President's Report: _____ The E-Days ore cart pull at the capital featured great student turnout and Lt. Gov Garcia's reading of the proclamation. Regrettably, there were no fireworks due to a fire ban in Jefferson County. Trustees Spaanstra and Cowart were re-confirmed by the governor on April 5. Two visiting committees (Petroleum Engineering and the College of Engineering and Computational Sciences) were on campus last month.

Mines welcomed hundreds of alumni back to campus at the end of April for Reunion Weekend. Don Thorson and Karen Krug were given Distinguished Achievement medals, and George Wood and Michael Nyikos (posthumously) were awarded Mines Medals. Earlier this month Mines hosted a mining workshop which looked at the transformation of the industry and education and related challenges. On May 11, Mines held its 138th annual commencement. It was the largest ceremony to date, with over 800 degrees awarded and 4,000 guests in attendance. May 2013 commencement is projected to award over 900 degrees. Finally, the Trustees received a letter from CCHE to save the date for the June Trustees Summit.

President Scoggins asked a few senior executives to provide an update:

V.P. for Student Life Dr. Dan Fox shared current undergraduate enrollment figures. Of the 1166 new students (100 transfer, others are freshmen) enrolled, we are expecting a 9% “melt,” which still meets our enrollment goals, and quality of students is high- 1300 SAT, 29 ACT. Very good trend, but will need to manage concerns such as course schedules and housing. The high number of students enrolled at this early date is attributed to combination of things- recent success of Athletics programs, strength of academic programs, ease of enrolling with the new credit card deposit system, and overall good PR. In discussion with other institutions, we believe we are seeing the positive effects of STEM initiatives started a few years ago.

Associate Provost and Dean of Graduate Studies Dr. Tom Boyd stated that this year’s new grad students have 738 quantitative GRE (up from 725 last year), but that this year showed a slightly lower yield with a smaller incoming class.

Senior V.P. for Strategic Enterprises Dr. Nigel Middleton reported that Mines is taking the lead on developing a master plan for the Petroleum Institute. Dr. Middleton joined about 40 other mining and aerospace professionals and NGOs in Brazil to discuss mining industry topics such as R&D, workforce shortages, and education.

Research Activities Report V.P. for Research and Technology Transfer Dr. John Poate stated that we are doing well in research, with notable awards in Civil and Environmental Engineering for evaluating PFCs in groundwater site remediation, Chemistry and Chemical Engineering for next generation plastics, Physics and Chemical Engineering for nuclear threat reduction, and Chemistry for next generation biofuels.

Financial Report Senior V.P. of Finance and Administration Joe Trubacz reported on both March and April financial summaries, and projected the current unrestricted net revenue over expenses to be \$5.1 million. Trustee Dorgan pointed out that the figure included funds for faculty positions that were budgeted to be filled for the whole FY12 but were filled for only party of FY12. We are planning to use \$1M for a high performance computer, \$1.5M for R&R (repair and replacement of capital and infrastructure), and \$2.6M as an operating reserve. Mr. Trubacz will continue to work on additional reports such as debt coverage.

C. Action Items

Academic Year 2012-2013 Tuition and Fees Mr. Trubacz proposed tuition increases of 8% for residents and 5% for non-resident; these increases are similar to those proposed by CSU and UNC. Also proposed were increases in mandatory and non-mandatory fees, new non-mandatory fees, and discontinuation of the graduation fee. The Finance and Audit Committee recommended the approval of the tuition and fee package, and the resolution language was changed to: *Be it resolved that the Board of Trustees of the Colorado School of Mines approves the following tuition and fee charges.* Finance and Audit Committee moves to approve, unanimously approved by the Board of Trustees 7-0.

Fiscal Year 2012-2013 Budget Presentation Mr. Trubacz showed the budget proposal which included current unrestricted, designated, restricted, and endowment funds. Unrestricted revenue is close to \$150M in FY13. Expenditures include new tenure-track faculty positions as well as new classified staff and administrative faculty positions to support new facilities and programs. Provost Parker, Trustee Dorgan, and Trustee Truly discussed the accuracy of budget figures related to personnel/labor levels, assuming movement (departures, searches, arrivals) and the need to be fully funded in order to meet our strategic goals. Trustee Dorgan and Provost Parker also discussed the need for field-specific “start funds” for faculty positions in order to remain competitive in recruiting, as some fields are more costly (requiring equipment, labs, and other resources) than others.

Mr. Trubacz discussed the additional financial infrastructure necessary after moving to the three-college system, and Trustee Truly asked how having fiscal supports report to each dean rather than to Mr. Trubacz would work. Mr. Trubacz stated that since we follow federal cost accounting standards, there is only one way to financially manage each college, so there would naturally be alignment between central accounting and departments/colleges. Even though financial managers would report to the dean, they would follow policies and procedures and receive functional oversight from Mr. Trubacz’s office. Trustees Dorgan and Truly discussed the need to guard against “administrative creep” even with an increase in compliance concerns and adding positions that help to better operate Mines. Mr. Trubacz stated that administrative costs have actually decreased over the last six years. Trustee Dorgan asked if increasing the T.A. budget with the rolled over operating reserve could be an option to explore for FY13, Mr. Trubacz stated that all options were up for discussion. Finance and Audit Committee moves to approve, unanimously approved by the Board of Trustees 7-0.

Capital Construction Five-year Plan Mr. Trubacz reviewed the capital construction five year plan, reminding the Trustees that we are required to submit the plan to CCHE. The plan includes projects totaling \$161.8 million. Finance and Audit Committee moves to approve, unanimously approved by the Board of Trustees 7-0.

E. Information Items

Faculty Handbook Changes Provost Terry Parker reviewed changes to the Faculty Handbook, noting that there are no significant changes, but more administrative “clean up” such as updating titles and processes, more clearly defining committee roles and eligibility for some benefits, and inserting the dean into the chain of authority for items such as personnel and signature authority.

Assessment Updates Dr. Parker asked Dr. Boyd to provide an update of assessment efforts, which are primarily focused around the Accreditation Board for Engineering and Technology (ABET- 9 programs seeking reaccreditation) and institutional accreditation through the Higher Learning Commission (HLC). In June, we will learn the names of the ABET accreditors. they will visit campus, then the process runs through next summer. For HLC, we have already put together three documents: 1) quality initiative report (an assessment of our grad programs), which is ready to be submitted; 2) quality assurance, which must address five HLC criteria (we chose mission, integrity & ethics, teaching & learning curriculum, teaching & learning assessment, institutional effectiveness- resources & planning); 3)

assurance filing that shows we're in compliance with federal regulations, enrollment data, and other items already collected for IPEDs.

Energy Performance Contract Director of Facilities Management Mr. Bowersock stated that savings are higher than anticipated in lighting and water, lower in energy recovery. Next steps are audits. Overall, the project went well. The anticipated return on investment was 10 years, and we appear to be on target.

Faculty Senate Update Dr. Tony Dean updated the trustees on his discussions with President Scoggins to arrange a meeting between the faculty senate and the Board of Trustees this fall as a follow up to the previous May 2011 discussion. Dr. Dean anticipates that the senate will want to continue the discussion of FACTIR (Faculty Administration Collaboration to Improve Retention). Chairman Spaanstra expressed a desire to continue the dialogue with the faculty senate. The senate is continuing discussions regarding the early term faculty evaluations, and expects a follow up soon from ASCSM. Another project being developed is defining a mechanism to attach photos to each class roster so that faculty can better connect with students as well as increase exam security. The preferred method is that Blastercard photos would be distributed with each class roster. On the recommendation of the graduate council, the faculty senate has changed membership on grad committees to require a minimum of four members on doctoral committees. New faculty senate members were voted in, and Dr. Dean was voted in as president for a second term. Recommendations for senator seats on university committees have been submitted to the president. The senate would like to change language around how the faculty senate is elected, specifically to minimize the distinction between tenure-track and instructional faculty. The language has not been updated as these positions have been redefined. This could provide a larger base of faculty who are eligible to serve.

F. Regular Written Reports

No questions or discussion.

III. Executive Session

Trustee Truly made a motion, seconded by Trustee Bliss, to go into executive session at 11:30am to receive legal advice pursuant to §24-6-402 (3)(a)(II), C.R.S. and to consider tenure recommendations per §24-6-402 (3)(b)(I), C.R.S. Motion carried 7-0.

IV. Regular Session Reconvened

Chairman Spaanstra resumed regular session at 12:20pm.

Trustee Bliss made a motion, seconded by Trustee Truly, to approve the two proposed properties in an amount to be negotiated by the President and the V.P. of Finance with a cap as discussed in exec session. Motion carried 7-0.

Trustee Cowart moved, seconded by Trustee Misra, to approve two faculty tenure recommendations, and to delegate authority to the president to approve the 3rd proposed tenure recommendation. Motion carried 7-0.

Trustee Bliss moved, seconded by Trustee Truly, to approve the CSMRI settlement as proposed by Counsel. Motion carried 7-0.

There being no other business, the regular meeting adjourned at 12:25pm.

Secretary, Board of Trustees