

Approved at the 12/8/2017 meeting
BOARD OF TRUSTEES OF THE COLORADO SCHOOL OF MINES
MINUTES OF THE BOARD MEETING
Friday, October 27, 2017
COLORADO SCHOOL OF MINES
1500 Illinois Street, Coors Boardroom

I. Trustee Breakfast – 8:00 am, Ballroom C, Student Center

Executive Session

8:00 am Motion to move into executive session by Trustee Haddon; motioned seconded by Trustee McNeil. Motion approved 7-0.

The purpose of the Executive Session was to receive legal advice pursuant to §24-6-402 (3)(a)(II), C.R.S. and discuss personnel matters per §24-6-402(3)(b)(I) C.R.S.

9:17 am Motion to adjourn executive session and move into regular session by Trustee Haddon; seconded by Trustee Truly. Motion approved 7-0.

II. Regular Meeting

9:18 am Trustee Jordan called the regular meeting to order.

Trustees present: Chairman Jordan, Trustee's Haddon, Truly, Starzar, Salazar, McNeil, Swift and Hogue. Trustee Bliss was present via teleconference.

CSM executives and directors were also present including: President Johnson, EVP Volpi, Interim Provost Boyd, VP Fox, VP Han, VPGC Walker, Dean's Moore, Kaufman and Graves, Dr. Harrison and Dr. Maxwell.

a. Consent Agenda

The minutes from the September 15, 2017 meeting were submitted and approved. Trustee Haddon motioned to approve; seconded by Trustee McNeil. Motion approved 7-0.

b. Special Presentation

USGS Partnership Ms. Volpi introduced Max Ethridge, Regional Director of the South West Region, Larry Meinert, Acting Deputy Associate Director for Energy and Materials, and Bill Werkheiser, Acting Director of the USGS, who presented the USGS proposal for a cooperative agreement and enhancing the scientific partnership between the USGS and Mines. Mr. Werkheiser provided background on the USGS and an overview of the depth of their work as an earth science agency, and noted the current number of USGS employees and locations that could potentially move to the Mines campus. He reviewed the seven mission areas of the USGS that include energy and minerals, the areas in which they would like to further their partnership with Mines. Mr. Werkheiser provided a brief overview of the current USGS collaboration with Mines and how that fits into their proposal for a future cooperative agreement and scientific collaboration with Mines. He noted that physical colocation would enhance the partnership with Mines, and he provided information regarding the need for the USGS to move from the federal center. He noted that Mines students, faculty and staff could work on projects together in the new space provided by Mines.

Mr. Ethridge identified the Centers that could potentially co-locate to Mines: the Geology, Geochemistry, and Geophysics Science Center (3GSC); the Central Energy Resources Science Center (CERSC); and the USGS Energy and Mineral Denver Labs. He also provided an organizational overview of the groups that would move to Mines, noting

there would be 108 people and 29 analytical labs with the 3 GSC, and 60 people and 14 labs with the CERSC. Mr. Ethridge provided a brief overview of the lab equipment and lab capabilities that would move to Mines. Mr. Meinert provided an overview of the scientific impact of co-location with Mines, noting that the equipment transfer could be transformative for the future of Mines.

Mr. Werkheiser discussed the benefits of entering into the cooperative agreement with the USGS and noted that Mines and Denver would become a hub for the USGS. Mr. Werkheiser discussed the cooperative agreement arrangement, noting that the USGS is unable to sign a long-term lease, and would have to be on a year-to-year lease agreement. He noted that Mines and USGS have a long history and partnership. He provided an overview of analogous partnerships in other regions of the US, noting that the partnership would start as a hub and could grow as Mines sees fit and become a center of excellence. Mr. Werkheiser discussed the logistical move and the need to quickly move labs from building 20 at the Federal Center and that USGS would need to receive permission from Department of Interior (DOI) to make this move. There was discussion of the next steps, which included formal Board approval, entering into the cooperative agreement, financing of the construction of the building, outlining the research opportunities and, laying out the resource sharing. There was further discussion regarding what USGS research funds would come with this move, as well as the personnel relocation, and budgetary resources. There was further discussion regarding the USGS and Mines programmatic alignment. Ms. Volpi noted that the USGS has nearly 100 agreements of this nature and none have been terminated by the USGS. Ms. Volpi also noted there is an early draft of the cooperative agreement that would need to be reworked once the Board has given its support. She also noted there is a standard agreement of this type. President Johnson asked about what the hurdle is for bringing in an additional isotope research lab mentioned in the presentation. Mr. Meinert noted that the reason it would not move now is that it recently moved and is currently in a state-of-the-art building. However, he noted that a future move, once agreement is in place, would most likely happen. There was discussion regarding the support of the federal delegation with regard to the possible Department of Interior (DOI) reorganization and whether that is relevant in affecting the agreement. Mr. Werkheiser noted that the DOI sees value of not merging into any other agency to maintain scientific independence. Messieurs Werkheiser, Meinert and Ethridge concluded the presentation and left the boardroom.

There was continued discussion regarding the presentation, the cooperative agreement and, the support of the Board. Ms. Volpi discussed the universities that have a cooperative agreement with the USGS that she has spoken to and noted that agreements like this become a draw for faculty and students. It was noted that the USGS showed its commitment to the co-location by having the Acting Director come to Mines to make the presentation. Dr. Harrison noted from her time at the National Science Foundation (NSF) that the offer to bring equipment of that diversity and vastness is extremely important to the University and would enable many other interactions presently beyond Mines. Additionally, an agreement such as this creates significant visibility for the institution. There was discussion regarding what USGS has to lose, and noted that the equipment is what they are putting forward to balance the financial expenditure of Mines. There was a brief discussion of the financial cost and Ms. Volpi provided a brief hypothetical financial scenario based on different sizes of buildings. She also discussed the multiple funding options available. Mr. Han briefly discussed what our federal lobbyists are doing to try to get more agencies to Colorado and positioning Mines noting that having existing relationship with USGS would be a good relationship to have. There was a discussion about the risk of moving ahead when dealing with the Acting Director of the USGS and what might occur if new Director comes on board and is not supportive of the agreement. Chairman Jordan discussed the scope of the facility and noted that in addition to programmatic intersections another consideration to increasing scope of the new building is also to address space issue on campus. There was discussion regarding the impact on the City of Golden and Ms. Volpi noted she had already informed the City. She noted that it could be complete in as little as three years.

There was more discussion of the risks and contingency planning. It was noted that the USGS understands Mines' constraints and that they are good partners, interested, and concerned about how this project could potentially have negative impacts to Mines. Chairman Jordan asked for approval in principal to move forward with drafting the cooperative agreement between USGS and Mines. All Trustees provided their approval to move forward to the next step.

c. Reports and Updates

Board Committee Reports _____ Trustee Haddon reported that the Finance and Audit Committee (FAC) and the Investment Advisory Committee (IAC) met on October 11, 2017. In that meeting they reviewed the financial statements as of September 30, 2017. Trustee Haddon noted that Ms. Volpi would cover the details in her report. Trustee Haddon noted that the committee reviewed a report of the CSM Foundation regarding the management of the endowments and noted they are following the best practices for investment management models. He provided information on how the Mines Foundation assessment model differs from peer institutions, and noted that the Foundation funds have performed better than peers on an annual basis. There was brief discussion on how to manage the endowments moving forward. Trustee Haddon noted they reviewed the risk, investment policy, consultant models and discretionary and semi discretionary models. Mr. Winkelbauer reviewed the change to the Investment Committee leadership with George Wood stepping down as Chairman. He noted that Nancy Keegan would be the new Chair for the Committee. Trustee Haddon noted that he was impressed with the review.

President's Report _____ President Johnson deferred giving a report since he was going to give a presentation later in the meeting. He made two brief notes regarding the partial launch of the new website. He also thanked Trustee Truly for getting Mines into the Astronaut Scholarship Foundation (ASF) program, noting that Mines gave awarded its first scholarship on Monday, October 23, which included a presentation by Apollo 15 astronaut, Al Worden.

Research Activities _____ Dr. Harrison referred to the report in the Board book and answered questions about Mines' focus on growing research dollars.

Financial Report _____ Ms. Volpi provided information on the first quarter 2018 financial statements, which included the Tuition fees forecast at \$5.5 million above what was originally budgeted, due to an increase in planned undergraduate and graduate enrollment. Ms. Volpi then reviewed an increase in expenses primarily due to the increase in enrollment and strategic initiatives. Ms. Volpi then reviewed the PERA reform recommendations and impact on Mines. The reform proposes an increase to employer contributions as well as employee contributions, in addition to other changes. Ms. Volpi noted that given the new retirement plan, the total retirement cost is projected to moderate. Ms. Volpi also reviewed the new accounting standard that will require that we record on our balance sheet the portion of PERA's underfunded retirement health care liability.

Faculty Senate Report _____ Dr. Reed Maxwell reviewed the priorities for the Faculty Senate. He noted that a survey was just sent out about the teaching/library faculty advancement committees. There was discussion regarding the survey timeline and Dr. Maxwell noted that the Faculty Senate is moving towards an every-other-year schedule for faculty climate surveys, with the alternating years focused on addressing the relationship between faculty and administration. There was a brief discussion regarding the parity between teaching and tenure-track faculty.

d. Presentation and Discussion

Career Center report _____ Dr. Fox provided an overview of the Career Center annual report. He reviewed the graduate outcomes and salary averages from 2016-2017, noting that 57% of all graduates accepting industry or government positions stayed in Colorado. He provide information about 2016-2017 graduating class percentages and noted it was the largest BS graduating class to date. Dr. Fox reviewed Mines' support services, Career Services staff members, and student engagement/employer recruitment activities. He provided an overview of this year's Career Day noting it is our goal to make Career Day an institutional signature event. He outlined steps Mines can take now and in the future to make that happen. To that end, Mines is maximizing space and eliminating the employer waitlist by expanding the footprint of the event. Dr. Fox said that Career Services has increased interview space, created a new signature student networking experience, enhanced Student life

staff support, and encouraged faculty to voluntarily cancel upper level classes. Dr. Fox noted that a task force met to debrief about Career Day 2017 (CD17) and will provide a Phase II proposal to President Johnson about future augmentation for Career Day 2018 by the end of the semester. Chairman Jorden asked if there was any feedback from this year's Career Day participants and Dr. Fox provided information about the survey given after each Career Day. He noted that Mines is known for having one of the best Career Day events. There was discussion about alumni who attend Career Day and how to engage them further, and that Alumni Relations and the CSM Foundation work closely with the Career Center.

Mines@150 update _____ Dr. Johnson provided a Mines@150 update. He noted there is a lot going on in parallel, including the strategic plan update, university design, development and refinement of big picture and university mission statement, and the development of a research support plan that are all progressing together. Dr. Johnson provided a snapshot of Mines' current student body and faculty, and possible funding models. He noted significant growth anticipated in masters and doctoral students. He noted that the number of Ph.D. students would naturally grow with the research funding, and that faculty numbers show modest growth. Dr. Johnson provided an overview of the outcomes of students and employment for Fall 2016, employer interest in Career Day and the growth in attendance of this event. President Johnson reviewed Mines' points of pride noting Mines does well in return on investment (ROI) and moved up to the top 30 universities this year, ranking higher than other universities in the State. Dr. Johnson provided a recap of efforts to recalibrate Mines' aspirations noting that Mines' design has to fit its resources. There was discussion about the student experience and what is delivered, as well as the variability of the student ratio and the resources. Dr. Johnson provided examples of competitive advantages for what is relative to being in the "A" group of higher education institutions. He noted that Mines is moving in this direction by growing housing and working on graduation rates. He noted Mines aspires to be one of the world's top universities, making Mines graduates very distinctive and highly valued. President Johnson discussed Mines' need to project a coherent and consistent identity through branding, noting that the university is Mines and no longer CSM, but that the Earth, Energy and Environment tag line is still consistent with that identity and appropriately reflects the institution.

There was further discussion regarding the aspirations of the university and the impact Mines wants to have in prosperity and earth stewardship. Dr. Johnson reviewed the means to reach this outcome through appropriately marketing to students, donors and businesses. He noted Mines' website should reflect everything Mines is and should be a vehicle for projecting to families and students what the Mines mission is. President Johnson provided a review of the STEM student and professional education at Mines highlighting the repositioned Trefny Center and focus on education at Mines. He provided a review of the trajectory of graduates and Mines' educational philosophy and very practical training. He discussed the importance of diversifying the student population without getting too narrow by setting aggressive targets for graduation rates and developing a signature experience for students. He provided examples of current signature experiences at Mines, including Harvey Scholars, Athletics and Oredigger Camp. He discussed building great community through growing leadership opportunities on campus, an exemplar Research & Development & Engineering (R&D&E) community and noted the new VPRTT assignment. He also noted Mines needs to be very deliberate with the expertise we have, citing the ADAPT center as a model. Dr. Johnson reviewed what topics are important in research areas and how Mines is creating world-class facilities and processes.

Dr. Johnson discussed the new Office of Industry Relations Group and growing Alumni affinity and engagement. He provided an overview of pathways to distinction that arose from our challenge to the department heads and Deans, asking them to consider how to move Mines into the future. There was discussion about producing highly valued and distinctive programs using the Payne Institute, Underground Construction & Tunneling (UC&T), Nuclear Science & Industry, and Space resources as examples. President Johnson discussed the challenges that students have been competing in, which advance the Mines brand, making note of the Diggerloop and the Tiny House project in particular. He noted that the magazine Popular Mechanics identified Mines as a top school in the region because of all of these types of student engagements. There was discussion regarding the type of feedback President Johnson has received from the faculty with this presentation, and it was noted that the faculty are generally supportive. There was further discussion about communication of the plan. President Johnson asked the

Board to be visible, challenging the institution to move in this direction, noting that the Mines community needs to see the Trustees encouraging this mission outside of the formal setting.

Campaign Preview Mr. Winkelbauer provided information about the future campaign and furthering the Mines@150 vision by developing and enhancing a number of areas of collaboration with campus. He explained how a campaign can galvanize the community, noting Mines has a vision, theme, specific needs, and engaged constituencies, and everything is lining up to ensure a successful campaign. Mr. Winkelbauer reviewed the successes of the Transforming Lives Campaign. He highlighted the success of the Astronaut Scholarship Foundation (ASF) and the assistance of trustee Truly in establishing that scholarship program, and Trustee Haddon's involvement in international student development. Mr. Winkelbauer reviewed the Office of Industry Relations, which is providing benefits by bringing people on campus together with industry. He provided an overview of shared events and alumni programming. He noted the need to engage the Foundation Board of Governors and talking to top philanthropic leaders. Mr. Winkelbauer reviewed the various phases of the campaign, and provided an overview of campaign planning highlights and wealth asset capacity. There was discussion regarding the stratification of capacities with interest, and the needs of the institution.

e. Action Items

Sabbatical reports Dr. Boyd provided a summary of the sabbatical reports of the five faculty members who completed sabbaticals last year. He noted that if the Board would like to see a presentation from any of the faculty members who completed a sabbatical, he would arrange this for a future meeting. Dr. Boyd recommended the Board approve the sabbatical reports for academic year 2016-2017.

Motioned to approve by Trustee Haddon; seconded by Trustee Truly. Approved 7-0.

BE IT RESOLVED that the Board of Trustees of the Colorado School of Mines approve the above sabbatical reports for Academic Year 2016-2017.

Emeritus Faculty appointments Dr. Boyd reviewed the faculty members requesting emeritus and requested approval for their emeritus status. There was brief discussion regarding the emeritus process and who is eligible.

Motion to approve by Trustee McNeil; seconded by Trustee Salazar. Approved 7-0.

BE IT RESOLVED that the Board of Trustees of the Colorado School of Mines approves the following for Emeritus status effective on their retirement dates.

Emeritus

Dr. Anthony Dean – Emeritus Professor – Chemical & Biological Engineering

Dr. Nigel Middleton – Emeritus Professor – Electrical Engineering

Dr. Carl Mitcham – Emeritus Professor – Humanities, Arts, and Social Sciences

Dr. Cyndi Rader – Emeritus Teaching Professor – Computer Science

Dr. Michael Walls – Emeritus Professor – Economics and Business

2017B Bond issue Ms. Volpi provided information on the bond financing structure, noting it fund the proposed capital projects, capitalized interest, and cost of interest. She noted the interest rate at 3.75% and that Mines would be selling coupons at multiple ranges. There was discussion regarding State tax exemption and the State intercept program that allows higher education institutions to utilize the State credit rating. Ms. Volpi reviewed the estimated debt service over the life of each project. She reviewed the next steps and asked for the Board's approval on the 2017B bond issue.

Motion to approve by Trustee Haddon; seconded by Trustee McNeil. Approved 7-0.

BE IT RESOLVED that The Board of Trustees of the Colorado School of Mines approves the bond issuance for capital projects totaling \$78.0 million and a bond issue to include those project costs plus cost of issuance and capitalized interest pursuant to the terms of the Fifteenth Supplemental Resolution authorizing the issuance of The Board of Trustees of the Colorado School of Mines Institutional Enterprise Revenue Bonds, Series 2017B (Attachment 1).

Promotion and Tenure Recommendations Dr. Boyd provided a review of the promotion and tenure process. He asked the Board for approval for tenure at hire for Soutir Bandyopadhyay, Applied Mathematics and Statistics, and Matthias Thommes, Chemical and Biological Engineering.

Motion to vote for Dr. Thommes tenure at hire by Trustee Haddon; seconded by Trustee McNeil. 3 for - 4 against. Tenure at hire for Dr. Thommes was denied.

Motion to vote for Dr. Bandyopadhyay tenure at hire by Trustee McNeil; seconded by Trustee Starzer. 0 - 7 against. Tenure at hire for Dr. Bandyopadhyay was denied.

f. Regular Written Reports

Undergraduate Admissions No additional comments

Graduate Admissions No additional comments

Environmental Health and Safety report No additional comments

CSM Foundation report No additional comments

CSM Foundation Financial and Endowment report No additional comments

12:20 pm Motion to move into executive session by Trustee Haddon; seconded by Trustee Salazar. Approved 7-0.

12:27 pm Motion to move back into regular session by Trustee McNeil; seconded by Trustee Truly. Approved 7-0.

1:38 pm Trustee Haddon motioned to adjourn; seconded by Trustee Starzer. Approved 7-0.

There being no further business the meeting was adjourned.



Anne Stark Walker, Secretary