

Approved at the 10/16/2020 meeting
BOARD OF TRUSTEES OF THE COLORADO SCHOOL OF MINES
MINUTES OF THE BOARD MEETING
Friday, September 11, 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., and an employee matter pursuant to §24-6-402(3)(b)(I), C.R.S., specifically, an update on an appeal of a faculty tenure decision

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

Trustees present virtually: Chairman Jorden, Trustee’s Burgess, Haddon, McNeil, Salazar, Sanders and Starzer.

Mines executives present virtually: President Johnson, Provost Holz, EVP Volpi, VP Fox, VP Tompkins, VP Han and VPGC Walker.

8:47 a.m. Executive Session concluded

II. Regular Meeting – 8:30 a.m. Virtual

8:51 a.m. Regular session called to order by Chairman Jorden.

Trustees present virtually: Chairman Jorden, Trustee’s Burgess, Haddon, McNeil, Salazar, Sanders, Starzer, Battalora and Kleeman.

Mines executives and directors present virtually: President Johnson, Provost Holz, EVP Volpi, VP Fox, VP Tompkins, VP Han, VPGC Walker and CSM Foundation President Winkelbauer.

a. Consent Agenda

The minutes from the August 10, 2020 meeting were submitted for approval.

Trustee Starzer motioned to approve the minutes as presented; seconded by Trustee Sanders. Approved 7-0.

b. Reports and Updates

President’s Report President Johnson provided an overview of the first three weeks of the semester. He thanked faculty, staff and administration for their hard work and dedication to the success of the semester. He highlighted the interest Faculty Senate has expressed in Mines@150, and noted that Student Life is doing a great job caring for the students. He reported the current students in quarantine felt supported. President Johnson provided information on the COVID Rapid Response Team (CRIT). He commended the students for following the Oredigger Promise and Trustee Kleeman noted her peers are taking that promise seriously.

President Johnson reviewed the new virtual format for the Career Fair noting it will be held over three days: September 15-16 and October 14. He provided an overview of the virtual program and noted that 65-70 companies are scheduled per day, which is approximately 60-70% of typical employer participation.

Chairman Jorden inquired about how the campus COVID positivity rate compares to the expectations of the administration. He also asked for President Johnson’s thoughts about best practices in light of media accounts of what other colleges are experiencing at this time. In response, President Johnson provided an overview on the testing being done on campus, noting that all residential students, athletes, fraternities and sororities are being

tested on a two-week schedule with results in 48-72 hours. With 300-400 daily tests being done, the positivity rate is lower than expected. Dr. Johnson also noted that testing is available to all campus faculty and staff at this time. Mr. Han stated that Mines' .36% positivity rate is relatively lower than that of the State's current rate at 2-3%. President Johnson provided information on how Mines is working to ensure our continued success with course delivery this fall. He noted there can be a number of steps between being fully open and fully closed. It was noted that at other universities many cases stem from external activities, and not from classroom interactions.

There was discussion regarding interaction with the Golden Community and Jefferson County Public Health, and the manner in which testing data is shared. Chairman Jorden asked Trustee's Battalora and Kleeman for their thoughts from a student and faculty perspective. Trustee Kleeman noted that the students appreciate the effort the administration is making to allow students on campus, though some are frustrated with the physical distancing guidelines. Dr. Fox shared his thoughts from a Student Life perspective noting that overall students have been following the guidelines. Trustee Battalora commended Information Technology Services (ITS) and the support faculty members have received in transitioning to remote delivery. She noted that of the one in-person class she has, 2/3 of those students elected for the remote option with the class being recorded in real time.

Board Committee Reports Trustee Haddon reported that the Finance and Audit Committee met on August 21, 2020. The Committee reviewed the non-GAAP financial statements for fiscal year end 2020 and a fiscal year 2021 outlook. The Capital projects plan was reviewed, as well as the non-Title IX SpeakUp@Mines reports. Also reviewed was the status of the fiscal year 2021 Internal Audit Plan, which included results from the Enterprise Risk Management (ERM) assessment. The investment Advisory Committee also met on August 21; Trustee Haddon reported that the investment pool fiscal year 2020 year end was \$292.6 million representing a slight gain of 1.04% compared to benchmark gain of 3.38%. He noted that the three- and five-year returns were 6.2% and 6.28% respectively. Also reviewed was the \$30 million university funds that are invested in the investment pool.

Financial Report Ms. Volpi provided a review of the financial highlights for fiscal year end 2020 representing a \$17.4 million surplus, a significant increase compared to the budgeted \$7.5 million. The key factors for the additional surplus were tuition revenue increases due to enrollment for fall 2019 and summer session along with increased research activity. Another factor to the surplus was higher than expected investment dollars and, the cost savings due to expense reduction efforts. Ms. Volpi reported that the surplus was put in reserves for future contingency. She reviewed the \$3.4 million CARES Act funding received by Mines which was used to refill the \$1.7 million in housing deficit when students moved out and \$1.7 million was granted to students. Ms. Volpi provided an overview of the Higher Education Emergency Relief Fund (HEERF) that was created in March where Mines received \$13.4million to offset the cut in fiscal year 2021 state funding noting that this must be spend by the end of calendar year 2020.

Ms. Volpi provided a preliminary review of the fiscal year 2021 outlook. She reported on the census enrollment data, which is preliminarily showing 400 more students than budgeted. She provided a summary of certain pending federal legislation: the HEALS Act, a \$1 trillion Senate bill that would allocate \$29 billion to higher education; the HEROES Act, a \$3 trillion House bill that would allocate \$37 billion to higher education; and the Moving Forward Act, a \$1.5 trillion House infrastructure bill that would include possible federal funding for the Subsurface Frontiers Building.

There was discussion regarding separately tracking for COVID costs. Ms. Volpi noted that \$3.365 million has been spent thus far on COVID related expenses. Ms. Volpi reported much of the expenses were the result of the live lecture project, PPE purchases, salaries on COVID related positions, and testing expenses. Ms. Volpi noted that she will bring to the Board at the October 16 meeting exactly what the enrollment revenue impact will be. She reported that Mines has not had to dip into the reserves yet to cover any of these costs.

Ms. Volpi noted that she will present to the Board at the October meeting the updated Enterprise Risk Management summary results.

Faculty Senate report Dr. Andy Herring, newly elected Faculty Senate President, provided an overview on current Faculty Senate business. He reported that the Faculty Senate Executive Committee began meeting in May 2020 and throughout the summer, and made progress in planning focus areas for the upcoming year. Dr. Herring noted these include Diversity, Inclusion and Access (DI&A) issues, helping to drive needed changes to policies and promotion of certain events. He reported that the Faculty Senate has worked closely with Dr. Holz and noted he has been invited to the University Cabinet to focus on COVID 19 related issues. Dr. Herring noted that many faculty members have school-age children at home, and that this needs to be addressed at the Cabinet level. He reported that the Senate plans to re-organize Senate operations, in particular, the time when the Senate is in session. There is a need for the Senate to meet over the summer to approve new programs and support Mines@150 goals. Dr. Herring reported on the Faculty Senate support of the student signature experience, an integral part of Mines@150, and noted President Johnson presented on this at the Faculty Senate meeting last week. He stated that there will be new Faculty Senate initiatives developed in that area. Finally, he provided an overview of a standing committee to be set up to help update the procedures manuals. Dr. Holz complimented Dr. Herring on his leadership, noting he is enthusiastic about engaging with Faculty Senate this year.

c. Presentations and Discussion

Research and Technology Transfer update Dr. Tompkins provided a review the impact of COVID 19 on the research activities on campus. She reviewed the processes for approval to be on campus for research, acknowledging they were manual and tedious. The process has now been streamlined with the help of students who turned it into a very efficient system. She noted that this process is being kept in place in case there is a future need. She reported that researchers are committed to following the rules, and Mines has complex scheduling software to help with physical distancing compliance. She noted that over a thousand people routinely access our research facilities. She reported that proposals have increased over last year and our research volume appears to be healthy. Dr. Tompkins stated that COVID 19 related needs of the faculty are being prioritized. She noted a number of Mines researchers are supporting the pandemic response and recognized the researchers looking at wastewater as an early way to detect the virus. Those who are doing mathematical modeling can help to make real time adjustments to the testing plan, and another group of researchers is involved with testing on HVAC and air handling systems at Mines. Dr. Tompkins reported that the Computer Science department will have a robot outside of Mines Market to thank students for wearing masks.

Dr. Tompkins provided an overview of awards and expenditures. She reported another \$9 million received from Peru will come in this fiscal year 2021. She noted that expenditures will continue to climb and reviewed the process of how the awards are contracted, received and expensed out, noting these all are indicators of research health. Dr. Tompkins noted the campus overhead charges flow through and are included in both awards and expenses.

Dr. Tompkins reviewed Mines technology transfer highlights for 2020 and provided information on commercialization metrics. She reported that license revenue increased significantly this year. Dr. Tompkins provided a peer review comparison that was created by Dr. Will Vaughn. She noted that overall, Mines' faculty base is inventive and the numbers hold up well to the majority of peer institutions.

There was discussion regarding the testing strategies for the HVAC and air handling systems and Dr. Tompkins agreed to share some of that information with Trustee Burgess.

Campaign for MINES@150 update Mr. Winkelbauer provided an overview of the past year's fundraising efforts, and discussed the planned Campaign Launch for Mines@150, which will be streaming live on October 7 at 6pm. Mr. Winkelbauer reviewed how a campaign can build community, volunteerism and advocacy. He reviewed the preparation for the launch which included a day of filming and building on the financial momentum from last year. He noted that having the staff, resources and university colleagues working together and collaborating was invaluable to the campaign. Mr. Winkelbauer summarized the lead gifts that have been received and have put the campaign at 50% of the \$450 million goal. He provided an overview of the priorities and focus areas of the campaign, and what it means to make Mines a top of mind institution. This reflects the

Mines@150 strategic plan. Mr. Winkelbauer reviewed the Mines@150 priorities and how the Foundation is tracking the progress towards those. He reported on the visionary gifts received for nearly every fundraising category and highlighted the visionary gift from Charlie and Judy McNeil. McNeil Hall is active and now open at the McNeil Center for Entrepreneurship and Innovation. Mr. Winkelbauer acknowledged Trustee McNeil who reported he and Judy were on campus recently and excited to see students using the facility.

Mr. Winkelbauer noted that the Trustees are invited for the State of Mines Town Hall on September 16 at 6:00 p.m., a live event.

New Faculty Hires Dr. Holz provided an overview of the new faculty hires this year, noting that searches were stopped in March due to the pandemic and there are fewer tenure/tenure track faculty members than normal. He reviewed the diversity of the new faculty reporting that 50% are highly qualified women. He highlighted the newly hired Dean of Graduate Studies and noted that the remaining 11 faculty hired were non-tenure/tenure track teaching faculty, which are critical to Mines' operations. There was discussion regarding the possibility of hiring remote faculty outside of Colorado and Dr. Holz reported that currently there has been a good pool locally so there has not been a need. He also noted that may be a consideration for Mining faculty that are hard to come by locally. Dr. Holz suggested that Professors of Practice who provide a tremendous opportunity for Mines students could live outside the State. There was a brief discussion regarding the hiring of Ph.D.'s who graduated from Mines and Dr. Holz noted they are all great leaders, role models and instructors.

d. Action Items

Personnel action Dr. Holz reported that a tenure appeal had been addressed consistent with the appeal procedure provided in the Faculty Handbook. He noted that his recommendation on this tenure application had not changed.

The Board of Trustees voted to re-affirm the AY 2019-2020 promotion and tenure decisions consistent with the recommendations that Provost Holz put forth to the President and Board last spring.

Motion was made by Trustee McNeil to re-affirm the promotion and tenure decisions made by the Board based on Dr. Holz' recommendations at its April 3 and May 1 meetings; seconded by Trustee Salazar. Approved 7-0.

Bond refinancing update Ms. Volpi provided a summary of bond refinancing opportunities for two outstanding issues; 2010Bs and 2012Bs totaling approximately \$16 million which include approximately \$3 million savings over time. She reported that the savings from refinancing 2010B would go back into the capital construction fund for students to vote on, and the 2012B would go back into the housing funds. Trustee Haddon stated that it had been discussed at length at the Finance and Audit Committee meeting and since there is a savings the Committee is forwarding to the full board for approval.

Pursuant to the authority conferred upon it by §23-41-104(1), C.R.S. (2008), the Board of Trustees has the power to borrow funds, to issue securities and refunding securities. The Finance and Audit Committee reviewed the refinancing plan for the 2010B bonds and a portion of the 2012B bonds totaling approximately \$16 million and recommends approval of this refinancing to the Board of Trustees.

Trustee Salazar motioned to approve the bond refinancing as presented; seconded by Trustee Sanders. Approved 7-0.

BE IT RESOLVED that the Board of Trustees of the Colorado School of Mines approves the refinancing of the 2010B bonds and a portion of the 2012B bonds totaling approximately \$16 million.

Capital Projects Cost approval Ms. Volpi provided an overview of three projects that were previously approved by the board and have cost increases. The first project is the Subsurface Frontiers Building with a board approved amount at \$121.0 million and current cost at \$156.4 million. Ms. Volpi reported that the

increase in costs are related primarily to using concrete structure rather than steel; enhancing the design with terra cotta skin versus brick, interior finishes and an expanded cafeteria. Also included in the cost increase is high performance computer requirements and, additional costs for mechanical control system noting there would be a significant savings in operating costs after six years. Ms. Volpi reported on the federal stimulus bill sponsored by Congressman Perlmutter that passed the House of Representatives on July 1, 2020. Next steps are the Senate vote on the bill and obtaining the needed appropriations. Should the bill pass, the appropriation will be to the USGS and thus the building will be a federal government building on Mines-owned land. The details of this arrangement will be negotiated with USGS and codified in agreements. Ms. Volpi noted that she and President Johnson have been meeting with USGS Director Jim Reilly regarding the Subsurface Frontiers building, and confirming their interest in ensuring Mines has a significant occupancy of the building and a voice in managing it. Mines is exploring an appropriate agreement to reflect this. Mines would manage the maintenance of and pay for the operation and maintenance of the building. The timing of this is uncertain and could go into late winter or early 2021.

Ms. Volpi provided a summary of the Labriola Innovation Complex cost, which was approved at \$17.5 million by the Board in May 2019. The new cost is \$22.0 million primarily due to increased scope for the ancillary buildings, the GRL annex and the truck shop. The GRL annex will be remodeled to include a new home for Engineering Design Society (EDS) and the scope for the Truck Shop was changed to be a completely renovated shop to include a specialized lab for a faculty member. Ms. Volpi noted these renovation costs would normally be addressed in the annual capital budget however, due to their adjacency to the Innovation Hub and the opportunity for fundraising, the new costs are included in the larger project. It was noted that the lead donor who provided \$10 million to date is anxious to move forward, and Ms. Volpi noted that students voted to support \$5 million for the building from a construction fee fund. The Labriola Innovation Complex is part of the key infrastructure in the Mines@150 expanding learning and innovation on campus. Ms. Volpi noted that the Foundation is working on future gifts and that Mines would plan to bridge fund any remaining needed funds.

There was discussion regarding how Mines is learning from the pandemic in the design of the new buildings. Ms. Volpi reported that Mines looks at final designs and will make any necessary changes to HVAC as warranted and according to best practices learned from COVID.

Ms. Volpi provided an overview of the Utilities project that was approved by the Board in May 2019 for \$10 million noting the cost is now estimated at \$13 million. She reported the estimated cost increase is due to the increased requirement for the Subsurface Frontiers building and the Beck Venture Center which include the need for an additional electrical feed from Xcel and a large generator. She noted that this project will not move forward until the Subsurface Frontiers building, the Parking Garage II and/or the Beck Venture Center projects move forward. Funds for this project is bond proceeds.

Ms. Volpi summarized the cost increase of all three projects. There was discussion regarding bridge funding the Labriola Complex so that construction can begin on the Innovation Hub. Ms. Volpi noted that construction is anticipated to begin late winter. There was also discussion regarding the Beck Venture Center. It is currently being re-designed and may become a stand-alone facility not attached to a parking garage. This will result in a new cost estimate. Mines has a good start on the funding with \$5.5 million in gifts. There was discussion regarding the parking garage being contingent on the Beck Venture Center or the Subsurface Frontiers Building. Ms. Volpi reported that Mines is redoing the need analysis for the second parking garage based on new remote working opportunities and the pause on the projects.

Pursuant to authority conferred by §23-41-104(1), C.R.S. (1988) and as required by §23-5-119.5(1), C.R.S. (2012), the Board of Trustees has set forth a policy for the approval of all capital construction projects. Mines policy for Capital Construction and Real Estate Conveyance stipulates that the Board of Trustees approves all capital projects with a total project cost of \$5 million and higher.

The Finance and Audit Committee has reviewed the revisions and recommends to the Board of Trustees for approval. The construction won't begin until the full financial picture is brought back to the Board with the caveat that the Labriola Innovation Complex not be held back.

Trustee Haddon motioned to approve the capital projects cost as presented; seconded by Trustee Salazar. Approved 7-0.

BE IT RESOLVED that the Board of Trustees of the Colorado School of Mines the approves the following project costs with the caveat that construction not begin until full financial strategy is in place and approved by the Board:

\$156.4M Subsurface Frontiers
\$ 22.0M Labriola Innovation Complex
\$ 13.0M South Campus Utilities

Apteryx Indemnification approval _____ Ms. Volpi provided an overview of dental imaging processing and hosting services software to be provided to the Student Health Center Dental Clinic noting that Apteryx Dental Imaging software agreement stipulates that both Mines and Apteryx will hold each other harmless. She noted there has been a legal review and risk analysis of the indemnification provision, and it is recommended to the Board for approval.

Pursuant to C.R.S. § 23-5-106, the Board of Trustees are asked to consider and approve whether the Apteryx Dental Imaging Software Agreement serves a valid public purpose and whether the risks of agreeing to the indemnification are sufficiently limited and outweighed by the benefits of the Agreement, such that the University is authorized to execute the Agreement on behalf of the Board.

Trustee Starzer motioned to approve the Apteryx indemnification as presented; seconded by Trustee Salazar. Approved 7-0.

BE IT RESOLVED that the Board of Trustees of the Colorado School of Mines approves the indemnification language in the Apteryx Dental Imaging Software Agreement, and authorizes the President or his appropriate delegee to execute this Agreement.

e. Regular Written Reports

Admissions and Enrollment report _____ Ms. Kester provided an update on enrollment noting the numbers are still preliminary and won't be final until September 14. She provided a review of the summer numbers noting that there were 1172 freshman, domestic and international students. She reported that there are approximately half the number of international students due to the difficulty in obtaining visas and, many are doing remote learning. There are 167 transfer students and Graduate students are up by 89. She reported significant growth year over year in total enrollments for Undergraduate and Graduate students and noted that last year was approximately 1282 and that most all have returned, making the retention rate approximately 92%, matching prior years. Ms. Kester stated that Mines is seeing a strong outcome because of the way it handled the Spring semester disruption and transition to remote delivery, offering credit for dorm fees and maintaining communication with students.

Ms. Kester provided information looking ahead at Fall 2021 reporting on the State of Colorado's decision to become a test optional State due to the inability for students to take SAT tests this year. She noted this presents Mines with new challenges regarding assessing applicants. Recruitment strategies will need to be reimaged with recruitment events on digital platforms throughout the country. Ms. Kester provided an overview of the events this year that included Town Halls, 1:1 info session, virtual tours, and, the new Artificial Intelligence online chat-bot to help answer questions. She summarized the events and services that shifted to meet the needs of the Fall 2020 class. She reported that underrepresented minority students and first-generation students had increased, but women students declined slightly.

Trustee Starzer thanked Ms. Kester for the great job the Admissions team has been doing. There was discussion regarding Colorado becoming a test-optional State. Ms. Kester reviewed the new Admissions website, which

explains to students and families and how to move forward now that these test scores are not required. There was discussion regarding the low number of students of color submitting applications and how minorities have been disadvantaged due to COVID. It was noted that parents are worried about COVID and many minority students are taking a gap year.

Capital Planning and Construction update _____ Ms. Volpi provided a brief update on the status of the Labriola Innovation Complex and the Beck Venture Center. She then invited Dr. Steve Enders to provide an overview of the Subsurface Discovery Lab. He reviewed the project purpose and the vision for the project, including a brief history of what led to the decision to plan for a new rock-based lab specifically for interdisciplinary teaching. Key elements in the lab are the Core Research and Learning Center and, a critical equipment and Earth Mechanics Institute (EMI). He noted that there are some legacy labs and equipment on campus that are still valuable and will be repurposed for this lab. The estimated size is 31,000 gross square feet with an approximate cost of \$15 million. Dr. Enders reported that the lab is essentially a large warehouse space where boxes of core are stored in racks. He stated that currently they are in the program planning phase with the hopes of having students in seats by 2024 to be ready for Mines@150. Dr. Enders described the lab as more like a workshop with a high bay, overhead cranes and specialized labs. He noted that all labs would have to find additional funding for any additional equipment to build out individual labs but, that current equipment at Mines would be repurposed for the lab. There was brief discussion regarding the digitizing of core samples and virtual learning possibilities. The Subsurface Discovery Lab would be the central rock work on campus.

Ms. Volpi provided a status update of Spruce Hall construction noting that the lounge and fitness center will be complete in September and the landscaping done in mid-October.

CSM Foundation and Alumni Relations report _____ Mr. Winkelbauer had no further updates.

Trustee Haddon inquired if there was a plan for the Board meetings to begin to meet in person again. Mr. Han noted that due to the physical distancing requirements as the result of the pandemic, and space limitations on campus due to that, in-person meetings would be difficult. He recommended continuing virtual meetings for the current semester and re-visiting the issue in Spring. Trustee McNeil thanked President Johnson for keeping the campus open and acknowledged the tremendous effort by the leadership team, faculty, staff and the entire Mines community needed to ensure a successful academic year. Chairman Jorden noted that students, faculty, and staff seem to be a united team together, and thanked them all.

11:08 a.m. Motion to adjourn made by Trustee McNeil. Approved 7-0.

There being no further business the meeting was adjourned.



Anne Stark Walker, Secretary