

Approved at the 12/3/2021 meeting
BOARD OF TRUSTEES OF THE COLORADO SCHOOL OF MINES
MINUTES OF THE BOARD MEETING
Friday, October 22, 2021
In-person and Zoom Meeting

I. Executive Session – 8:00 a.m. in-person and Virtual

To discuss legal advice pursuant to §24-6-402 (3)(a)(II), C.R.S.; update on potential property transaction per CRS 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.

Trustees present in-person: Chairman Jorden, Trustee’s Grewcock and Salazar.

Trustees present virtually: Burgess, Sanders and Starzer.

Mines executives present in-person: President Johnson, EVP Volpi, VP Fox, VP Bradford, VP Han, VPGC Walker and Mines Foundation President Winkelbauer.

Mines executive present virtually: Provost Holz.

9:08 a.m. Executive Session concluded.

II. Regular Meeting – 9:00 a.m. In-person and Virtual

9:19 a.m. Regular session called to order by Chairman Jorden.

Trustees present in-person: Chairman Jorden, Trustee’s Grewcock, Salazar, Gardner and Saxena.

Trustees present virtually: Burgess, Sanders and Starzer.

Mines executives present in-person: President Johnson, EVP Volpi, VP Fox, VP Bradford, VP Han, VPGC Walker and Mines Foundation President Winkelbauer.

Mines executive present virtually: Provost Holz.

a. Consent Agenda

The minutes from the September 10, 2021 meeting were submitted for approval.

Trustee Salazar motioned to approve the minutes as presented. Approved 5-0.

b. Reports and Updates

President’s Report _____ President Johnson provided a brief overview of the current semester noting that Fall break just concluded. He reviewed Homecoming events, which included the McNeil Hall ribbon cutting, and reported a great turnout of alumni at the events. Dr. Johnson reported on Dr. Bradford’s review of the first-year study abroad program in France, which was the first time students were allowed to start study abroad in their Fall freshman semester. The students finish their freshman year on campus during the Spring semester. He reported on interesting international partnerships being cultivated and noted that Dr. Copan and faculty members hosted a team from the Universidad Nacional de Trujillo (UNT) in Peru. This collaboration would be on the same scale as the UNSA relationship, but with a broader scope in mining activities.

President Johnson noted he will be bringing Mines@150 updates to future meetings. Such updates will address the Signature Student Experience, the Entrepreneurship and Innovation activities around the Venture Center, and related programming. He reported there are already approximately 20 startups involved in the E&I program with the make-up of those companies being one-third student, one-third faculty and one-third alumni-based. President Johnson thanked Trustee Salazar for his involvement, and reported Mines is close to establishing a Venture fund.

President Johnson provided a brief overview of the filming on campus for Amazon Prime's program, "College Tour," in which Mines is a featured university. This is scheduled to air in a few months. Mr. Hughes reported that Mines will have editorial control and receives the B-roll for other uses.

President Johnson reported that all athletic Fall sports ranked in the top 25 in Division II, with many in the top 10.

Board Committee Reports Trustee Salazar reported that the Finance and Audit Committee (FAC) met on October 12, 2021. He reported that the first quarter of 2021 operating budget and forecast were reviewed. He noted the committee also reviewed the Mines Park pre-development agreement and recommends this to the full Board for approval. The committee received updates on capital projects and Trustee Salazar reported no major concerns. The committee also reviewed SpeakUp@Mines reports. Trustee Salazar reported no major concerns with the internal audit updates and business impact analysis.

Financial report Ms. Volpi provided an overview of the financial highlights of the first quarter operating results. She reviewed the projected revenue increase resulting from a higher fall enrollment than anticipated. She noted that due to the projected revenue increase, the budgeted one-time use of reserves was not needed and was removed. Expenses are projected to increase primarily due to the higher enrollment, the reinstatement of operating budgets that were previously cut, and other needed increases. She noted that we are projecting a decrease in our fringe benefit rates due to more participation in the Mines Defined Contribution retirement plan (funded at a lower cost) and a decrease in our health and dental benefit plan rates.

Ms. Volpi reviewed the preliminary, unaudited June 30, 2021 financial statements. She reviewed the Balance Sheet, noting an increase in assets primarily due to an increase in accounts receivable and investments, and a decrease in liabilities due to a reduction in bonds payable from standard principal payments, a reduction in the PERA unfunded liability, and an increase in capital lease payments due to the 1750 Jackson residence hall. She reported that unrestricted assets, when adjusted for the cumulative PERA adjustments, is \$147 million.

Ms. Volpi reviewed the income statement for the year noting that operating revenue is down 5% due to a reduction in state funding, both Fee for Service and the College Opportunity Fund, an increase in financial aid commitments, and an increase in research activity. She reported gross tuition remained flat.

Cybersecurity report Ms. Volpi invited Dr. Sendze to provide an overview of the annual cyber security report. Dr. Sendze noted that Cybersecurity was ranked as the top of six risks identified by the recent Enterprise Risk Management Assessment.

She reported that the fastest growing cybercrime is ransomware in terms of both frequency and cost. She provided information on how ransomware is used to attack higher education institutions and reviewed the costs of those attacks. She stressed the importance of using preventative measures such as multi-factor authentication. She noted that we do carry cybersecurity insurance coverage. She reported on phishing attempts, and future institutional actions to mitigate risk.

Dr. Sendze reviewed Mines' level of preparedness to respond to cyber-attacks compared to other Colorado universities. She reported that we use third-party security firms and penetration testing to augment our internal preventative measures. She reported Mines has made significant investments recently to address cybersecurity concerns. Trustee Salazar asked whether we know what our investment per person amount is; Dr. Sendze will provide that information at a future meeting.

c. Presentations and Discussion

Branding and Positioning Initiative Mr. Hughes introduced the Ologie team, Mr. Doug Edwards, Mr. Nathan Thornton, and Ms. Colleen Carrow. He briefly reviewed the discussion from the last Board meeting regarding making Mines the top-of-mind, first choice in universities, and noted the Ologie consulting team has been brought in to identify what is special about Mines for branding and positioning purposes.

The Ologie team provided an overview of what a brand is, identifying the audience, the importance of a great story, and the impact of a strong brand, noting that branding is a component to help tell Mines' story and deliver desired results. The team reviewed the collaborative process, goals and objectives, and the process for building a strong partnership with Mines. They provided an overview of their primary goal to develop a comprehensive brand platform and messaging strategy by using the Mines@150 strategic plan to articulate the differences in Mines.

The Ologie team provided information on positioning Mines as the top-of-mind and first-choice university for students, corporate partners, faculty, and staff. And they reviewed the strategy for building a foundation for future marketing and communication efforts. They provided an overview of the phases and timeline through final activation, execution, and launching of the brand. Ologie opened the presentation for discussion and questions.

It was noted that Ologie will be interviewing faculty and students on campus to help identify Mine' strengths and aspects of the unique campus culture with the primary focus on STEM. They noted the importance of the history and transformation of Mines and its importance to the storytelling. There was discussion regarding the importance of the policy makers as an important stakeholder group, and the need to be top-of-mind with Federal and State governmental departments and officials. Further discussion followed regarding the current tag line of Earth, Energy and Environment, and the importance of diversity and having the female and under-represented student perceptions included in the brand research.

d. Action Items

Mines Park pre-development agreement Ms. Volpi provided an overview of the Mines Park initiative. She reviewed the selected partner, Capstone Development Partners (Capstone). She provided information on the initial site plans, and reviewed the project highlights, including the key elements of the Capstone proposal. Ms. Volpi provided an overview of the economic considerations and asked the university development advisor, Mr. Eric Bram from Reith Jones Associates, to provide additional information. Mr. Bram reviewed the project highlights, and the value Mines is receiving, as well as provided an overview of the transaction structure. Ms. Volpi noted that the objectives of this project are to engage a long-term, invested partner, and to defease existing Mines Park debt.

Ms. Volpi provided a brief review of the pre-development agreement. She reviewed the timeline for financial close, which is projected to be in May or June 2022. She reported the pre-development agreement is intended to address the activities and parties' responsibilities from the time of developer selection to financial close.

Ms. Volpi reviewed the next steps for the project, including due diligence, design, convening focus groups, and negotiating agreements. At this time, she seeks approval from the Board only to execute the pre-development agreement.

The Board of Trustees Contract Approval Policy requires Board approval to enter into contracts for any expenditure exceeding \$5M. Section 3.3 of the policy provides:

All contracts obligating Mines to expend a sum of money \$5M or more, or to convey an interest in real property, must be approved by the Board. Once approved, the President or

his/her designee may execute such agreement.

Given that the potential dollar value owed by Mines during the term of the pre-development agreement may exceed \$5M under certain circumstances, Board authorization is requested to enter into the agreement with Capstone for the redevelopment of Mines Park.

Trustee Salazar motioned to approve the Mines Park pre-development agreement as presented; seconded by Trustee Grewcock. Approved 5-0.

BE IT RESOLVED that after review and discussion, the Finance and Audit Committee recommends to the Board of Trustees of the Colorado School of Mines to authorize the President or his designee to execute a pre-development agreement with Capstone Development Partners pertaining to the redevelopment of Mines Park.

Sabbatical reports _____ Dr. Holz provided a summary of the sabbatical reports and recommended them to the Board for approval.

Trustee Salazar motioned to approve the Sabbatical reports as presented; seconded by Trustee Grewcock. Approved 5-0.

BE IT RESOLVED that the Board of Trustees of the Colorado School of Mines approves the above sabbatical reports for Academic Year 2020-2021.

Promotion and Tenure approval _____ Dr. Holz recommended the Board approve the Promotion and Tenure as presented.

Trustee Grewcock motioned to approve the promotion and tenure dossiers as presented; seconded by Trustee Salazar. Approved 5-0.

BE IT RESOLVED that the Board of Trustees of the Colorado School of Mines approves the following recommendations of promotion and/or tenure:

Tenure-Line Faculty: Promotion and Tenure (as appropriate)

- Joy Gockel (Mechanical Engineering, start Aug. 2021): recommend tenure at hire
- Carl Frick (Mechanical Engineering, start Nov. 2021): recommend tenure at hire
- R. Iris Bahar (Computer Science, start Jan. 2022): recommend tenure at hire

e. Regular Written Reports

Admissions and Enrollment report _____ Dr. Holz had no substantive updates and reported that applications are at the same place as the same time last year partly due to the use of the Common Application. He reported the census data matched September at a total of 1449 students. There was discussion regarding transfer students. Dr. Holz provided information regarding the articulation agreements that allow the student to know in advance the courses that can transfer to Mines. He reported Mines was the first to establish an Associate of Science degree with the Community College System.

Research and Technology Transfer report _____ Dr. Copan provided a brief update on the Research Advisory Board's current business. He reported that engagements with members of Congress, Senate and House have been positive, and Mines has been approached to provide input on national innovation agenda. He briefly updated on space allocation plans, and the work currently happening to bring faculty together with leadership. Dr. Copan provide additional information on the NREL relationship announcement regarding the GlobePark partnership with

Mines and other academic institutions to utilize the minimum-security prison site, Camp George, through a Federal and State land swap.

Faculty Senate Report _____ Dr. Düzgün provided a brief update regarding Faculty Senate business. She reported that the Mining Department has the largest female faculty pool in the U.S. She provided an overview of the Signature Student Experience process and noted the development of a new committee on Diversity, Inclusion and Access in faculty practices. Dr. Düzgün provided additional information regarding the developing efforts in curriculum review in the coming year and reported on the business of the Undergrad and Grad Councils. She reported on the new initiative for recommendations on online course and establishing standards for review of new courses.

CSM Foundation and Alumni Relations report ___ Mr. Winkelbauer provided a brief update the Foundation's work with donors to establish scholarships to support transfer students. He reported that both Homecoming and Reunion were successful alumni events. He thanks Trustee Starzer for participating in the Board of Governors meeting and noted the Alumni Association Board also met during that time. He thanked Trustee Salazar for his involvement in the Diversity, Inclusion and Access efforts. Mr. Winkelbauer provided information on the current funds allocated for K-12 outreach and reported that he is working with President Johnson and Dr. Amy Landis on an RFP to release to campus for programming proposals to reach a broad set of students in several school districts and schools. He reported that a few donors have given money towards this programming and the Foundation seeks proposals for how this money should be used.

f. Board Discussion

External communications related to Mines' contributions to Earth, Energy and the Environment Chairman Jorden opened the discussion and asked if there was any further discussion on this topic. Trustee Saxena noted that the M Climb is a great analogy for how Mines student success is differentiated from other universities. Further conversation followed regarding branding and the different internal and external perspectives.

President Johnson noted as we go back to meeting in person, he would like to begin having the Board tour new campus facilities and allocating time for such activities.

11:57 a.m. There being no further business Chairman Jorden adjourned the meeting.



Anne Stark Walker, Secretary