

*Approved at the 4/5/2019 meeting*  
**BOARD OF TRUSTEES OF THE COLORADO SCHOOL OF MINES**  
**MINUTES OF THE BOARD MEETING**  
Friday, February 8, 2019  
**COLORADO SCHOOL OF MINES**  
**Starzer Welcome Center, 1812 Illinois Street, Golden, CO 80401**

**I. Trustee Breakfast – 8:00 a.m., President’s Residence, 1722 Illinois Street**

**Executive Session**

To discuss legal advice pursuant to §24-6-402 (3)(a)(II), C.R.S.; employee matters pursuant to §24-6-402(3)(b)(I), C.R.S.; administrative actions and investigative reports involving students pursuant to §24-6-402(3)(b)(I), C.R.S.; property purchase pursuant to § 24-6-402(3)(a)(I); and matters required to be kept confidential by federal law or statute statutes, pursuant to §24-6-402(3)(a)(III), C.R.S.

8:00 a.m. Motion to move into executive session by Trustee Haddon; seconded by Trustee McNeil. Motion approved 6-0.

Trustees present: Chairman Jorden, Trustee’s Haddon, McNeil, Salazar and Sanders. Trustee Starzer joined by telephone.

Mines executives and directors present: President Johnson, Interim Provost Boyd, EVP Volpi, VPSL Fox, VP Tomkins, VP Han and VPGC Walker, Ms. Torres.

9:20 a.m. Motion to move to regular session by Trustee Haddon; seconded by Trustee McNeil. Motion approved 6-0.

**II. Regular Meeting – Starzer Welcome Center, Wagner Boardroom**

9:30 a.m. Regular session resumed and called to order by Chairman Jorden.

Trustees present: Chairman Jorden, Trustee’s Haddon, McNeil, Sanders, Battalora and Swift. Trustee Starzer joined by telephone.

Mines executives and directors present: President Johnson, Interim Provost Boyd, EVP Volpi, VPSL Fox, VPRTT Tompkins, VPGC Walker, and Deans Graves, Moore and Kaufman.

**a. Oath of Office for new faculty Trustee**

Chairman Jorden administered the Oath of Office to newly elected faculty Trustee, Dr. Linda Battalora.

**b. Election of Officers and Committee and Liaison appointments**

BOT officers were elected as follows:

Chair: Tom Jorden (moved by Haddon; seconded by Sanders).  
Vice Chair: Tim Haddon (moved by McNeil; seconded by Salazar).  
Treasurer: Kirsten Volpi (moved by Haddon; seconded by Jorden).  
Secretary: Anne Stark Walker (moved by Haddon; seconded by Jorden).

Liaisons were appointed as follows:

CSMAA Liaison: Tim Haddon  
CSMF Liaison: Patty Starzer

Board of Trustees subcommittees were appointed as follows:

Finance and Audit Committee: Tom Jordan; Tim Haddon; Jesus Salazar  
Investment Advisory Committee: Tom Jordan, Tim Haddon; Jesus Salazar  
Strategy Committee: remaining BOT members

**c. Consent Agenda**

1. The minutes from the November 30, 2018 meetings submitted for approval.

Trustee Haddon motioned to approve the minutes as presented; seconded by Trustee McNeil. Motion approved 6-0.

**d. Reports and Updates**

Board Committee Reports Trustee Haddon reported that the Finance and Audit Committee (FAC) and the Investment Advisory Committee (IAC) met on January 23, 2019. Trustee Salazar was welcomed as the new member to the committees. The FAC reviewed updates on the Subsurface Frontiers building and potential funding options. Management determined that P3 is not a viable option for this facility; P3 is a more suitable vehicle for financing student housing. Trustee Haddon noted Mines currently has \$277M of bonds at a weighted average interest rate of 3.42% and average maturity of 14.7 years. Trustee Haddon reviewed the principle and interest payments as of December 31, 2018. He noted the debt management policy would be reviewed at the Committee's next meeting in March. Trustee Haddon informed the Board that Agenda action items 4-7 were recommend for Board approval. He noted the Foundation Investment Committee met on November 15, 2018, and the long-term investment pool was reported to be \$310.3M as of September 30. Also reviewed at that Committee meeting was the revised Foundation Investment Policy.

President's Report President Johnson announced that Dr. John Speer, Metallurgy and Materials Engineering department faculty member, was elected to the National Academy of Engineering (NAE), a very prestigious award. President Johnson also announced that Mines has hired a Provost, Dr. Rick Holz, who will commence his appointment on June 1, 2019. Dr. Holz will be making monthly trips to Mines until that time. Dr. Johnson thanks the Search Committee and the Chair of the Committee, Ms. Volpi, for a successful search. President Johnson shared that a draft Diversity, Inclusion and Access strategic plan has been developed and he recognized Dr. Amy Landis for leading the effort. He noted the community-wide participation to complete the plan and the broad ownership of the strategic initiatives set forth in the plan. He reported that Dr. Angie Paccione, new Colorado Department of Higher Education (CDHE) director visited Mines. The President noted Mr. Han is engaging with the State Legislature on various priorities for Mines, including funding for the Subsurface Frontiers building. Mr. Han then provided a legislative update. There was discussion regarding various bills. President Johnson reported that he and Ms. Volpi met with USGS Director Jim Reilly regarding the Subsurface Frontiers building. Dr. Johnson reported that Dr. Steve Enders is playing a leadership role on campus for integration of Mines and the USGS community moving forward.

Research activities and Tech Transfer Report Dr. Tompkins provided an overview of the developing partnership between UNSA and Mines and a recent trip to Peru by the involved Mines contingent. She reviewed the collaboration topics, which include designing a new research institute, a teaching mine, water treatment, resource and risk assessment maps, and other topics. She noted that proposals are due this week. There will be three weeks to review these, and work should commence under selected proposals by the end of March. Dr. Tompkins provided an overview on impacts from the federal government shutdown and, long-term strategies for space resources, security and international issues. There was discussion regarding costs and the implications of trade policies with China.

Financial Report Ms. Volpi reviewed the financial statements through December 2018. She reviewed the balance sheet, noting a slight decrease in assets primarily due to a decrease in account receivables stemming from stronger collections strategies. She briefly reviewed the impact of the government shutdown on Mines, noting that it was not significant from a budget perspective. Ms. Volpi reported that liabilities

had decreased slightly. She provided an overview of the revenues, expenses and changes in the net position, noting revenues are up due to an increase in federal and private grants. Operating expenses are up approximately 9% in large part due to an increase in repairs and maintenance of university facilities. Ms. Volpi provided a summary of the operating statement through the second quarter forecast and reported that revenue is approximately \$800k more than the original projection. She noted that the financials will be updated with the spring enrollment numbers for the next meeting. There was a brief discussion regarding spring enrollment and melt. Ms. Volpi noted the melt is the same between fall and spring and the updated report will reflected a reduction in revenue and an increase of \$1M in expenses, most notably due to the full time employee (FTE) additions. These additions were in student services, operations and maintenance.

Ms. Volpi reported that the Legislative Audit Committee released the audited fiscal year 2018 financial statements in December. Mines received a clean opinion on that audit report. She noted that there have been no findings and no management letter comments this year, or in the past four years. She pointed out the management discussion and analysis section of the audit that includes a high-level overview of the operations of the university. Ms. Volpi pointed out the net pension liability of \$541M. Due to the passing of SB18-200, that liability will drop approximately in half for fiscal year 2019. The Board had a brief discussion on how this affects Mines' bond ratings.

Faculty Senate Report In the absence of Faculty Senate President Dr. Tzahi Cath, Dr. Alexis Sitchler provided a review of the ongoing Faculty Senate business. She reported the Dr. Linda Battalora was nominated and elected faculty trustee. The Faculty Senate is currently preparing for end of year elections to replace four Senators who are rotating off the Senate. Dr. Sitchler reported on the current faculty research awards and reviewed the nominations. Dr. Sitchler noted the Faculty Senate bylaws are currently being updated, noting they will be adding student voting rights to bylaws. She reported the 2019 Distinguished Faculty Senate lecturer is Dr. Kamini Singh and noted the call for nominations for the 2020 lecturer. Lastly, Dr. Sitchler reported on the newly established task force to review and make recommendations on improving instructional effectiveness

#### **e. Presentation and Discussion**

Campaign update Mr. Winkelbauer provided an update of the MINES@150 campaign, noting the theme "community." He reviewed the success of the third annual #iDigMines giving day, and commended the campus, alumni partners, Trustees, and the Board of Governors for their participation. Mr. Winkelbauer provided an update on the campaign, noting the Foundation has been working closely with Mines' Marketing and Communications department to develop synergistic marketing elements in slides, the tag line and campaign logo, *Past Present and Future*. He reviewed the campaign phases, including leadership, organizational and public. He is preparing a summary of the nearly 60 feasibility studies completed, and will share that at a later date. Discussion regarding the service relationship with the fundraising consultant, Mr. Scott Lumpkin. Further discussion regarding the public period of a campaign and how a possible economic downturn would affect it. Mr. Winkelbauer reviewed best practices in that event. He provided an overview of managing opportunities, the gift range chart and top-of-mind needs. There was a brief discussion regarding revocable gifts: estates, wills, trusts, etc. Mr. Winkelbauer reviewed the continued plan to connect the Mines community and the campaign. He provided an update on the merger of the Alumni Association, noting the Alumni Association President will also serve on the Foundation Board of Governors' executive committee, and the Alumni Association Executive Director will report to Mr. Winkelbauer. There was discussion regarding the special interest groups formed by CSMAA: Social Responsibility; Aerospace; Women at Mines; and Entrepreneurship and Innovation.

BOT Conflict of Interest Policy review Ms. Walker provided an overview of the Board's Conflict of Interest Policy, noting the purpose of the policy is to give Trustees a pathway to disclosing and managing actual and potential conflicts of interest. She reviewed the disclosure procedure and process. Chairman Jordan asked Ms. Walker to put together a proposed COI disclosure form tailored to the Trustees for review next year. Ms. Walker provided a proposed certification form to document the Trustees' annual review and acknowledgement of policy requirements. Each Trustee will sign this form and return it to Ms. Walker.

Subsurface Frontiers planning update Ms. Volpi provided an update on the Subsurface Frontiers building, noting USGS Director Reilly's recent visit and his engagement with the project. She reported that Mines has determined that a Public Private Partnership model would not be optimal for financing the construction of this building, so Mines is moving forward with traditional financing options. Ms. Volpi provided an updated estimate of project costs. The current projections are building at \$121M; additional floor for the building at \$20M; parking garage depending on size and needs could be more than \$30M, including the wrap; and, the utilities infrastructure at approximating \$7M. The total cost of the facility is now estimated at \$181M, including the additional floor. Ms. Volpi discussed possible strategies for financing to mitigate debt service and outstanding debt.

Mr. Han provide an update on the status of Mines' request to the State for \$20M in support of the Subsurface Frontiers initiative. The Capital Development Committee (CDC) will be prioritizing the list next week, and Mines is currently 33<sup>rd</sup> on the list. He is working with the CDC to move this project higher on the list, and with the Joint Budget Committee (JBC) to reinforce the need to add more money to Mines' capital budget. Mr. Han reported on the meetings he has had and support received from Congressman Perlmutter and Senator Gardner. The Board had a brief discussion regarding the process for getting on the priority list and funding.

Ms. Volpi reviewed funding scenarios and alternative timelines for completion of the building using two construction pathways. Ms. Volpi noted that by the next Finance and Audit Committee (FAC) meeting, Mines will have made the decision on the addition of the extra floor. Chairman Jordan asked the Trustees for their thoughts on an additional floor; all Trustees indicated they generally favored this. President Johnson noted that the additional floor would be a strategic addition and industry engagement could support for this initiative. Ms. Volpi provided a review of the estimated impact that this project will have on debt service and the overall possible debt structure. She provided an overview of the credit metrics and rating projections. She is meeting with four financial institutions next week to choose the institution(s) to provide the underwriting for this financing. Ms. Volpi reviewed the next steps that include providing financing options to the FAC at their March meeting and, subsequently to the full Board at the April 5, 2019 meeting.

#### **f. Action Items**

New degree approvals Dr. Boyd requested the Board consider and approve four new degree programs and one certificate program as presented. He introduced Dr. Anthony Petrella to answer any questions regarding the new certificate program, Finite Element Analysis Professional.

Dr. John Bradford, Department Head of Geophysics, presented an overview of the proposed Engineering, Design and Society Graduate Certificate and Masters program (thesis and non-thesis) in Humanitarian Engineering and Science. He reviewed fit and benefits for Mines, and the student profile and job opportunities available with the degree. He provided an overview of the background and campus interest. Program will not be offered online and is available to begin in Fall semester next year.

Dr. Doug Nycha, Professor in Applied Mathematics and Statistics, provided an overview of the proposed non-thesis Masters program in Data Science. He provided a brief overview of data science, how Mines data science would be distinctive from other similar offerings, and the collaboration of the many departments at Mines that would be involved. Dr. Nychka reviewed job opportunities and provided details of the required coursework. There was discussion regarding the program's ability to differentiate from other universities.

Dr. Brian Trewyn, Associate Professor in Chemistry, provided an overview of the proposed undergraduate degree program, Bachelor of Science, in Biochemistry. He provided an overview of the motivation for the degree. He reported that statistics show that this degree would enhance diversity on campus and increase the overall popularity of undergraduate degree offerings in Chemistry. Dr. Trewyn noted the uniqueness of the degree and provided an overview of the courses for the program. Trustee Swift noted there is high student interest for this degree.

Motion to approve the new degrees as proposed made by Trustee McNeil; seconded by Trustee Sanders.  
Approved 6-0.

***BE IT RESOLVED*** that the Board of Trustees of the Colorado School of Mines approves creation of the following new graduate degree programs:

- *Humanitarian Science and Engineering (Graduate Certificate, MS non-thesis, MS Thesis)*
- *FEA Professional (Graduate Certificate)*
- *Data Science (MS non-thesis)*
- *Biochemistry (BS)*

Master Plan Ms. Volpi presented an overview of the process that was utilized to update Mines' most recent (2014) Master Plan. The process was a year long endeavor, and included both the Mines and Golden communities. Ms. Volpi introduced Mr. Neal Kessler with SmithGroup JJR who helped facilitate this process. Mr. Kessler provided an overview of the process for developing the updated Master Plan, which is in alignment with the MINES@150 Strategic Plan. He highlighted the extensive university and Golden community input. In addition to stakeholder input, the Plan was based on a foundational analysis that considered the institution's anticipated enrollment growth, and educational, residential and research space needs. The updated plan provides a roadmap for the infrastructure Mines will need in order to achieve key elements of the Mines@150 Strategic Plan. Mr. Kessler provided information on proposed space options to address planned growth in research, as well as growth in residence halls needed to accommodate campus housing for all sophomores and an increased number of graduate students. He discussed possibilities for expanding Student Learning areas, as well as Student Success Services. He highlighted the area north of the General Research Lab, intended to be an Innovation hub. Mr. Kessler reviewed two alternative approaches for the use of Mines property at 19<sup>th</sup> Street and 6<sup>th</sup> Avenue. One option is traditional university use with residence halls, a parking garage and a student recreation area. Another option is mixed use, including conference capabilities, an arts center, hotel, and other mixed-use opportunities. He also provided a possible plan for Edgar Mine, both the upper and lower portions of the site. Mr. Kessler discussed the implementation strategy for the plan and the utilities infrastructure required to achieve the plan. He discussed possible ways to phase or sequence the plan, as well as estimated costs.

Motion to approve the Master Plan as proposed was made by Trustee Salazar; seconded by Trustee Sanders.  
Approved 6-0.

Pursuant to the Colorado Commission on Higher Education Policy on Long-Range Facilities/Infrastructure Master Planning, final Master Plans are to be approved by each institution's governing board.

***BE IT RESOLVED*** that the Colorado School of Mines Board of Trustees has reviewed and approves the 2018 Mines Facilities Master Plan, which sets forth the long-range planning of development of the facilities and infrastructure for the university.

Trustees broke for lunch at 12:50 pm.

### **III. Trustee Lunch – 12:50pm in the Wagner Boardroom**

1:05pm Dr. Morgan Bazilian provided an informational presentation on the Payne Institute.

1:40pm Dr. Fox introduced Mr. Hansburg to present an informational Athletics update.

2:10pm **Action Items (Continued)**

Emeritus Recommendations Dr. Boyd asked the Board to consider and approve recommendations for emeritus status for certain faculty members who have recently retired, or plan to retire in

the near future. He noted “emeritus” is an honorary title bestowed on retiring faculty in recognition of significant service to Mines and its students. He provided an overview of the credentials of the faculty members recommended for emeritus status.

Motion to approve emeritus status as proposed made by Trustee Salazar; seconded by Trustee Haddon. Approved 6-0.

***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. Stephen Liu Chuen – Emeritus Professor – Metallurgical and Materials Engineering*

*Laura Guy – Emeritus Librarian - Arthur Library*

*Dr. Kiouisis – Emeritus Associate Professor – Civil and Environmental Engineering.*

*Dr. John Scales – Emeritus Professor – Geophysics/Physics*

*Dr. Steven Thompson – Emeritus Professor – Metallurgical and Materials Engineering*

*Dr. Charles Vestal – Emeritus Teaching Professor – Chemical and Biological Engineering*

*Dr. Richard Wendlandt – Emeritus Professor- Geology and Geological Engineering*

Study Abroad Tuition rate Ms. Volpi provided an overview of a proposed study abroad tuition rate noting there was also discussion in the Finance and Audit Committee (FAC) meeting regarding this matter. She introduced Mr. David Wright, Assistant Provost for International Affairs. Ms. Volpi provided an overview of the impacted study abroad program, and reviewed the financial and tuition model for moving to a flat, standard non-residency rate for this program. Mr. Wright provided information regarding the market and competition. Ms. Volpi asked the Board to approve a flat, student credit-hour rate for the study abroad program of \$600.

Motion to approve the study abroad tuition rate as proposed made by Trustee McNeil; seconded by Trustee Sanders. Approved 6-0.

Pursuant to authority conferred by §23-41-104(1), C.R.S. (2012) and as required by §23-5-119.5(1), C.R.S. (2012), the Board of Trustees has the responsibility and authority for the financial management of the School including the setting of tuition and fees and the approval of the budget.

***BE IT RESOLVED that the Finance and Audit Committee has reviewed and recommends to the Board of Trustees the approval of the proposed tuition rate for faculty-led study abroad programs at Mines consisting of:***

*New tuition rate of \$600/SCH for faculty-led study abroad programs.*

Reimbursement Resolution Ms. Volpi provided an overview of the reimbursement resolution. The resolution gives Mines the authority to spend up to \$25M of its own funds on costs related to the Subsurface Frontiers building prior to a bond issuance, and then reimburse itself when debt is issued.

Ms. Volpi reviewed the change in the use of some of the proceeds of 2017B bonds issued last year. She noted that the residence hall is projected to be under budget, resulting in a savings of \$5.8M. She requests approval to move \$5M of those savings to the Subsurface Frontiers building.

Motion to approve the reimbursement resolution and the change in the use of some of the proceeds of the 2017B bonds as proposed made by Trustee Haddon; seconded by Trustee McNeil. Approved 6-0.

***BE IT RESOLVED that the Finance and Audit Committee has reviewed and recommends the Board of Trustees approve the attached reimbursement Resolution (Attachment 1) authorizing:***

- Allocation of up to \$25.0M from future borrowings to reimburse the Board for expenditures made in connection with the Subsurface Frontier Building project
- Re-designation of approximately \$2.8M, but up to a total of \$5.0M, in net proceeds of the 2017B Bonds towards funding of the Subsurface Frontiers Building

Title IX and Unlawful Discrimination policy Ms. Volpi introduced Ms. Camille Torres, Mines' newly appointed Executive Director for Title IX Programs and Title IX Coordinator. Ms. Torres provided an overview of the Policy Prohibiting Sexual Harassment, Sexual Violence and Interpersonal Violence and the Policy Prohibiting Unlawful Discrimination. She reviewed proposed amendments to each policy. Ms. Torres noted, too, that Mines is currently reviewing the procedures needed to support these amended policies. She also discussed the proposed federal rules that may impact Mines' policy and procedures if adopted. She noted the outcome of the proposed rule-making may not be known for several months.

Motion to approve the amended Policy Prohibiting Sexual Harassment, Sexual Violence, and Interpersonal Violence as proposed made by Trustee Haddon; seconded by Trustee McNeil. Approved 6-0.

**BE IT RESOLVED** that the Board of Trustees of the Colorado School of Mines hereby approves the suggested revisions to the Policy Prohibiting Sexual Harassment, Sexual Violence, and Interpersonal Violence.

Motion to approve the amended Policy Prohibiting Unlawful Discrimination as proposed made by Trustee McNeil; seconded by Trustee Sanders. Approved 6-0.

**BE IT RESOLVED** that the Board of Trustees of the Colorado School of Mines hereby approves the suggested revisions to Policy Prohibiting Unlawful Discrimination.

Further discussion regarding the effects of the proposed legislation.

Indemnification agreement approval Mr. Han provided an overview of certain agreements and requested Board approval for Mines' agreement to an indemnification term, in particular in the East Side Media Location and Trade-Out agreements. Mines attorneys Ms. Walker and Ms. Molly Markley provided background information on the structure of and legal issues related to the agreements. Mr. Han noted that this arrangement offers Mines a unique opportunity to be favorably featured on a popular television show. Mr. Han reviewed the collaboration requested by the show's host, Adam Savage, who was Mines' homecoming lecturer in 2018. Discussion followed regarding Mines' role and specific activities associated with the particular film shoot on campus.

Motion to approve the Indemnification Agreement as proposed made by Trustee Haddon; seconded by Trustee Salazar. Approved 6-0.

**BE IT RESOLVED** that the Board of Trustees of the Colorado School of Mines approves of Mines contracting to indemnify East Side Media in the Location Agreement and Trade-Out Agreement, and authorizes the President or his appropriate delegee to execute this Agreement.

#### **g. Regular Written Reports**

Undergraduate Admissions Ms. Boyd provided an update to the written report noting Admissions now has started its freshman wait list. She provided updates on yield activities noting there are 1200 admissible students on the freshman wait list, and transfer and international students will continued to be evaluated. She noted the uptick of students sponsored by ARAMCO. Ms. Boyd reviewed scholar applications

noting that Harvey Scholars had 600 applications this year and the new VanGaard Scholars program has received just over 150 applicants.

Graduate Admissions Dr. Zhou provided an update to the written report noting the application numbers are up and the applicant pool is strong. There was discussion regarding the hiring of a consultant for graduate school marketing. Dr. Boyd noted the first step is hiring the new Associate Provost for Enrollment Management who will oversee both graduate and undergraduate admissions. He noted finalists for this position were on campus last week. He noted that there is significant budget committed next year for graduate enrollment. Mr. Han noted the newly hired Marketing director starts on March 1, 2019.

Cyber Security and Safety report Ms. Volpi reviewed the annual injury and workers compensation report, which highlights workers' compensation claims. Ms. Volpi then reviewed several the cyber incidents that have occurred at Mines, and the mitigating actions that are being taken to reduce the risk of future cyber security incidents.

CSM Foundation and Alumni Relations report No further updates.

2:52 p.m. Motion to adjourn by Trustee Haddon; seconded by Trustee McNeil. Approved 6-0

There being no further business, the regular meeting adjourned.

  
Anne Stark Walker, Secretary