

To be approved at the 9.20.13 BOT meeting

DRAFT BOARD OF TRUSTEES OF THE COLORADO SCHOOL OF MINES
MINUTES OF THE BOARD MEETING
Monday, May 20, 2013
COLORADO SCHOOL OF MINES
1500 ILLINOIS ST., COORS BOARD ROOM

Chairman Spaanstra called the Board of Trustees to order in regular session at 9:30am in the Coors Boardroom. All trustees were present: Spaanstra, Truly, Cowart, Bliss, Misra, Vallejo, Haddon, faculty trustee Illangasekare, and student trustee Bonucci. Select CSM executives and directors were also present including President Scoggins, Provost Parker, V.P. Fox, Senior V.P. Middleton, V.P. Winklebauer V.P. Poate, V.P. Dougherty, Mr. Han, Ms. Boyd, Dr. Van Tyne, Ms. Walker, Assoc. Provost Boyd, Assoc. Provost Amery, Ms. Bruzgo, Mr. Cocallas, Mr. Cusworth, Ms. Landrum, Ms. Nichol, and Mr. Bowersock.

Chairman Spaanstra presented Student Trustee Bonucci with a silver certificate and thanked her for her year of service. Ms. Bonucci introduced incoming student trustee Sydney Rogers.

A. Approval of Minutes

There are two changes to the March 22, 2013 minutes: Trustee Vallejo reported the Finance and Audit Committee's meeting (not Trustee Cowart) and Trustee Cowart's name is misspelled. With these two corrections, Trustee Truly moved to approve the minutes, seconded by Trustee Bliss. Approved 7-0.

B. Reports

Board Committee Reports Trustee Vallejo reported that the Finance and Audit Committee met in May to receive an update from the internal auditor and to discuss many of the action items listed today, as well as the financial report and treasury report. Trustee Haddon reported that the CSM Foundation Board of Governor has established subcommittees for their fundraising efforts.

President's Report President Scoggins recapped high-profile events of the last month, including Alumni Weekend, Douglas Brinkley at the Erickson Lecture, the Lucas lecture with MIT's Robert Langer, E-Days, and Commencement. Dr. Scoggins asked key staff to provide updates.

Ms. Boyd informed the trustees that new undergraduate enrollment commitments are up slightly from last year (1182 up from 1180 last year). To date commitments are: residents 56%, non-resident 44%. International students are 7%. 28.5% of new commits are women.

Dr. Boyd- graduate enrollment and grad applications are down slightly, mostly from a decrease in PhD applications from Iran and Libya. Admits are also down, as are intends to enroll, mostly in non-thesis and PhD programs. GRE quantitative scores across all applications have increased by a point (compares to 10 points in old GRE scoring system), with the average PhD quantitative score of 775 (up from 755 in old GRE scoring).

Research Activities Dr. Poate provided an overview of research office and tech transfer activities and noted that Mines' research portfolio has increased to \$52M. Dr. Joe Gray from the Oregon Health Science University (Mines alumnus and Dec. 2012 commencement speaker) will be featured in the next research magazine. Trustee Haddon requested that income from technology transfer and licensing be reported at each meeting.

Financial Report Mr. Han reported that there are no significant changes from the March board meeting report.

C. Action Items

Action Item 1: Tuition and Fees for AY 2013-2014 Mr. Han presented the AY 2013-2014 Tuition and Fees proposal.

The recommended increases will be used to offset mandated cost increases expected in fiscal year 2014 and to allow continued investment in our strategic investments in faculty, financial aid, student services, research, and campus infrastructure.

Undergraduate students pay a per-credit-hour rate for each credit up to 15, a flat rate between 15 and 19 credits, and additional per-credit-hour charges for 20 or more credits. Additionally, undergraduate students receive the College Opportunity fund stipend from the state in the amount of \$64 per credit hour. Graduate students pay a per-credit-hour rate for each credit up to nine and a flat rate beyond 10 credit hours. Graduate student full time tuition, both resident and non-resident, is set at the same full time tuition amount as undergraduate.

For the 2013-14 academic year, these increases would result in the proposed full-time rate for resident students of \$7,200 per semester, and the full-time rate for nonresident students of \$15,165 per semester. This is the 'student's share' of tuition, net of the College Opportunity Fund stipend, which is added to the student's total bill and is paid by the state.

The Finance and Audit committee reviewed the proposed tuition and fees for the academic year 2013 and 2014 and recommends it to the Board of Trustees for their consideration and approval:

- 6% increase for resident undergraduate and graduate rates;
- 6% increase for nonresident undergraduate and graduate rates;
- Increases in mandatory fees of 1.9% (CPI); and
- Increases and new non-mandatory fees and charges.

RESOLUTION

BE IT RESOLVED that the Board of Trustees of the Colorado School of Mines approves the proposed tuition and fees for academic year 2013 and 2014:

- *6% increase for resident undergraduate and graduate rates;*
- *6% increase for nonresident undergraduate and graduate rates;*
- *Increases in mandatory fees of 1.9% (CPI); and*
- *Increases and new non-mandatory fees and charges*

Motion approved 7-0.

Action Item 2: FY14 Budget Presentation

Mr. Han presented the FY 2014 Budget proposal. The fiscal year 2014 budget was developed to support key strategic initiatives and to address certain critical needs. Priority areas for increased funding in next year's budget include: 1) new tenure track faculty positions, 2) undergraduate grants and scholarships, and graduate student support, 3) salary increases, and 4) student services.

Colorado School of Mines will receive an increase in state funding of \$1 million in fiscal year 2014 for a total of \$16.8 million to be received in the form of College Opportunity Fund stipends and fee for service. We are expecting state funding to remain flat in fiscal year 2015. However, due to the uncertainty in the State's budget in the future, we continue to assume a decrease in fee for service support for each year beyond fiscal year 2015 in our financial models.

The School continues making strides in funding strategic and critical investments despite recent reductions in state support. The proposed budget reflects efforts to align resources with the school's strategic objectives set forth in the strategic plan as well as investing in areas that are critical to the operations of the institution.

The budget is categorized as **current unrestricted funds** (education and general operation and auxiliaries), funds that are **designated** for particular purposes (faculty start up and indirect cost recoveries), **restricted** funds (research and CSM Foundation funds) and the School's **endowment** funds. The budget adjustments for each fund are summarized below.

Proposed FY 2014 Budget Summary

	<i>Current Unrestricted Fund</i>	<i>Designated Fund</i>	<i>Restricted Fund</i>	<i>Endowment and Loan Funds</i>
<i>Fiscal Year 2013 Base Budget:</i>	<i>\$ 2,300,000</i>	<i>NA</i>	<i>NA</i>	<i>NA</i>
 <i>Revenue Increases (Decrease):</i>				
Tuition Revenue (6% Res; 6% NR rate inc.) and Fees	7,000,000	200,000		
State Funding	1,000,000			
Indirect Cost Recoveries for Research	1,200,000			
Housing Revenue	600,000			
One-time Savings from prior year	3,400,000			(2,900,000)
Gift Revenue				
Research			2,700,000	
Other Revenue		34,000		
<i>Projected Revenue Increase</i>	<hr/> <i>\$15,500,000</i>	<i>\$234,000</i>	<i>\$2,700,000</i>	<i>(\$2,900,000)</i>
 <i>Expense Increases:</i>				
New Academic Faculty (11 TTT; 3 mid-year hires)	1,300,000			
Adjunct (primarily one-time)	400,000			
New Classified and Non-Academic Staff	800,000			
Labor Increases - Fringe Benefit Increase/ Annualization/Merit Pool/Classified Increases	4,400,000			
Resident Financial Aid & Graduate Support – SB003	1,300,000			
Other Financial Aid and Graduate Support	1,200,000			

Increase in Debt Payment (Housing and Dining)	800,000			
Other Operating and Miscellaneous	1,400,000	(300,000)	300,000	(100,000)
Research Expense			2,300,000	
Capital Projects		(1,800,000)	(2,000,000)	(1,500,000)
Auxiliary Debt Payments and R&R Reserves	1,100,000			
Debt Retirement Reserve	1,000,000			
Total FY 2014 Budget Requests	\$13,700,000	(\$2,100,000)	\$600,000	(\$1,600,000)
Net Activity FY2014	\$1,800,000	\$2,300,000	\$2,100,000	(\$1,300,000)

The Finance and Audit Committee recommends to the Board of Trustees for approval the Fiscal Year 2014 Operating Budget, including:

- The Colorado School of Mines operating budget;
- The Colorado School of Mines Foundation unrestricted support for the Colorado School of Mines.

RESOLUTION

BE IT RESOLVED that the Board of Trustees of the Colorado School of Mines approves the Fiscal Year 2014 Operating Budget, including:

- *The Colorado School of Mines operating budget;*
- *The Colorado School of Mines Foundation unrestricted support for the Colorado School of Mines.*

Motion approved 7-0.

Action Item 3: Student Fee Policy _____ Mr. Han presented the Institutional plan for student fees. The Colorado School of Mines is required by statute to have an Institutional Plan for Student Fees per C.R.S. §23-5-119.5. The School has had a plan in place which was last updated in 2007. Recent changes to the statute have required a more substantial revision of the plan. To be compliant with statute, the student fee plan now includes the following:

- A statement that the plan will be annually reviewed by the Board of Trustees;

- A statement that students will have the opportunity for meaningful input into the development of the plan;
- A commitment to collaboration among the Board of Trustees, the Administration and Student Government in establishing, reviewing, changing the amount of, and discontinuing student fees;
- Clarification of a complaint resolution process related to student fees;
- A plan for addressing reserve fund balances in fee accounts;
- Streamlined and updated definitions of various student fees.

The plan document also was edited and streamlined to eliminate redundancies and be more user-friendly. And finally, mention of “other charges” was eliminated to conform to the new statute, which focuses solely on student fees. (Mines’ current policy is called the “Institutional Plan for Student Fees and other Charges”). Staff members from the Budget Office, Student Life, and the Chief of Staff’s Office participated in the revision of the plan, along with the Presidents of the Undergraduate Student Government and Graduate Student Government, and the Student Trustee.

The Finance and Audit Committee recommends that the Board of Trustees adopts the proposed updates to the Institutional Plan for Student Fees as required per C.R.S. §23-5-119.5

RESOLUTION

BE IT RESOLVED that the Board of Trustees of the Colorado School of Mines adopts the proposed updates to the Institutional Plan for Student Fees as required per C.R.S. §23-5-119.5

Motion approved 7-0.

Action Item 4: Capital Construction 5-Year Plan

Each year Mines is required to submit a five-year (fiscal years 2015-2019) capital construction plan to the Colorado Commission on Higher Education (CCH), subject to the review and approval of the Board of Trustees. The Board’s approval of the five-year capital construction plan is requested.

The capital construction plan includes projects in the amount of \$133.1 million. From the previous years’ plan, the Welcome Center (Services Building), Mines Athletic Center (New Stadium), Centralized Dining and New Campus Housing (Elm Hall) are underway and have been removed from the list. Mines Park Pedestrian Bridge and Tunnel has been removed from the list due to lack of Federal funding. We continue to work with the City of Golden and Jefferson County on alternative solutions to improve this intersection for our community and have committed \$1M to the CO Dept. of Transportation for the overpass project. The Student Center Renovation Phase I is approved and will begin upon completion of Elm Hall and the opening of the new dining hall.

New to the list are Space Utilization program, Powerhouse Renovation, Green Center Renewal, and the Student Center Renovation Phase II & III. The remaining projects were on last year's list.

New Parking Garage and New Campus Housing (200 and 300 bed phases) remain on the list of projects beyond 5 years. New to projects planned beyond 5 years are the Diversity Center and New Academic / Laboratory Building.

Mines will be seeking state capital construction funding over the five year timeframe in the amount of \$55M for the Green Center Renewal and Meyer Hall Replacement with the remaining \$78.1 million coming from a combination of private donations, bond proceeds, classroom fees/general funds and grants.

The Finance and Audit Committee recommends to the Board of Trustees for approval the five-year capital plan in the amount of \$133.1 million.

RESOLUTION

BE IT RESOLVED that the Board of Trustees of the Colorado School of Mines approves the proposed five-year capital plan in the amount of \$133.1 million.

Motion approved 7-0.

Action Item 5: Approval of Sabbatical Requests Dr. Parker noted that at the last BOT meeting (March 22), four sabbatical requests were to be submitted at the May meeting. All of these have received formal approval by the appropriate supervisors. In addition, the deans, department heads and division directors have assured Dr. Parker that the responsibilities and obligations of their units will be adequately covered. All requests meet the sabbatical leave requirements in Faculty Handbook section 10.9 for length of service and time since last sabbatical taken.

RESOLUTION

BE IT RESOLVED that the Board of Trustees of the Colorado School of Mines approves the following for sabbaticals for the term(s) indicated.

College of Engineering and Computational Sciences (CECS)

- Mehta, Dinesh , EECS, Fall 2013/Spring 2014

College of Earth Resource Sciences and Engineering (CERSE)

- Davis, Graham, EB, Fall 2013/Spring 2014
- Plink-Bjorklund, Piret, GE, Fall 2013/Spring 2014
- Schneider, Jen, LAIS, Spring 2014

Trustee Cowart moved to approve, seconded by Trustee Haddon. Approved 7-0.

Action Item 6: Underground Construction and Tunneling Program Dr. Parker stated that at the March 2013 Board of Trustees meeting, Professor Mike Mooney presented an overview of the Underground Construction and Tunneling Masters of Science and Doctor of Philosophy degrees. The proposed degrees align well with the schools mission and focus surrounding “Earth Energy, and Environment,” and these degrees would be the first named UCT graduate degrees in the United States.

RESOLUTION

BE IT RESOLVED, that the Board of Trustees of Colorado School of Mines hereby approves the following degrees:

- *Master of Science in Underground Construction and Tunneling*
- *Doctor of Philosophy in Underground Construction and Tunneling*

Trustee Misra moved to approve, seconded by Trustee Haddon. Motion approved 7-0.

The trustees stated that they would like to see the UTC program curriculum. Dr. Parker stated that since the Board of Trustees holds final authority on degrees and curriculum, it would be appropriate to provide trustees with an annual update on changes to the curriculum.

Action item 7: Faculty Handbook Changes Dr. Parker noted that each year, a joint administration/faculty committee, known as the Faculty Handbook Committee, reviews revisions proposed by the faculty at large, members of the administration, or any CSM-affiliated group, and recommends Handbook additions or changes to the President. Non-material or editorial changes are proposed to, and formally approved by, the President. Material changes are proposed to the Board of Trustees. For this year's handbook cycle there is one material change for consideration by the board.

The tenure review process is specified by the handbook and this process must be carefully followed as a way of defending potential challenges to tenure denial decisions. With the establishment of Deans at CSM, their role in tenure decisions must be explicitly described. The issue was considered carefully by a subcommittee consisting of one Dean and senior level faculty. The recommendation was that the Deans’ input to tenure decisions should be advisory to the Provost. The exact language that would enable this change would be added to the faculty handbook as section 8.1.7.A.I 0

“The Provost will consult the Deans about all tenure candidates and, at his or her discretion, may confer with any other parties who may have relevant information or viewpoints on a pending application.”

RESOLUTION

BE IT RESOLVED, that the Board of Trustees of Colorado School of Mines hereby approves the addition of section 8.1.7.A.I 0, as specified above, to the faculty handbook.

Trustee Bliss moved to approve, seconded by Trustee Truly. Approved 7-0.

D. Emergency action item

It was recommended that Mr. Han be appointed Treasurer of the CSM Board of Trustees and Chief Financial Officer of CSM.

RESOLUTION

BE IT RESOLVED that the Colorado School of Mines Board of Trustees hereby appoints Mr. Peter Han as Treasurer of the Colorado School of Mines Board of Trustees, and as Chief Financial Officer of Colorado School of Mines, effective May 20, 2013.

Trustee Haddon moved, seconded by Trustee Cowart. Motion approved 7-0.

E. Information Items

Faculty Handbook Updates _____ The trustees directed a change to the presented item, under “Description of Changes to the Handbook: Material Edits.” The word “ability” should be changed to “requirement.”

Capital Planning and Construction _____ Mr. Cocallas provided an overview of current and approved upcoming capital projects. The trustees inquired about how contractors were chosen. Mr. Cocallas stated that the CMGC method is used, with a GC fee agreement, a competitive bids for sub-contractors. At the September meeting, the intention is to present Elm and Meyer financing and design updates to the board.

Legislative Session Verbal Wrap-up _____ Mr. Han provided an update of bills of particular interest to Mines, including HB 1297 and HB 1320.

Colorado Geological Survey _____ Ms. Karen Berry, Interim State Geologist, provided an overview of CGS’s key programs, focused on land use and public safety, and geologic mapping. Ms. Berry noted the benefits of the new association with CSM, including greater opportunity for research, grants, and training students, and commented that Mines staff have been very helpful in the transition.

Energy Performance Contract Presentation _____ Mr. Bowersock presented an update of measurement verification results. The verification effort showed that the project had an overall net savings of \$27K (\$334K) over the guaranteed savings (\$307K).

Assessment update _____ Dr. Boyd noted that the HLC reaccreditation visiting team was on campus in April for 1.5 days, and although the draft set of recommendations shows no areas of concern, we won’t receive the official response for a number of months.

Two ABET accreditation activities underway. One is for our nine existing degree programs, and we expect the official response in August. The second activity is for our four new engineering programs, and

the ABET review team will be on campus in the fall. Dr. Parker thanked Dr. Boyd for his assessment efforts.

Faculty Senate Verbal Report Dr. Van Tyne (in place of Dr. Spear) gave a brief overview of Faculty Senate activities and announced that Lincoln Carr is new Faculty Senate president.

Trustee Truly made a motion to go into executive session, seconded by Trustee Haddon. The regular meeting ended at 11:20am.

Exec session begin at 11:30am.

Trustee Truly motioned to move to regular session, seconded by Trustee Haddon. Regular session resumed at 12:20p.m. Trustees Misra and Bliss departed the meeting.

RESOLUTION

BE IT RESOLVED that the Colorado School of Mines Board of Trustees approves the recommendation for tenure for (name confidential).

Trustee Cowart moved to approve the tenure recommendation, seconded by Trustee Vallejo. Approved 5-0.

Trustee Vallejo moved that the CSM Board of Trustees establish an investment advisory committee to advise the board, to be comprised of the Board's Finance and Audit subcommittee, CSM Treasurer, and CSM President. Motion seconded by Trustee Truly. Approved 5-0.

There being no other business, the regular meeting ended at 12:30pm.



Secretary, CSM Board of Trustees