

Approved at the 10/26/2018 meeting
BOARD OF TRUSTEES OF THE COLORADO SCHOOL OF MINES
MINUTES OF THE BOARD MEETING
Friday, September 14, 2018
COLORADO SCHOOL OF MINES
1500 Illinois Street, Coors Boardroom

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

Executive Session

8:00 a.m. Motion to move into executive session by Trustee Haddon; seconded by Trustee Truly.
Motion approved 7-0.

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

9:20 a.m. Motion to adjourn executive session and move to regular meeting by Trustee Truly; seconded by Trustee McNeil. Motion approved 7-0.

II. Regular Meeting – Coors Boardroom, Guggenheim Hall

9:30 a.m. Meeting called to order by Chairman Jorden.

Trustees present: Chairman Jorden, Trustees Haddon, McNeil, Truly, Starzer, Salazar, Sanders, Swift and Hogue.

Mines executives and directors were also present, including: President Johnson, Interim Provost Boyd, EVP Volpi, VPSL Fox, VPRTT Tompkins, VP Han, VPGC Walker, Dean's Moore and Kaufman, Mr. Winkelbauer and Dr. Cath.

a. Consent Agenda

1. The minutes from the June 1, 2018 and August 1, 2018 meetings submitted for approval.
Trustee Haddon motioned to approve; seconded by Trustee Truly. Motion approved 7-0.

b. Reports and Updates

Board Committee Reports _____ Trustee Haddon reported that the Finance and Audit Committee (FAC) and the Investment Advisory Committee (IAC) met on August 27, 2018. The committee reviewed the FY18 financial report including the unaudited year-end financial statements. Trustee Haddon noted that the committee reviewed future capital needs, debt capacity, worst-case scenarios and best options for moving forward with our capital plans. He noted that the endowment as of June 30 was at \$310 million representing an annual return of 7.9%. Trustee Haddon noted that the majority of the Mines Foundation net assets are restricted but there are \$30 million in unrestricted funds.

President's Report _____ President Johnson provided a brief update on the start of the new school year. He noted this is the second year for Oredigger Camp held at the YMCA of the Rockies. There was a brief discussion about interest, cost and applications. President Johnson thanked the Board for participating at all events this fall, including Convocation, the 1750 Jackson Street groundbreaking and Evening of Industry. He noted the Fall Career Fair included 360 companies at two locations on campus. Dr. Johnson provided information regarding the student-driven, campus supported program in recognition of Suicide Awareness Day, and he invited Trustee Swift to provide input on the event.

Research activities and Tech Transfer Report Dr. Tompkins provided a review of the past year's research award numbers, and historical data for FY03-FY18 noting it has been a good year for awards and proposals. There was a brief discussion regarding the federal agency research trends, including total federal research money and market share. There was discussion regarding how Mines compares to other research facilities and faculty support. Dr. Tompkins noted that the VPRTT office hired a proposal coordination manager to help bring together faculty and institutions and to help write proposals as a group. Dr. Tompkins provided an overview of the breakdown of funding by federal agencies and she will provide that for industrial funding, however she noted that the private funding is more difficult to break down. Dr. Tompkins provided a review of industry award examples and topics of the awards and invited Dr. Wendy Harrison to provide a brief overview of the industry-university cooperative research center and Mines' longstanding program with NSF. Dr. Tompkins shared that the subsurface resources award was the first ever awarded in geosciences. She noted that the new Mines Research Magazine is coming out and suggested the Board read the related article. Dr. Tompkins provided a brief review of the Catalyst building in RiNo. There was a brief discussion regarding shared research equipment and what structure exists to manage it.

Financial Report Ms. Volpi provided an overview of the financial report for year-end 2018 pointing out that the increase in total assets to \$111.5 million is commensurate with the total liability increase of \$121.9 million; the change primarily related to the \$108 million in bonds issued in fiscal year 2018. Ms. Volpi referenced a new liability, net OPEB liability, which represents Mines' portion of PERA's health care subsidy for Mines retirees. Ms. Volpi also noted the total pension liability is going up this year from \$532 million to \$541 million. There was brief discussion regarding the unrestricted net position and cumulative effect of the pension liability on the balance sheet. Ms. Volpi noted that while unrestricted net assets are negative due to the pension and OPEB liabilities, without those amounts, the unrestricted net assets are \$101 million. Ms. Volpi reviewed the income statement, highlighting operating revenue is up 5.5% and expenses are up 5.7%. She reviewed the non-GAAP operating report noting that revenue was on forecast and expenses under forecast. Ms. Volpi reviewed the new 401a plan noting that after 20 months, we are experiencing approximately \$600K in annual savings. There are 150-180 new participants. There was further discussion regarding pension contribution and the PERA liability.

Faculty Senate Report Dr. Cath provided a review of Faculty Senate activity in 2017-18, as well as, current membership and activity for 2018-2019. He provided a fall semester preliminary review of Faculty Senate business that included placement of representatives on campus committees, councils and ad hoc committees such as the Provost search committee and Master Planning steering committee. Dr. Cath noted that the Research Council is being dissolved as a Faculty Senate entity, but will be reincarnated as a University Committee under the Research and Tech Transfer office. Dr. Cath provided information on topics for the current academic year, including changing senate bylaws and faculty handbook adjustments. He also noted that the Faculty Senate is providing support towards the suicide prevention and mental health initiatives on campus by providing better tools for faculty and improving communication across campus.

c. Presentation and Discussion

Faculty Senate multi-year contract recommendation Dr. Cath provided information on the Senate's recommendation for multi-year contracts (MYC) for teaching and library faculty. He provided a review of the process taken that led to the Faculty Senate recommendation. He provided a brief review of the MYC survey results and the benefits of incorporating MYC contracts at Mines. He asserted there is no monetary cost associated with providing this benefit to teaching faculty and library faculty. Dr. Cath noted that there was no negative feedback from the Faculty Senate about offering the MYC. He noted that other universities are administrating MYC's and, implementing them at Mines would help to attract top faculty. There was discussion regarding the MYC's effectiveness in faculty recruitment. There was brief discussion regarding criteria used to determine who gets an MYC.

HB 18-1198 and State Board Best Practices Ms. Walker provided an overview of HB 18-1198, legislation that requires statutorily created boards to implement written policies and obtain annual training to ensure that the

board is utilizing best governance practices, in compliance with Colorado state law. She noted that higher education boards are set-up differently than other boards because of the backing from robust administrative and university policies. Ms. Walker recommended implementing annual training at the annual board retreat and noted that HB-1198 creates an opportunity to review and update the board bylaws. HB 18-1198 will go in to effect January 2019. The Board Chair indicated the Trustees are supportive of annual training and strategies to ensure compliance with applicable policies and state law, as well as reviewing the Board Bylaws. The Board will plan on a fall strategy session for further review.

New faculty hires Dr. Boyd provided an overview of the 24 new faculty hires that started in either spring or fall semesters 2018 or will start in spring 2019. Dr. Boyd highlighted that five tenure/tenure-track new hires are female in STEM disciplines and, of the five females added to teaching faculty, three of those are in STEM fields, meeting President Johnson's goals for faculty recruitment. He provided a brief overview of the new faculty, noting their diversity and disciplines. Dr. Boyd also noted that the first new faculty hire for this upcoming year is another female faculty member coming from Drexel.

New student enrollment update Ms. Boyd provided an update on new student enrollment for the class of 2022, noting that Mines exceeded its goal of 1300 new students, enrolling 1357. She noted the percentage of new women did not significantly increase this year, and as such, we need to change our recruitment strategy. Mines is making gains on underrepresented students in Colorado, and there is an increase in the percentage of first generation students. Ms. Boyd provided discussion on changes made to the application process. She highlighted some of the programs Admissions offers to recruit new students such as Preview and Discover; Making the Connection; and MeetMe@Mines. Ms. Boyd provided a review of current student and campus connection opportunities, including the new Chat with an Ambassador Program and the monthly newsletter. Looking forward to next year, Ms. Boyd reported that applications for new students are currently up 50% over this same time last year. (Ms. Boyd noted, however, that the applications opened earlier this year than last.). Ms. Boyd also highlighted the revised marketing materials Admissions has created. There was brief discussion regarding the applicant/admit/yield comparable for women at other universities and STEM programs. Ms. Boyd reviewed modeling and surveys for women noting the three contributing factors for a woman choosing to attend Mines are financial aid; campus environment; and how they see their fit at Mines. Dr. Johnson noted that the single most important factor for women admits is financial aid and not necessarily an issue of academic interest. There was brief discussion regarding attrition and it was noted that women perform better than men do in terms of graduation rate and retention.

USGS update Ms. Volpi provided an update on the Mines-USGS Subsurface Frontiers initiative and an overview of the program plan and cooperative agreement. The proposed program plan is complete and submitted to the State and, university administration will be seeking formal approval from the Board at the October 26 meeting. Ms. Volpi noted that Mines is asking for \$20 million from the State for the \$121 million building. She provided a review of the status of the cooperative agreement, noting that the agreement still needs final approval from the Department of Interior (DOI). The University anticipates seeking approval from the Board at the October 26 meeting if the agreement is received in time to review.

Ms. Volpi provided a comparison of the details of the previous and current versions of the program plan, noting that the scope of the building has decreased primarily due to cutting the USGS Energy division. Ms. Volpi pointed out that the new building will be occupied by 2/3 USGS employees and 1/3 Mines employees, with minerals resources the primary occupant for USGS and Mines. Ms. Volpi reviewed and highlighted how integrated the facility is, and she will provide more specificity on programming at the October 26 meeting. She reviewed the timeline and the proposed funding model. She introduced Mr. Kevin Gravina, Mines' new associated treasurer. Ms. Volpi provided an overview of debt funding and noted the debt service will be over \$5 million with operating costs near \$1 million. There was brief discussion regarding the probability of obtaining the \$20 million from the State and what strategies Mines is exploring with our Federal lobbyist. Ms. Volpi reviewed the Mines@150 capital projects and funding along with financing options and timing. Further discussion regarding the next meeting, which may be attended by USGS Director James Reilly and Secretary Zinke.

d. Action Items

Sodexo contract amendment Ms. Volpi provided a review of the Sodexo contract amendment recommending that the Board consider and approve the execution of an amendment authorizing an increase in the maximum amount payable from \$5,500,000 to \$6,500,00 for fiscal year 2018-2019.

Motion to approve the Sodexo contract amendment made by Trustee Haddon; seconded by Trustee McNeil.
Approved 7-0.

BE IT RESOLVED that the Board of Trustees of the Colorado School of Mines approve the execution of an amendment to the Sodexo agreement, authorizing an increase in the maximum amount payable from \$5,500,000 to \$6,500,000 for fiscal year 2018 – 2019.

e. Emergency Action Items

Acceptance of property gift Ms. Volpi presented an overview of the gift of property at 21548 and 21554 Mountsfield Drive, in Golden, Colorado. The property consists of an 8,676 square residential home on a 0.46 acres and adjacent 0.46 acre parcel of land. The donor wishes to provide the property to be used for Mines purposes. Administration recommended that the Board approve the gift of real property and land pursuant to the Board of Trustees Capital Construction and Real Estate Conveyance Policy, Section 2.1.

Motion to approve the acceptance of the gift of property 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 of the Colorado School of Mines approves the gift of real property and land located at 21548 and 21554 Mountsfield Drive, Golden, Colorado.

f. Regular Written Reports

Undergraduate Admissions The Board had no questions.

Preliminary Enrollment Summary Fall 18 Mr. Han provided a brief verbal review of submitted materials.

Graduate Admissions Dr. Zhou provided an update on graduate admissions efforts and numbers for the current year.

Environmental Health and Safety report Ms. Volpi provided information regarding lessons learned on the submitted incidents. She noted that EHS training of new students in laboratories is mandatory.

Capital projects update Ms. Volpi provided a brief overview of the draft final Master Plan and will bring to Board for approval in January 2019. She reviewed the planning and design of Residence Hall VI and reviewed the increase cost of the parking garage. She noted the administration is waiting for bids and will come back to the Board for approval. Ms. Volpi reviewed current projects, noting the Chiller plant is in Phase I, the Green Center project is going well, and the 16th street plaza opened in mid-August.

CSM Foundation report Mr. Winkelbauer provided a brief update on Foundation activity. He thanked the Trustees for participating in the feasibility study visits. He noted that the metrics are trending up in dollars raised, donors and alumni donors.

III. Trustee Lunch – Noon in the Guggenheim Coors Boardroom

12:20 p.m. Motion to move into executive session by Trustee Truly; seconded by Trustee Salazar. Motion approved 7-0.

Executive Session

The purpose of the Executive Session was to discuss legal advice pursuant to §24-6-402 (3)(a)(II), C.R.S.; discuss personnel matters pursuant to §24-6-402(3)(b)(I), C.R.S.; review administrative actions and investigative reports involving students pursuant to §24-6-402(3)(b)(I), C.R.S.; and discuss matters required to be kept confidential by federal law or statute statutes, pursuant to §24-6-402(3)(a)(III), C.R.S.

1:30 p.m. Motion to move back into regular session for the tour by Trustee Haddon; seconded by Trustee McNeil. Motion approved 7-0.

IV. Campus Tour and Presentation

CoorsTek Center for Applied Science and Engineering Trustees toured the CoorsTek Center for Applied Science and Engineering.

2:45 p.m. Motion to adjourn by Trustee Haddon; seconded by Trustee Truly. Approved 7-0

There being no further business, the regular meeting adjourned.



Anne Stark Walker, Secretary