

APPROVED at the 10.25.13 BOT meeting

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

Vice Chairman Truly called the Board of Trustees to order in regular session at 9:15am in the Coors Boardroom.

Trustees present: Truly, Cowart, Haddon, Bliss, Misra, faculty trustee Illangasekare, and student trustee Rogers.

Trustees absent: Spaanstra and Vallejo.

Select CSM executives and directors were also present including President Scoggins, Provost Parker, V.P. Fox, Senior V.P. Middleton, E. V.P. Winkelbauer, Senior V.P. Poate, V.P. Dougherty, V.P. Han, Ms. Boyd, Ms. Walker, Assoc. Provost Boyd, E.V.P. Volpi, Ms. Bruzgo, Mr. Vaughn, and Dr. Carr.

A. Approval of Minutes

Trustee Haddon noted an error under Board Committee Reports (removal of "Houston" from Foundation BOG subcommittee locations). With this correction, Trustee Bliss moved to approve the minutes, seconded by Trustee Haddon. Motion approved 5-0.

B. Reports

The Oath of Office was administered to new student trustee Sydney Rogers by Vice Chairman Truly.

Board Committee reports _____ Trustee Haddon reported that the Finance and Audit committee reviewed financial reports through June 30, and recommend approval of the Welcome Center and Clear Creek Athletics Complex increased costs. The committee noted that the process of replacing the retiring internal auditor should start soon, with Mines recommending ways to move compliance and policy out of internal audit.

Trustee Haddon reported that the Investment committee met to review of Mines' investments, noting that it has not yet been determined if the Foundation would serve as Mines' investment manager.

Trustee Bliss noted that the Strategy Committee, along with the full board of trustees, had met twice since the last trustees meeting to discuss the strategic planning efforts.

President's report _____ President Scoggins introduced new Athletic Director David Hansburg, and noted that the search committee for the alumni association director position had interviewed two candidates, and that due diligence was currently being performed. The president stated that a transfer agreement with the Community College of Denver was in the works, and the trustees requested more information about current transfer agreements. The September Career Fair was successful with about 250

companies on campus. The president stated that he and Trustee Truly had attended a recent higher education summit and found the presentation by Dennis Jones of NCHEMS provided lots of information about higher education in Colorado and U.S.; Mr. Han will identify highlights and send to trustees.

Dr. Boyd stated that graduate admissions volume and quality were up from last year, however, overall enrollment decreased by 5%.

Research Activities Dr. Poate provided an overview of research office and tech transfer activities and noted that FY13 posted a record year of \$62M in research funding, that licensing revenue has increased over the last few years, and that we're entering our third Proof of Concept cycle.

Financial Report Ms. Volpi stated that FY13 was a year of continued strength in Mines' core operations along with significant planning activity to build out capital infrastructure. The balance sheet shows an increase in both assets (\$75M increase) and net assets (\$22M increase) along with an increase in long term liabilities due to debt issued to fund capital projects.

C. Action Items

Action Item 1: Consent Agenda Ms. Gitkind proposed that the Trustees adopted the use of a consent agenda, a board meeting practice that groups non-controversial information and action items not requiring discussion into one agenda item. As with all formal board action, a quorum must be present in order to have action on the consent agenda items.

RESOLUTION

BE IT RESOLVED that the Board of Trustees of the Colorado School of Mines approves the use of a consent agenda for non-controversial information and action items not requiring discussion. If any voting board member requests that a specific consent agenda item be open for discussion, it will be removed from the consent agenda without debate and placed on the regular meeting agenda.

Trustee Cowart moved to approve, seconded by Trustee Haddon. Motion approved 5-0.

Action Item 2: Capital Projects Approval-Welcome Center and Clear Creek Athletics Complex

Ms. Volpi stated that Mines has encountered revised project costs for the Welcome Center – schematic design phase and Clear Creek Athletics Complex (CCAC) - design development phase.

The Welcome Center is projected to begin construction in the spring of 2014 and will be the new home for the CSM Foundation, CSM Alumni Association, CSM Office of Undergraduate Admissions, CSM Public Relations Office along with another school program (the original project was planned to house only the CSM Foundation, CSM Alumni Association and the tour portion of the school's admissions function). The current working estimate for the project is \$10 million. With the CSM Foundation funding \$6.31 million of the project, the school has reserved \$2 million from 2013 year-end financial results and will need to utilize available cash reserves for the remainder (not to exceed \$1.69 million).

The Clear Creek Athletic Complex project was approved at a total cost of \$21.3 million with an anticipated completion of September 2014. The design phase began in October 2012 and through that process it was identified that the project was over budget. Several alternative design solutions were developed to reduce costs but none were deemed acceptable because of the loss of critical or essential scope to the project. Additionally, during this period we performed extensive testing of the risks pursuant to the White Ash Mine, located below the west end of the football field. While it was determined that the risk area is outside the footprint of the building, this testing and analysis delayed the project for several months and has set the schedule back one year, with a new anticipated completion date of August 2015.

Overall, the original program plan underestimated and or/did not anticipate some costs. Additionally, costs escalated at a higher rate than anticipated. The final cost is expected to be \$26.3 million, an overall \$5.0 million increase. The current funding for the building is as follows:

- Fundraising - \$10.7 million cash committed to date (or 41% of project cost). In advanced donor discussions and anticipate that a \$4 million naming gift will soon be announced. This gift will put fundraising at 56% of project cost;
- Existing donor loan - \$7.5 million. Continue fundraising to pay off this loan; and
- CSMRI settlement proceeds – Anticipate using \$4.1 million of environmental settlement proceeds.

RESOLUTION

BE IT RESOLVED that the Board of Trustees of the Colorado School of Mines approves the revised total projects costs and funding for:

- *Welcome Center not to exceed \$10.00 million (utilizing \$4.69 million of the school's reserves to fund the differential)*
- *Clear Creek Athletics Complex of \$26.30 million (utilization of \$4.10 million of environmental settlement proceeds plus additional fundraising to fund the differential)*

Trustee Haddon moved to approve, seconded by Trustee Bliss. Motion approved 5-0.

Ms. Volpi also provided a brief update of Elm Hall Residence and Dining Hall. Rains impacted schedule; Dr. Fox stated that there is contingency plan if Elm is not ready for move in August 2014, a decision that would be made in Jan 2014. The Trustees asked that they be kept informed of the schedule.

D. Emergency action item

Mr. Winkelbauer asked that the trustees officially endorse the fundraising campaign, Transforming Lives.

Resolution

BE IT RESOLVED that the Colorado School of Mines Board of Trustees enthusiastically supports the university's new comprehensive fundraising campaign, Transforming Lives. The Board of Trustees acknowledges that the Colorado School of Mines Foundation, through its Board of Governors and Office of University Advancement, will develop measure and appropriately staff the campaign, which would include all fundraising activities, accounting and events.

BE IT FURTHER RESOLVED the Board of Trustees extends its sincerest appreciation and gratitude to all donors and volunteers whose generosity and commitment have helped make this the most successful campaign launch in Mines history.

Trustee Cowart moved to approve, seconded by Trustee Haddon. Motion approved 5-0.

E. Information Items

Environmental Health and Safety Ms. Volpi reported on Mines' increased focus on safety and highlighted accidents, incidents, spill response activities, and near-miss incidents. Recent safety activities include a Campus State of Emergency Manual, an Incident Control Team, a Business Continuity Team; and the upgrade of existing emergency "blue phones" on campus that can be used by anyone in the case of an emergency and can also broadly announce to campus. A new Director of Environmental Health and Safety will start in September. The Trustees requested that information on comprehensive safety training be included in the next board report.

Undergraduate Admissions Report Ms. Boyd stated that Mines enrolled 1,098 new undergraduate students this fall including transfer students. 57% are residents, 28% are women, 19% self-identify as domestic underrepresented racial and ethnic students, and almost 6% are international students. The SAT average composite is 1327 and the ACT is 30. Ms. Boyd provided additional information about the application process and how we track applicants who choose not to attend Mines, as well as new CCHE reporting requirements.

New Faculty Hires Dr. Parker reported that during the 2012-13 academic year, 41 faculty searches (27 tenure/tenure track, 4 endowed chairs, 9 teaching faculty, and 1 visiting faculty) were initiated. Of these, 10 positions remain unfilled. Mines FTE faculty count is 266 as of the beginning of the fall semester.

Curriculum Changes Dr. Parker summarized substantive revisions and additions to curricula offered at Mines. Undergraduate changes include a revision for the McBride program, credit counting

limitations on double degrees and minors, improvement to the Bio core curriculum, and a policy definition for a “minor.” Graduate changes include institutional objectives and outcomes for masters-level programs, degree programs in underground construction and tunneling, an environmental biogeochemistry track, and a few minor core curriculum modifications.

Annual Board Policy Review Mr. Han recommended that the board review the Institutional Plan for Student Fees. Required by C.R.S. 23-5-119.5, the plan establishes the student fee policy for the institution and includes information about the definition, assessment, increase, and use of fees. It also defines a fee approval process involving the Board, administration and student government. Statute requires an annual review of this policy, which was last reviewed and approved by the Board in May 2012. The policy will be reviewed with student government and be brought to the Board for its approval at the May 2014 meeting.

Trustees Honors Scholarship Mr. Winkelbauer stated that this fall they will make offers to three students, awarding each a minimum of \$5K. All three students are high-achieving, with ACT composite scores of 32-34.

Faculty Senate Dr. Carr stated that the senate would like to have another luncheon with the trustees, and that they would like to invite the Trustees to speak on campus. The three main areas of focus for Faculty Senate this year are 1) promotion rights and duties for teaching and research faculty, 2) communication and dialogue, looking at a “help desk” approach, and 3) faculty mentorship and transparency in Promotion & Tenure process.

Trustee Bliss made a motion to go into executive session, seconded by Trustee Haddon. Executive session began at 11:10am.

Trustee Cowart made a motion to move out of exec session and into regular session, seconded by Trustee Haddon. There being no other business, the meeting ended at 11:35am.