

Approved at the 6/26/2020 meeting
BOARD OF TRUSTEES OF THE COLORADO SCHOOL OF MINES
MINUTES OF THE BOARD MEETING
Friday, May 29, 2020
Zoom Meeting

I. Executive Session – 8:00 a.m. Virtual

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); 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 Salazar. Motion approved 7-0.

Trustees present via virtual meeting room: Chairman Jorden, Trustee’s Burgess, Haddon, McNeil, Salazar, Sanders and Starzer.

Mines executives present via virtual meeting room: President Johnson, Provost Holz, EVP Volpi, VPSL Fox, VP Tompkins, VP Han, VPGC Walker, Mr. Winkelbauer and Title IX representative Ms. Schmalzel

9:15 a.m. Executive Session concluded

II. Regular Meeting – 9:00 a.m. Virtual

9:20 a.m. Regular session called to order by Chairman Jorden.

Trustees present via virtual meeting room: Chairman Jorden, Trustee’s Burgess, Haddon, McNeil, Salazar, Sanders, Starzer, Battalora and Kleeman.

Mines executives and directors present: President Johnson, Provost Holz, EVP Volpi, VPSL Fox, VPRTT Tompkins, VP Han, VPGC Walker and Mr. Winkelbauer.

a. Consent Agenda

The minutes from the May 1, 2020 meeting were submitted for approval.

Trustee Burgess motioned to approve the minutes as presented; seconded by Trustee Starzer. Motion approved 7-0.

b. Reports and Updates

President’s Report President Johnson reported that the Mines campus community is working hard to redesign itself for Fall opening, noting that the intent to have classes in person is the Fall has been communicated to students and families. He noted there are multiple task force groups working on different aspects of what it will take for Mines to open safely under State and local guidelines. Dr. Johnson reported he is proud of the effort being made and noted there may be positive outcomes for the university after all is said and done by moving the university towards the Mines@150 goals quicker than anticipated. He highlighted that based on survey responses, Mines is doing what the students want, which is opening campus for in person classes.

Dr. Johnson thanked those who participated in the State of Mines webinar noting there will be another one for returning students in a month. He invited Mr. Winkelbauer to provide additional information. Mr. Winkelbauer noted there were approximately 350 attendees. He reported that at the end of the webinar he received an email

from a Mines parent who felt so good about the direction Mines is moving that they made a gift of \$250,000 in unrestricted funds.

President Johnson shared that the Department of Higher Education hosts a weekly meeting with all of the Colorado University Presidents and Chancellors. Topics are focused on COVID, specifically on what is currently relevant, and gives those attending the opportunity for more communication and sharing of ideas between universities.

Board Committee Reports Trustee Haddon reported that the Finance and Audit Committee and Investment Advisory Committee meetings were held on May 18, 2020. At its meeting the Finance and Audit Committee reviewed the April 30, 2020 financial statements. Also reviewed were a preview of the fiscal year 2021 budget that included proposed mandatory fees, removal of course and lab fees, concurrent tuition and a tuition rate for active duty military students who take Energetics Chemistry I and II. Trustee Haddon reported that the Committee also reviewed the internal audit status report. The Investment and Advisory Committee reviewed the investment pool noting its value of \$259 million as of March 31, 2020, a loss of 11.2%, which was consistent with the benchmark. Trustee Haddon noted that the CSM Foundation's Investment Committee's most recent meeting focused on ensuring that the investment pool has sufficient liquidity during this time of market volatility. He reported that university funds invested in the investment pool are \$31 million.

Financial Report – April 30, 2020 Ms. Volpi presented information on the April 30, 2020 financial statements, which included the third quarter forecast. She noted that the residential tuition revenue as of April is likely to increase when Summer I tuition is recorded. She also noted that summer enrollment is strong. Ms. Volpi reported that the anticipated funding from the State for Fee for Service will be the same amount this year with no reductions. She reported that through April 2020 Mines has \$27 million net activity and that is what will be spent out over the next two months. Ms. Volpi reported that the May/June numbers are strong in research and anticipates seeing positive outcomes for the end of the year.

Ms. Volpi provided an overview of the \$3.4 million in CARES Act funding that Mines is allocated \$1.7 million is being distributed directly to students for hardship reasons and \$1.7 million will reimburse Mines for housing and dining credits issued to students who moved off campus early. She thanked Ms. Lori Kester, Ms. Jill Robertson and Ms. Jenny Phou for putting together the hardship program for the student funds. She noted these funds were allocated prior to receiving the funding from the federal government. President Johnson reported that Mines is not eligible for the Paycheck Protection Program (PPP) funding, however the CSM Foundation did receive \$750,000.

Ms. Volpi provided an overview of the Balance Sheet noting that receivables are down considerably and there is a significant drop in cash due to construction on campus. Ms. Volpi briefly reviewed the PERA liability changes noting the amount of employee contributions into PERA were set to increase, which is intended to help mitigate the unfunded liability. Ms. Volpi noted there are no significant changes in actuarial assessments and it is too early to tell if the extra infusion from additional employee contributions will help the unfunded liability. Chairman Jorden asked to have more detail on the PERA liability listed and how it flows through the financial statements.

c. Presentation and Discussion

FOCSA Student Athlete Exit Interview and Semi-annual report Dr. Fox provided an overview of the annual Faculty Oversight Committee on Sports and Athletics (FOCSA) report noting the intent of the Committee is to interview outgoing athletes to make recommendations on how to make the athletics program better. Dr. Fox reported the first recommendation from Spring 2019 is that a student athlete be given the opportunity to formally evaluate their sport, coaches and athletic experience each semester, similar to academic departmental evaluations. A brief discussion followed regarding the challenges of getting everyone to participate in this review process. Dr. Fox noted it might be more difficult in the smaller sports where students might not feel they can remain anonymous.

Dr. Fox then provided an overview of the recommendations from Fall 2019. First is to ensure the training room is staffed appropriately. He noted that this year's staffing issues were an anomaly due to timing of staff departures. He noted a massage therapist was hired and the department purchased an Ultra G trainer to help runners train. A fifth trainer that was added in 2014, and a strength and conditioning coach added in 2016. However, there is a need for an additional strength and conditioning coach.

The second recommendation is that academic departments should increase faculty office hours outside of sports practice times so more athletes can benefit. Dr. Fox has referred this recommendation to Provost Holz to discuss with faculty. He noted that office hours have been more accessible since moving to online and students seem more comfortable going to virtual office hours.

Dr. Fox reported the third recommendation is to evaluate the equipment needs for different sports. He noted that Mines currently has an exclusive contract with Under Armour and Athletic Director Hansburg has met with them to address soccer cleat issues, in particular.

The final recommendation from Fall 2019 is to identify and designate females within the athletics department as a point of contact in Cross Country so athletes can discuss issues specific to female athletes. Dr. Fox noted that more funds were allocated to find a suitable female coach and trainer and interviews for this position were scheduled for Spring 2020.

Dr. Fox wrapped up by noting the historic season Mines athletes have had this year even though most sports were truncated by the Covid-19 outbreak disruption. Dr. Fox addressed questions of examples of Mines students who pursue professional sports and the longer term impact of Covid-19 outbreak on our athletic program.

Research activities and Tech Transfer report and update Dr. Tompkins provided an update and highlights on the research awards and expenses. She noted a dip relative to last year due to having to shut down labs. She reported that the slow-down may continue through the fiscal year and in to next year. Dr. Tompkins did note that there are upcoming awards and work in Peru that Mines would like to move forward that represents \$8.9 million more in the next month. This would provide a considerable amount of stability. Dr. Tompkins provided highlights on tech transfer activities and State funding opportunities. She reported that Mines is competing for State matching funds that have been cut for a couple of years. Dr. Tompkins announced that Mines has recently been notified that Dr. Terry Lowe was the recipient of the Proof of Concept award for sports equipment, specifically, impact protectors.

Capital Projects update Ms. Volpi provided an update on the current capital projects. She reported that the Certificate of Occupancy was received for the 1750 Jackson Street residence hall and that Spruce Hall furniture move in should be mid-July followed by students in mid-August. Ms. Volpi reported there had been some COVID related delays, but that the workforce is now back up to speed. She reported that the Wellness Center addition is on time and the furniture should be moved in June. The garage and classroom building will be open in July, despite a few COVID related delays. Ms. Volpi provided an update on the Lookout Mountain house noting the first buyer's contingency was not realized and another buyer presented itself and the new closing will be in June.

Ms. Volpi provided an update on the progress on the Innovation Hub with a total project cost of \$21.0 million. She noted that Mines has received gifts totaling \$10 million (cash and pledges) and that the students committed \$5 million to the projects. Fundraising continues for the remainder. She noted that Mines is holding \$5 million in reserves and the Foundation is working towards that. She provided an update on the Beck Venture Center. Planning continues, including re-assessment of the co-working business model proposed by an interested tenant.

Ms. Volpi reported that management is currently working with the Colorado federal delegation who is spearheading the inclusion of the Subsurface Frontiers Building in an anticipated federal infrastructure stimulus bill. She reported that if funded, the building will be a federal building versus owned by the Mines. Ms. Volpi noted that if the Subsurface were to get funding, we would need to expend funds to run utilities to the building, as well

as assess the need for another parking garage. These ancillary projects could have debt service in the amount of \$21.5 million. Ms. Volpi reported that if the infrastructure bill does not go through and there is no Federal funding available, management would continue its hold on the Subsurface Frontiers building construction and continue to assess Mines' overall financial position.

Ms. Volpi provided an overview of possible debt restructuring strategies that could be available if Mines faces a significant financial crisis.

Fiscal Year 2021 Budget preview Ms. Volpi presented a preview of the Fiscal Year 2021 Budget. She reviewed revenue scenarios for the best, middle, and worst cases and based on these scenarios she provided an overview of the options and areas of financial impact on enrollment, residential campus, research State and endowment/investment areas that included assumptions for the following: tuition rate increase of 0%; a slight increase of mandatory fees of 1.6%; room rate increase of 4% which the exception of Greek housing at an 8% increase; and board rate increase not to exceed 3%. Cost of attendance is projected to be less than 2%.

Ms. Volpi reported on the current State revenue forecast, which projects a \$3.3 billion shortfall. She noted the Joint Budget Committee (JBC) addressed this shortfall by reducing higher education by \$493 million or 58%. This reduction would be addressed through an infusion of \$450 million of CARES Act funding with net results to Mines of 5.3% or \$1.35 million for Fiscal Year 21. Mines will receive \$13.4 million in CARES Act funding to be used on COVID related expenses.

Ms. Volpi provided an overview of the projected operating revenue under various scenarios. Under the best-case scenario, the projection is a deficit of 10% in operating revenues. She reviewed the expense assumptions before cost saving measures that include eliminating pay raises next year, expenses and debt service for new residence hall, lab and course fee absorption into General Fund, contractual obligations to licenses maintained, continued online development and variable costs. Ms. Volpi reviewed current operating expenses noting a 7% decrease.

Ms. Volpi provided information on planned peer cost containment measures in comparison to what has already gone into effect at Mines such as hiring, salary and travel freezes; delay of capital projects; and administrative staff furloughs. She noted that Mines does anticipate 12% operating cuts. She reviewed personnel actions effective July 1, 2020, noting senior leaders will be cutting their salary by 10% through furloughs. She noted that any further furloughs would likely be targeted, depending on the severity of cuts necessary. She provided an overview of measures for reducing capital and deferred maintenance, debt restructuring and uses of reserves.

Ms. Volpi reported that based on CARES Act funding, the Governor is required to keep Mines at a maintenance of effort, which would be the average of our state funding for the three fiscal years 2017/2018/2019. Ms. Volpi also reported that enrollment numbers won't be confirmed until the census date in early September. At that point Mines will know exactly how many students are enrolled and occupying residence halls. She noted Mines is seeing strong registration for Fall from continuing students and an increase in graduate enrollment.

d. Action Items

Select Fiscal Year 2021 Budget item approvals Ms. Volpi provided an overview of the select Fiscal Year 2021 budget items for approvals. Below are select budget recommendations for consideration for approval *prior* to the June 26, 2020 Board meeting where the Board will consider for approval the complete Fiscal Year 2021 budget.

Tuition and Fees Ms. Volpi reviewed the recommended tuition and fees and asked the Board for approval. 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.

It is recommended to the Board of Trustees the Fiscal Year 2021 Budget items consisting of:

- 0.0% increase for resident and nonresident residential undergraduate and graduate tuition rates; ▪ 0.0% increase for online tuition rates;
- 0.0% increase for faculty-led study abroad tuition rates;
- 0.0% increase to all employee salaries;

- Increases to Room and Board rates; and ▪ Increases to Mandatory fees.

Trustee Haddon motioned to approve the tuition and fees as presented; seconded by Trustee Salazar. Approved 7-0.

BE IT RESOLVED that the Board of Trustees approves the Fiscal Year 2029 Budget items consisting of:

- 0.0% increase for resident and nonresident residential undergraduate and graduate tuition rates; ▪ 0.0% increase for online tuition rates;
- 0.0% increase for faculty-led study abroad tuition rates;
- 0.0% increase to all employee salaries;

- *Increases to Room and Board rates; and ▪ Increases to Mandatory fees.*

Concurrent Enrollment Tuition Rate ____ Ms. Volpi provided an overview of the proposed concurrent enrollment program for high school students in Jefferson County School District. Ms. Volpi invited Ms. Kester to provide information about the process. Ms. Kester reported this is a program to support a strong pipeline and that the program with Jefferson County is a starting point and the program will be expanding to other districts in the future. Ms. Kester reported that there would have to be space available and these students would not be taking space from current students and that all students will have to be admissible to Mines and meet all requirements.

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.

Trustee Starzer motioned to approve the concurrent enrollment tuition rate as presented; seconded by Trustee Sanders. Approved 7-0.

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 Concurrently enrolled students under an MOU with Jefferson County School District (only) consisting of:

New tuition rate equal to the Resident Community college rate.

Undergraduate Online Chemistry Course Tuition Ms. Volpi reviewed the proposed tuition rate for active duty military students who attend the undergraduate online chemistry course. Related to a question regarding security, Ms. Volpi reported that the content of the course will go through the Department of Defense (DOD) public relations department and cleared for release. She noted that the course has been vetted by Mines Research Compliance Officer and has been deemed compliant with export control regulations. Dr. Tompkins noted that she is comfortable with the vetting and sees an opportunity for relationship building with the entire Federal explosives education services and noted the DOD is excited for courses like this.

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.

Trustee Salazar motioned to approve the Undergraduate Online Chemistry Course tuition as presented; seconded by Trustee Sanders. Approved 7-0.

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 active military students (only) consisting of:

New tuition rate of \$250/SCH for the following courses:

- CHGN198A - Energetics General Chemistry I
- CHGN198B - Energetics General Chemistry II

Five-Year Capital Plan Ms. Volpi provided an overview of the five-year capital construction plan that is required to be submitted to the State for projected projects over \$2 million. She noted the Board is not being asked to approve specific projects, but simply a plan for possible future construction. Ms. Volpi confirmed that this plan does not include those projects that already were approved by the State such as the Subsurface Frontiers building. Chairman Jorden asked Ms. Volpi to provide the Board with maturity schedule for debt. She noted that refinancing is available to us prior to maturity and the call date by funding an escrow for bondholder payments. She reviewed a refinancing strategy, the scoop and toss, that would provide debt service relief in times of financial deficit.

It is recommended that the Board of Trustees approve of the Capital Construction Five-Year Plan (below) with a total project costs of \$139.20 million.

Mines 5 year Capital Construction Plan (in millions)							State Budget Cycle				
Project Title	Total Project Cost	State Requests	General Fund	Donation	Special Financing	FY 21	FY 22	FY 23	FY 24	FY 25	FY 26
1 Parker Student Center Expansion	\$ 11.00				\$ 11.00			\$ 2.50	\$ 8.50		
2 Residence Hall VII (400 beds)+ Dining Hall III + Recreation	\$ 93.00				\$ 93.00			\$ 18.60	\$ 50.00	\$ 24.40	
3 Library	\$ 13.00	\$ 10.00		\$ 3.00			\$ 2.50	\$ 10.50			
4 Early Childhood Education Center	\$ 7.60				\$ 7.60			\$ 1.20	\$ 4.80	\$ 1.60	
5 Subsurface Discovery Laboratory	\$ 10.00			\$ 10.00			\$ 1.50	\$ 6.50	\$ 2.00		
6 Operations Building	\$ 4.60				\$ 4.60			\$ 0.70	\$ 3.90		
Total	\$ 139.20	\$ 10.00	\$ -	\$ 13.00	\$ 116.20	\$	\$ 4.00	\$ 40.00	\$ 69.20	\$ 26.00	\$ -

Trustee McNeil motioned to approve the Five-year Capital Construction Plan as presented; seconded by Trustee Salazer. Approved 7-0.

BE IT RESOLVED that the Board of Trustees of the Colorado School of Mines approve the Capital Construction Five-Year Plan with a total project cost of \$139.20 million.

New Degree approvals Dr. Holz provided an overview of eleven new fully online Graduate certificate programs to launch this Fall launch and asked for Board approval. He noted the degree planning had been accelerated due to the current situation and thanked the Deans and faculty for getting it done. Dr. Holz reported that these new 11 certificates will be joining 13 other fully online Graduate degrees that will also launch this Fall. He noted that the Higher Learning Commission (HLC) provided a positive review of Mines application to offer online programs. Dr. Holz noted these degrees are all online, however, residential students will be accepted. Dr. Holz asked the Deans to provide more detailed information on the degrees.

Dr. Bradford, Dean of Earth Resources and Environmental Programs (EREP), provided an overview of the Graduate and Post-Baccalaureate Certificates for EREP. These programs are certificates for Data Science, Environmental

Modeling, Petroleum Data Analytics, Petroleum Geophysics and Underground Construction and Tunnel Engineering. He reviewed the coursework for each program and the credit hour requirements. Dr. Bradford reported on the increased demand for these online programs due to the COVID situation, noting it accelerates Mines goals for offering online content. Dr. Bradford reported that these programs are also in alignment with the Everspring Market study. He also noted that most of the courses for the certificates currently exist at Mines. Also noted was that Mr. Hughes is working on the marketing plan to move forward as soon as Mines receives accreditation from the Higher Learning Commission (HLC). The marketing plan includes targeted marketing to corporate contacts and specific companies as well as the general public, with a combination of marketing techniques that include social media, online and, direct contacts.

Dr. Moore, Dean of Integrative Studies, provided an overview of the proposed Graduate Certificates in Business Analytics, Entrepreneurship and, Product Management. He reviewed the coursework for each program and the required credit hours. He noted the ultimate goal of having separate online and residential programs. Dr. Moore reported on the expected revenue and cost noting that after the first year the revenue would fund the program. He reported that we already provide these courses and are developing them for online delivery for the certificates. Dr. Moore spoke briefly regarding the existing Humanitarian Engineering and Science certificate, noting the lowering of credit hours and removing an elective. He also noted that the Construction Management degree is currently being discussed and is in the planning stages but not ready to launch.

Trustee Sanders motioned to approve the new degree proposals as presented; seconded by Trustee Salazar. Approved 7-0.

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

- *Three Graduate Certificates from Economics and Business:*
 - *Graduate Certificate in Business Analytics*
 - *Graduate Certificate in Entrepreneurship*
 - *Graduate Certificate in Product Management*
- *Graduate Certificate in Petroleum Geophysics (Geophysics)*
- *Graduate Certificate in Environmental Modeling (Civil and Environmental Engineering)*
- *Graduate Certificate in Underground Construction and Tunnel Engineering (UCTE Interdisciplinary)*
- *Five Certificates from Data Science (Interdisciplinary)*
 - *Post-Baccalaureate Certificate in Data Science-Foundations (online or residential)*
 - *Post-Baccalaureate Certificate in Data Science-Computer Science (online or residential)*
 - *Graduate Certificate in Data Science-Statistical Learning (online or residential)*
 - *Graduate Certificate in Petroleum Data Analytics (online only)*
 - *Graduate Certificate in Earth Resource Data Science (online only)*

Faculty Handbook Amendments _____ Dr. Holz asked the Board to delay approval of this agenda item until the June 26, 2020 meeting. No action was taken.

Updated May 2020 Undergraduate graduation list Dr. Holz presented the amended May 2020 graduation list that included six additional students and asked the Board of Trustees for approval of the amended list.

Trustee Jesus motioned to approve the amended May 2020 graduation list as presented; seconded by Trustee Starzer. Approved 7-0.

BE IT RESOLVED that the Board of Trustees of the Colorado School of Mines approves the attached May 2020 graduation lists.

e. Regular Written Reports

Admissions and Enrollment report Ms. Kester reported that Mines' overall enrollment for Fall is approximately 100 students down and Graduate enrollment is up approximately 20 students. She noted that projections are difficult due to COVID and the lack of the on-campus Admissions events. She noted that Admissions is polling students and most indicate that they feel comfortable returning to campus for in-person classes. Ms. Kester reported that the Fall Study Abroad program was cancelled and pushed to Spring 2021. She provided an overview of Summer enrollment, noting it is up approximately 15% in Undergrad and 18% in Graduate and, that Fall enrollment to date is very encouraging. Ms. Kester reported that most universities are experiencing the same struggles. She reported that the deadline for accepts was extended again to July 1. There was discussion about travel bans and international students, and Ms. Kester reported that Mines has received commitments from many of those that are still in the United States. For those not in the U.S. Mines is offering online options. She noted the international enrollment is down by approximately 20. Provost Holz provided information about the plan to add cameras to classrooms so in-person lectures can be recorded and made available to students.

CSM Foundation and Alumni Relations report Mr. Winkelbauer provided an update on the Foundation activity. He reviewed the State of Mines event earlier in the week. He shared information regarding the We Are Mines and Student Emergency Fund mini-campaigns and noted they are getting a lot of support. He reported on the Rise Up for Mines funds and noted many companies and individuals have committed to matching donations. Mr. Winkelbauer also reported that Alumni resources are helping to identify internship and job opportunities for recent graduates. He provided information on other campaigns such as purchasing 3000 face masks for campus and working with Research and Technology Transfer on the InnoSphere innovation fund concept.

Mr. Winkelbauer reported that the Foundation did receive grant funding for payroll protection. He also reported that the Joint Operations Agreement between Mines, CSM Foundation and Alumni Board is being finalized. He noted the significant step the Alumni Association Board took by approving gifting the Foundation their assets, both restricted and unrestricted funds. He expressed his gratitude to Mr. Bill Zisch and Trustee Haddon, noting this is a milestone in the history of the university. Lastly, he reported that the largest gift in Mines history is in development; he is currently working with the donor and hopes to have the documentation completed by mid-June.

11:37 p.m. Motion to adjourn made by Trustee Haddon seconded by Trustee Salazar. Approved 7-0.

There being no further business the meeting was adjourned.



Anne Stark Walker, Secretary