

RECORD OF PROCEEDINGS

Golden, Colorado
January 25, 2008

The Board of Trustees met in regular session on January 25, 2008 in the Coors Board Room.

Present: Trustees Cowart, DeFilippo, Hutson, Nyikos, Spaanstra, Tschatschula, and Student Trustee Nelson. Absent: Trustee Craig.

Also in attendance: President Scoggins, Provost Middleton, Vice Presidents Chevront, Poate, Volpi and other staff members and visitors.

Trustee Nyikos presided.

Approval of Minutes. Trustee Tschatschula made a motion, seconded by Trustee Hutson, that the minutes of the December 13, 2007 regular session be approved as submitted. Motion carried.

Board Committee Reports. Trustee Hutson reported that the Finance and Audit Committee met via teleconference on January 15, 2008 to discuss the audit. He also indicated that the School carries insurance as part of the bonding process. In recent months, there has been uncertainty with the insurers primarily due to the deterioration of the sub-prime market and the insurer's respective exposure to that market. While there is not an issue with the School's current insurer at this time, Vice President Volpi is obtaining quotes from other companies, should any shifts in the market negatively impact the School's bonds.

Trustee DeFilippo inquired as to the status of recent internal audits and indicated he would like a list of completed audits. President Scoggins reported that the audits currently in progress are of the Minority Engineering Program and Student Activities fees. He also reported that another part-time auditor has been added to the staff.

President's Report. President Scoggins introduced Dr. Wendy Harrison who has been appointed to the Associate Provost position.

President Scoggins reported that, with the assistance of the Foundation, the School has acquired the Ford dealership property as well as the Ellickson property at 7th Avenue and 19th Street. These acquisitions are important for the School and will be included in the updated Facilities Master Plan.

President Scoggins reported that he is pleased to report that a biology laboratory has been added to Brown Hall and thanked Dr. James Ely for his efforts on this project.

President Scoggins gave an update on recent legislative activity. He indicated that he presented information on the School's outlook to the Joint Budget Committee on December 18 and that Trustee DeFilippo attended that presentation. On January 18 President Scoggins and

other Colorado university presidents testified at a joint briefing of the House and Senate Education Committees on the challenges and opportunities facing Colorado's institutions of higher education. Trustee Hutson attended this briefing as well. President Scoggins reported that the current funding allocation plan for this year is to continue with an across the board model rather than use the results of the NCHEMS analysis. Using this model, it is anticipated that Mines would receive approximately 1.7M. Trustee DeFilippo inquired as to whether there would be any "catch-up" unfunded enrollment money. President Scoggins reported that it does not seem likely in the current year. He indicated that it is likely that the Hall of Justice demolition project may be funded. Funding for the Brown Hall addition is less certain.

President Scoggins reported that he was invited to speak at a Society of Petroleum Engineers (SPE) Education Colloquium in Houston on January 10 to discuss the future of petroleum engineering education. While he was in Houston he also had a number of meetings and attended an alumni and friends reception.

President Scoggins reported that incoming Trustees Cowart and Spaanstra participated in a half-day orientation program on January 21.

President Scoggins reported that he has become a member of Colorado Concern.

In regard to the May 2008 commencement, President Scoggins announced that Dr. Daniel Yergin has been confirmed as the commencement speaker. An invitation is being sent to Dr. James Cronin, who received a Nobel Prize in physics in 1980, to be the speaker for the Graduation Banquet, since he will be in town for the International Astroparticle Physics Symposium around that time.

President Scoggins provided an update on the Petroleum Institute and reviewed some potential opportunities in Kazakhstan.

President Scoggins reported that the School is waiting to hear from the Colorado Department of Higher Education on the status of the performance agreement renewal.

Research Activities Report. Vice President Poate provided an overview of research highlights for the months of November and December. He highlighted several recent awards and discussed several recent joint proposals to the National Science Foundation.

Financial Report. Vice President Volpi reviewed the *Statement of Net Assets*, *Statement of Revenue and Expenses* (in the All Funds Operating Budget format) and a *Statement of Cash Flows* for the period ending December 31, 2007. She remarked that tuition revenue remains strong, particularly in regard to non-resident enrollment. There are no unusual items to report on the expense side. Ms. Volpi reported that the School's audit will be released on February 5 and each Trustee will receive a copy. While the audit standards are becoming more rigid, no major concerns were noted. Several process improvements were identified, and these improvements have already been implemented.

Oath of Office. Trustee Nyikos administered the oath of office to incoming Trustees, Ms. Vicki Cowart and Mr. James Spaanstra.

Amendment of Bylaws Regarding Officer Elections & Election of Officers and Committee Assignments. Trustee Hutson made a motion, seconded by Trustee DeFilippo, to table these agenda items until the next board meeting. Motion carried. Trustee DeFilippo indicated he had several suggestions for improvements to the Bylaws. Trustee Nyikos asked the Trustees to provide any input on Bylaws changes to Ms. Chapman.

Approval of FY09 Tuition Plans. Annually on February 15, the School must submit its plan for the upcoming year's resident and nonresident tuition increases to the Colorado Commission on Higher Education (CCHE), the Joint Budget Committee (JBC), and the House and Senate Education Committees. For FY09, Ms. Volpi presented the following proposal for the Board's consideration: implementing the fifth and final year of the School's five-year tuition restructuring plan, which would move the standard for full-time resident undergraduates from 14 to 15 credit hours; increasing the undergraduate resident per credit hour rate up to twice inflation; eliminating the tuition surcharge; increasing the non-resident undergraduate per credit hour rate up to ten percent; and increasing the graduate resident and non-resident per credit hour rates to the equivalent of full-time rates for undergraduates. In regard to the proposed resolution presented by Ms. Volpi, Trustee Tschatschula suggested adding a statement clarifying that State statute permits Mines to raise tuition rates up to two times inflation. In response to a question, Ms. Volpi indicated the 2007 CPI inflation estimate for the Denver/Boulder area is 2.8%. Trustee Tschatschula made a motion, seconded by Trustee Hutson, to approve the following resolution:

BE IT RESOLVED that the Board of Trustees of the Colorado School of Mines hereby approves:

A. Continuing with Year-Five of the five-year tuition restructuring plan for resident undergraduate students, by increasing the full-time tuition status for resident undergraduate students from 14 to 15 credit hours;

B. As provided in State statute, increasing the resident undergraduate per credit hour tuition rates up to two times inflation (graduate resident equal to full time undergraduate rates) in order to help cover the inflationary and mandated cost increases expected in FY 2009;

C. Increasing the non-resident undergraduate per credit hour tuition rates up to ten percent (graduate non-residents equal to full time graduate rates); and

D. Directing management to communicate this Board Resolution to the appropriate legislative and executive branch entities, as required by the School's performance agreement.

Motion carried.

CSMF Board Bylaws Restructuring. Trustee Tschatschula provided an overview of the Foundation's proposal to change its bylaws. This change was discussed at a Foundation Board Retreat in September of 2007. The Foundation Board believes that the current structure is dated and not conducive to the Foundation's current size and plans for future growth. The proposed bylaws would accommodate a much larger Board of Governors, which is consistent with best practices at other major institutions. Under the proposed revisions, the Board of Governors will elect an Executive Committee which shall have corporate powers and authority of the business affairs and financial operations of the Foundation. The proposed bylaws revision would also remove the large voting membership of all active members of the CSM Alumni Association, all members of the faculty, the CSM Board of Trustees, and officers of the School. Because of this current provision, in order to change the existing bylaws there must be an affirmative vote of 2/3

of the members in attendance at a special meeting (with a minimum of 75 members present.). President Scoggins remarked that he is strongly in favor of the proposed change, as is the Foundation Board. Trustee DeFilippo remarked that he appreciates the effort that has gone into developing this proposal, but that he does not like the proposed changes. Trustee DeFilippo indicated that removing the membership component creates a self-perpetuating board, and this is a fundamental change in the nature of the Foundation. As a membership organization, he believes the Foundation has more transparency. Trustee Tschatschula responded that transparency will still be present under the proposed new structure, as the financial records will be published annually in *MINES* magazine and the Foundation will continue to follow all pertinent regulations. Trustee Cowart remarked that the proposed expansion of the Foundation Board could be viewed as a way of broadening the representation on the Board to include more community members. President Scoggins commented that the School will enter into an operating agreement with the Foundation. The plan is for the Vice President for Institutional Advancement, Ms. Molly Williams, to become an employee of the Foundation. The proposed operating agreement will come to the Board of Trustees for consideration at a future meeting.

Fall Retreat Action Plan. Mr. Peter Han, Chief of Staff, presented an action plan prepared by staff following the Fall Retreat. Trustee Tschatschula remarked that the Board and administration need to ensure the appropriate vision is in place to guide the implementation. Trustee DeFilippo remarked that the Board should be involved in the development of the new performance agreement. President Scoggins indicated that the Board will have an opportunity early in the process for input into the agreement.

Placement Report. Vice President Chevront introduced Mr. Ron Brummett, who presented highlights from the 2006-07 Career Center Annual Report. Mr. Brummett remarked that this report shows the highest placement rate of B.S. graduates in 26 years, with average salary offers 11% higher than the previous year.

Faculty Senate Report. Dr. Brajendra Mishra, Faculty Senate President, reported that the Senate is currently reviewing its recently revised course re-take policy. It is also exploring possible changes to the faculty evaluation process and working with the Dean of Students to review student discipline policies and procedures.

Regular Written Reports. There were no questions on the regular written reports.

Executive Session. Trustee Hutson made a motion, seconded by Trustee DeFilippo, to go into Executive Session to receive legal advice as authorized by §24-6-402 (3)(a) (II), C.R.S. Motion carried.

Regular Session. The Trustees reconvened in regular session at 11:55 a.m.

Faculty Trustee. Following discussion, Trustee DeFilippo made a motion, seconded by Trustee Spaanstra, to approve the following Resolution:

BE IT RESOLVED that the Board of Trustees of the Colorado School of Mines approves pursuing an amendment of C.R.S. §23-41-102(1)(a) to provide for the inclusion of a non-voting Faculty Trustee as follows:.

THE NINTH OFFICE SHALL BE FILLED BY AN ELECTED, FULL-TIME MEMBER OF THE ACADEMIC FACULTY OF THE COLORADO SCHOOL OF MINES. THE FACULTY MEMBER SHALL BE ELECTED FOR A TERM OF TWO YEARS, BEGINNING JANUARY 1, BY A MAJORITY VOTE OF THE VOTING ACADEMIC FACULTY AT LARGE IN AN ELECTION IN WHICH A MINIMUM OF SIXTY-SEVEN (67) PER CENT OF THE FACULTY MEMBERS MUST PARTICIPATE. THE ELECTED FACULTY BOARD MEMBER SHALL BE ADVISORY, WITHOUT THE RIGHT TO VOTE. THE FIRST ELECTION FOR THE FACULTY TRUSTEE SHALL BE FACILITATED BY THE SCHOOL'S FACULTY SENATE AT A SPECIAL ELECTION TO BE HELD DURING THE SPRING SEMESTER OF 2008, AND THE INITIAL ELECTED TRUSTEE SHALL SERVE IN THIS POSITION THROUGH DECEMBER 31, 2010.

Motion carried, with Trustee Tschatschula abstaining. The Trustees also authorized pursuing elimination of the residency requirement for the Student Board Member.

Trustee DeFillippo made a motion, seconded by Trustee Spaanstra, to adjourn the meeting. Motion carried. Meeting adjourned at 12:05 p.m.


Secretary

Colorado School of Mines
RECORD OF PROCEEDINGS
Finance and Audit Committee Meeting

The Board of Trustee's Finance and Audit Committee met via teleconference on January 15, 2008 at 11:30am.

On the call: Trustees Hutson and Craig

Also on the call was: President Scoggins, Vice President Volpi, and guest Steph Chichester of Morgan Stanley

Trustee Hutson presided.

Approval of meeting minutes

The minutes for the December 6, 2007 meeting were approved as submitted.

Update on market condition impact on recent bond refinancing

Ms. Volpi reported that the recent deterioration in the sub-prime markets had an impact on our bond insurers; FGIC primarily (FGIC was recently selected as the insurer of the School's \$43 million refinancing done in September 2007) and asked Ms. Chichester to provide the committee a status update. Ms. Chichester reported that most of the bond insurers in the country had exposure to the sub-prime market and depending on the level of exposure to the market and the level of capitalization before the market downturn was a direct correlation on how the rating agencies were assessing the insurer's ratings. In November 2007, Moody's, S&P and Fitch put FGIC (among other insurers) on a watchlist because of FGIC's thin level of capitalization along with their level of exposure to sub-prime loans. Moody's gave all watchlisted and negative outlook insurers until January/February timeframe to execute a plan to maintain their AAA rating.

In order to hedge the risk of a downgrade in the School's insurer, Ms. Volpi and Chichester recommended that we get quotes from other AAA good standing insurers in the event that FGIC is downgraded. The committee agreed and directed Ms. Volpi to work with Morgan Stanley to get quotes.

December 31, 2007 Financial Statements

The period ended December 2007 statement of financial position, all funds operating budget versus actual, and statement of cash flow were reviewed.

Ms. Volpi reported that tuition for the spring semester has been posted and is included in the December financial statements. Registration for the spring semester will close at the end of January; at that time, the revenue forecast will be reviewed and revised accordingly. Revenue continues to be stronger than budgeted primarily due to higher non-resident undergraduate student enrollment and both resident and non-resident

graduate student enrollment. Most other revenue sources and expenditures are in line with the first quarter forecast.

AY09 Tuition Plans

Ms. Volpi reported that pursuant to state statute and the School's performance agreement, the School is required to submit its tuition plans to the Colorado Commission on Higher Education and the Joint Budget Committee. Management recommends that the School raise tuition twice inflation (the Board's statutory authority) and incorporate the fifth year of the five year plan to raise undergraduate resident full time credit hour to 15. The committee concurred and noted that this will be an action item of the Board of Trustees at its next meeting.

Ms. Volpi reported that the Department of Higher Education had been working with university CFO's to develop a funding model based on the analysis done by the National Center for Higher Education Management (NCHEMS). The university CEO's also met to attain consensus on the models, however, consensus could not be reached. The Department of Higher Education has subsequently shelved the funding allocation development for fiscal year 2009 and is in the process of determining how to allocate the additional \$50 million allotted by the Governor.

Audit

Ms. Volpi reported that the external audit is in the final stages and will conclude with the Legislative Audit Committee on February 5, 2008. At that time, the audit will be released for public consumption.

Trustee Hutson asked about the status of internal audits. Ms. Volpi responded that there are two internal audits in the finalization phase; Minority Engineering Program and student activities fees. Internal Auditor North should be present at the next committee meeting to review the audits.

Capital

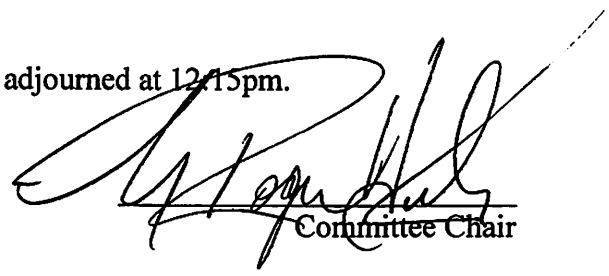
Ms. Volpi reported that the Foundation on behalf of the School closed on the property at 19th and 6th in mid December. Also, the closing date for the purchase of the Ford property is scheduled for January 17, 2008. Environmental matters raised in the testing of the property were asbestos in the building which does not pose an imminent threat and can be abated when the building is demolished and total petroleum hydrocarbons are in the ground under the building. Ford has committed to bringing the soil to Department of Health standards or entering in a voluntary clean up program for the property.

Initial information on fiscal year capital appropriation includes funding for the second phase of the Hall of Justice demolition project but not the Brown Hall addition. We have received some cursory information that additional funding may be available which could support Brown Hall. We are watching the funding developments closely.

Trustee Hutson asked about the status of the funding for Marquez Hall. President Scoggins reported that the School has raised \$16 million to date towards the \$20 million

goal set by Tim Marquez (date to reach the goal is June 30, 2008). The estimated cost of the building is approximately \$28 million. Once the \$20 million target is achieved, the School can break ground and the Foundation will provide the additional financial support if needed.

There being no further business, the meeting was adjourned at 12:15pm.



Committee Chair

Colorado School of Mines
RECORD OF PROCEEDINGS
Finance and Audit Committee Meeting

The Board of Trustee's Finance and Audit Committee met on February 7, 2008 at 10:00am.

Committee members present: Trustees Hutson and Craig (via phone)

Also present was: Vice President Volpi and guest Steph Chichester of Morgan Stanley

Trustee Hutson presided.

Approval of meeting minutes

The minutes for the January 15, 2008 meeting were approved as submitted.

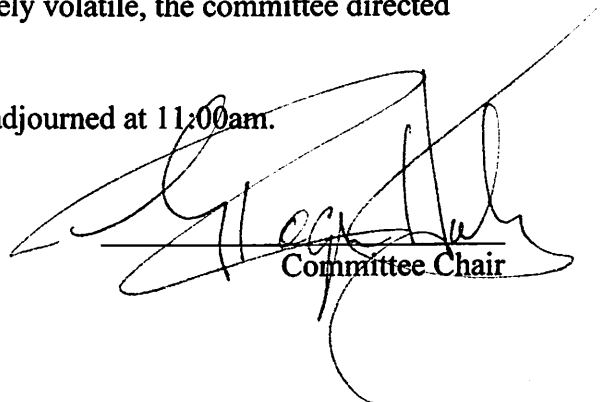
Update on market condition impact on recent bond refinancing

Ms. Volpi reported that the recent deterioration in the sub-prime markets had an impact on our bond insurer FGIC whose credit rating was just downgraded. This downgrade means that the School's bonds would most likely be trading at higher interest rates. Ms. Chichester reported that all but one of the bond insurers have now been downgraded. This has impacted the auction rate market as a whole by numerous failed auctions occurring in the market. .

As the market has been deteriorating over the past month, in order to hedge the risk of a downgrade in the School's insurer, Ms. Volpi and Ms. Chichester previously obtained quotes from other AAA good standing insurers in addition to banks for a potential letter of credit.

Two options were discussed; (1) replace the downgraded FGIC insurer with FSA; the only AAA bond insurer that responded to our request and (2) convert the auction rate bonds to variable rate demand bonds backed by a letter of credit. The committee discussed both options and concurred that the option to convert to variable rate demand bonds was the preferred option. The winning bidder on the letter of credit was Dexia Bank out of New York. Closing costs are projected to be \$220,000 plus additional annual interest costs of \$100,000. The letter of credit would expire in three years at which time the School would have to re-negotiate a new letter of credit or consider a new mode. Because the market continues to be extremely volatile, the committee directed Ms. Volpi to continue to analyze options.

There being no further business, the meeting was adjourned at 11:00am.



Committee Chair

RECORD OF PROCEEDINGS

Golden, Colorado

March 7, 2008

The Board of Trustees met in regular session on March 7, 2008 in the Coors Board Room.

Present: Trustees Cowart, Craig, DeFilippo, Hutson (via teleconference), Nyikos, Spaanstra, Tschatschula and Student Trustee Nelson.

Also in attendance: President Scoggins, Provost Middleton, Senior Vice President Volpi, Vice Presidents Poate, Chevront, and Williams.

Trustee Nyikos presided.

Trustee DeFilippo made a motion, seconded by Trustee Tschatschula, to go into Executive Session to discuss legal and personnel issues, as authorized by §24-6-402 (3)(a) (II), C.R.S. and §24-6-402 (3)(b)(I), C.R.S. respectively. Motion carried.

Regular Session. The Trustees reconvened in regular session at 9:40 a.m.

Approval of Minutes. Trustee Tschatschula made a motion, seconded by Trustee Craig, to approve the minutes of the January 25, 2008 meeting as submitted. Motion carried.

Chairman's Report. Trustee Nyikos reported on a recent Energy Expo held in Grand Junction and on a dinner meeting with an executive from Williams Energy. He also reported on the alumni golf tournament that will be held in Grand Junction on April 25.

Board Committee Reports. Trustee Hutson reported that the Finance and Audit Committee has been very active the past two months. The committee met to discuss refinancing the School's bonds, given the recent deterioration in the market. Because the School moved quickly in this regard, it was able to secure alternative financing, which Senior Vice President Volpi will cover in her report. Trustee Hutson complimented the School's administration on their foresight in addressing this situation quickly. Trustee Hutson also welcomed Trustee Cowart as the newest member of the Finance and Audit Committee.

President's Report. President Scoggins introduced Ms. Heather Boyd, who has been appointed Director of Enrollment Management; Mr. Bill Young, the previous Director, is now on a transitional retirement.

President Scoggins also introduced Mr. Keith Turney, who started as Mines Director of Public Safety in October 2007; Chief Turney comes to Mines following 23 years in public safety positions at Colorado State University.

President Scoggins reported that he and Mrs. Scoggins attended an alumni and friends reception in San Diego on February 7.

President Scoggins remarked on how pleased he was by the overwhelmingly positive vote by alumni and faculty on February 8 to re-structure the Foundation's Board.

President Scoggins provided an update on legislative issues. The bill to add a faculty trustee and eliminate the residency requirement for the student trustee has been introduced. The prospects for capital development funding are still uncertain, although it is still hoped that there will be funding for both the Hall of Justice and Brown Building projects.

President Scoggins announced several upcoming events. The McBride Honors Program will host a presentation by the former President of Brazil, Gonzalo Sanchez de Lozada, on March 19. The annual E-Days celebration will be held on April 4. The dedication of Darden Baseball Field will also be held on the afternoon of April 4. On April 7, Denver Mayor John Hickenlooper will be the 2008 Young Environmental Symposium speaker.

Trustee DeFilippo inquired as to the status of the performance agreement re-negotiations. President Scoggins indicated the Department of Higher Education has not yet begun the process.

Research Activities. Vice President Poate provided an update on research activities for the months of December 2007 and January 2008. He indicated research awards were approximately \$8M ahead of where they were last year at this time. He highlighted the \$2.5M grant from the Stephen D. Bechtel, Jr. Foundation to focus on math and science education in grades K – 5, as well as a grant to several Environmental Science and Engineering faculty for a coal-bed methane project. Dr. Poate also reported on his trip to Washington, D.C. the week of February 11 and his meetings with our congressional delegation and agency representatives. Dr. Poate also commented on the March 27 energy summit being sponsored by Senator Salazar. Several representatives from ConocoPhillips, which is moving its worldwide training center and alternative energy research laboratory to Colorado, will be here at that time. Dr. Poate also announced that the new research magazine will be distributed shortly.

Financial Report. Senior Vice President Volpi reported that the new bond deal has been closed. She thanked the Trustees and the Finance and Audit Committee for enabling the School to move very quickly to resolve this matter. She indicated that Moody's has downgraded the School's bond rating to A2 based on possible future financings. This is symptomatic of a reaction by the industry to the current bond market crisis.

Ms. Volpi reviewed the *Statement of Net Assets, Statement of Revenue and Expenses* (in the All Funds Operating Budget format) and a *Statement of Cash Flows* for the period ending January 31, 2007. She indicated that the financial outlook was updated after census date and includes an increase of \$2M in revenue, mostly from tuition, as well as an increase of approximately \$2M in expenses. Cash flows are in line with last year at the same time period. Trustee DeFilippo remarked on the School's contribution to the Colorado Energy Research Institute and indicated that he wants to see CERI be self-sufficient.

Student Government Report. Student Trustee Nelson gave an update on recent student government activity, including a re-structuring of the Associated Students of Colorado School of Mines (ASCSM) and the student government lobbying day at the State Capitol. She also updated the Trustees on the status of the textbook affordability bill, the 100th anniversary celebration for the M-Blem, and the evaluation of the student bus pass program.

Amendment of Bylaws Regarding Officer Elections. Trustee DeFilippo presented proposed changes to the bylaws to respond to the change in the timing of Trustee appointments, as well as provide clarification in some other sections. After discussion, Trustee DeFilippo made a motion, seconded by Trustee Tschatschula, to adopt the changes as presented. Motion carried.

Election of Officers and Committee Assignments. Trustee Cowart will serve on the Finance and Audit Committee, replacing Emeritus Trustee Wagner. Trustee Spaanstra will serve on the Presidential Evaluation and Compensation Committee, replacing Trustee DeFilippo; Chairman Nyikos thanked Trustee DeFilippo for his service on the committee.

Trustee Craig made a motion, seconded by Trustee Spaanstra, nominating Trustee Hutson to fill the position of Vice Chairman of the Board of Trustees, recently vacated by Emeritus Trustee Wagner. Motion carried, with Trustee DeFilippo opposed.

Awards Committee Recommendations. President Scoggins introduced the recommendations of the Awards Committee for honorary awards for the May 2008 commencement ceremony. In addition to Dr. Daniel Yergin, whose honorary degree was previously approved by the Board, the Committee recommended honorary degrees for Dr. James W. Cronin, Nobel Laureate in physics and emeritus professor of physics at the University of Chicago, and Dr. Mary F. Wheeler, the Ernest and Virginia Cockrell Chair in Engineering at the University of Texas at Austin. The committee recommends Mr. Vernon A. "Bud" Isaacs, Jr., '64 for a Distinguished Achievement Medal and Dr. Charles J. Baroch, '54 for a Mines Medal. Trustee Tschatschula made a motion, seconded by Trustee Craig, to approve the recommendations of the Awards Committee as submitted. Motion carried.

Emeritus Recommendation. Provost Middleton presented a recommendation to award emeritus status to Professor Bruce Honeyman who is retiring from the Environmental Science and Engineering Division. Dr. Middleton remarked that Professor Honeyman has been a highly regarded scholar in the field of environmental chemistry. Trustee DeFilippo made a motion, seconded by Trustee Hutson, to approve emeritus status for Professor Honeyman. Motion carried.

University Emeritus Recommendation. Provost Middleton presented a recommendation to award university emeritus status to Professor F. Edward Cecil. University emeritus status is a seldomly-awarded honor recognizing unusually distinguished service. Dr. Cecil retired in 2003 as Emeritus Professor of Physics and will shortly be completing his transitional retirement. Professor Cecil was nominated for this distinction by Physics Department Head, Dr. Tom Furtak. Trustee DeFilippo made a motion, seconded by Trustee Cowart, to approve the following resolution:

BE IT RESOLVED that the Board of Trustees of the Colorado School of Mines awards Dr. F. Edward Cecil the status of University Emeritus Professor of Physics.

Motion carried.

Sabbatical Request Recommendations. Provost Middleton introduced the sabbatical requests for the 2008-09 academic year. Dr. Middleton indicated that all requests for sabbatical are carefully scrutinized by the appropriate department head/division director, as well as by his office. Subsequently, the requests are reviewed by the President. Trustee DeFilippo made a

motion, seconded by Trustee Hutson, that the following sabbaticals be approved for the period of time indicated:

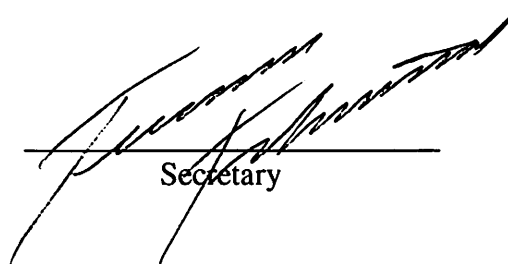
E. Dendy Sloan	CE	Spring 2009
Mike Mooney	EG	Spring 2009 – Fall 2009
John Steele	EG	Fall 2008 or Academic Year 2009 (depending on funding)
Moneesh Upmanyu	EG	Academic Year 2009
Ray Zhang	EG	Spring 2009
Ron Cohen	ESE	Fall 2008
Ilya Tsvankin	GP	Spring 2009
John Heilbrunn	LAIS	Academic Year 2009
Juan Lucena	LAIS	Spring 2009
Eul Soo-Pang	LAIS	Spring 2009
Bernard Bialecki	MCS	Fall 2008
John Scales	PH	Fall 2008
Jeff Squier	PH	Spring 2009
Graeme Fairweather	MCS	Fall 2008 (granted last year, but deferred for institutional benefit)

Motion carried.

Retention and Spring Registrar’s Reports. Provost Middleton reported that the Registrar, Ms. Lara Medley, is ill and unable to present the retention and registrar’s report. Dr. Middleton reviewed the highlights of both reports and encouraged the Trustees to send him any questions.

Faculty Senate Report. Faculty Senate President Mishra reported on recent activity of the Senate. He indicated that students have been notified that they will receive a paper certificate at the commencement ceremony and their metal diploma later, in order to ensure its accuracy. Dr. Mishra announced that Dr. Dennis Readey will present the Faculty Senate Distinguished Lecture on March 26. He also reported that faculty are currently involved in the strategic plan re-calibration process.

Meeting adjourned at 11:00 a.m.


Secretary

RECORD OF PROCEEDINGS

Golden, Colorado
February 29, 2008

The Board of Trustees met via teleconference in special session on February 29, 2008.

Present: Trustees DeFilippo, Hutson, Nyikos, and Tschatschula.

Also in attendance: President Scoggins, Senior Vice President Volpi, Mr. Fred Marienthal (KutakRock) and Ms. Stephanie Chichester (Morgan Stanley).

Discussion of Bond Refinancing. President Scoggins and Senior Vice President Volpi responded to questions from the Trustees about the proposed bond refinance to variable rate demand bonds. In order to effect the refinancing, each Trustee will need to sign the proposed Third Supplemental Resolution authorizing the issuance of the Board of Trustees of the Colorado School of Mines Variable Rate Demand Enterprise Refunding Revenue Bonds Series 2008A (the "Series 2008A Bonds") pursuant to and in accordance with the Master Enterprise Bond Resolution adopted by the Board as of August 24, 2007.

Ms. Volpi reported that the Finance and Audit Committee has been discussing the proposed refinancing since January and most recently at their February 26, 2008 meeting. Trustee DeFilippo asked to receive advance notice of all future Finance and Audit Committee meetings.

Meeting adjourned at 10:20 a.m.



Secretary

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Meeting adjourned at 10:20 a.m.



Secretary

Carol Chapman

From: Frank DeFilippo [frankdef@comcast.net]

Sent: Thursday, March 06, 2008 3:21 PM

To: Carol Chapman

Subject: Approval of Minutes

Carol,

I vote to approve the minutes as written of the special meeting.

Frank DeFilippo

Carol Chapman

From: Mike Nyikos [MNYikos@hotmail.com]
Sent: Saturday, March 08, 2008 7:14 AM
To: Carol Chapman
Subject: Re: DRAFT notes from the February 29 conference call

JUST GOT THESE, AND I APPROVE

----- Original Message -----

From: [Carol Chapman](#)
To: [Frank DeFilippo](#) ; [Roger Hutson](#) ; [Michael Nyikos](#) ; [Terrance Tschatschula](#)
Sent: Thursday, March 06, 2008 1:54 PM
Subject: DRAFT notes from the February 29 conference call

Attached please find DRAFT notes from the February 29 conference call. Please let me know if you approve them, as we should have them on file since it was considered a special meeting of the board.

Thank you!

Regards,
Carol

Carol Chapman
Special Assistant to the President
Colorado School of Mines
1500 Illinois Street
Golden, CO 80401
303-273-3280
303-273-3285 (fax)
cchapman@mines.edu

Colorado School of Mines
RECORD OF PROCEEDINGS
Finance and Audit Committee Meeting

The Board of Trustee's Finance and Audit Committee met on February 26, 2008 at 11:30am.

Committee members present:

Trustee Hutson
Trustee Craig (via phone)

Other Board members present:

Trustee Cowart (via phone)

School representatives:

President Scoggins
Kirsten Volpi
Marilyn North
Kay Spencer
Jinous Lari

Guests:

Lou Skull (State Auditors Office)
Diane Ray (State Auditors Office)
Dennis Yockey (BKD, LLC)
Marcie Arden (BKD, LLC)

Trustee Hutson presided.

Approval of meeting minutes

The minutes for the February 7, 2008 meeting were approved as submitted.

Audit

The School's contract audit partner, Dennis Yockey, presented the fiscal year end 2007 audited financial statements. Mr. Yockey noted that the school received an unqualified opinion and that there were no material weaknesses or significant deficiencies reflected in the audit. Mr. Yockey did report that during their audit, they did encounter certain opportunities for improvement and that the school has already addressed or is well underway in addressing those improvements.

Internal Auditor North introduced new internal auditor Kay Spencer. Kay comes to the school with years of experience with higher education auditing along with experience at the state auditor's office. Ms. North reported on the recently completed audit of the Minority Engineering Program (MEP). Ms. North reported that there were no areas of material weakness but did provide recommendations for areas of improvement. The MEP department agreed with the auditor's recommendations and will be working to address the matters noted in the audit.

Ms. North also reported that the audit on student fees is still in process.

President Scoggins requested a new format for a report that would go to the full Board of Trustees once the audits are complete. Ms. North will work on drafting a report.

Update on bond refinancing

The committee discussed several options for the upcoming refinancing and maintained their preferred option of the variable rate demand bonds backed by a letter of credit. The option is preferred primarily due to the short term ability to revert back to the planned financing terms as was achieved initially in the September 2007 refinancing. The committee discussed the logistics of the upcoming board meeting to approve the refunding. The refinancing is scheduled for the first week of March.

January 31, 2008 Financial Statements

The period ended January 2008 statement of financial position, all funds operating budget versus actual, and statement of cash flow were reviewed.

Ms. Volpi reported that the forecast has been reviewed and changed accordingly after the census for spring semester. Revenue continues to be stronger than budgeted primarily due to higher non-resident undergraduate student enrollment and both resident and non-resident graduate student enrollment. Most other revenue sources and expenditures are in line with the revised quarter forecast.

Status of SB85

Ms. Volpi reported that SB85 which is proposed to provide \$16m in additional funding for rural community colleges and \$3m additional funding for CSU-Pueblo appeared to have been tabled. The Department of Higher Education has also added an additional \$5m into the higher education general fund allocation which is to be used for school's in rural communities that are focused on access. It is projected that Mines will not receive any of this additional funding.

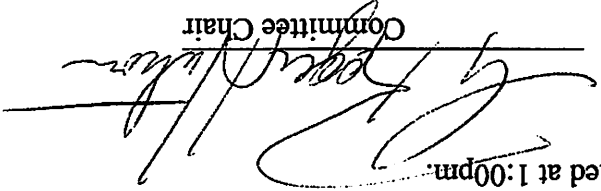
FY09 funding allocation

Ms. Volpi reported that the Colorado Commission on Higher Education approved the Department of Higher Education's recommendation to allocate the additional \$50 million to higher education based on a straight percentage of 7.7% per institution. The projected additional allocation for Mines is projected to be \$1.6million.

Capital

Ms. Volpi reported that the state's capital development committee had prioritized fiscal year 2009 capital items and the school has two projects that are prioritized to be funded; \$3.8 million for the phase II of the Hall of Justice project and \$2 million for the Brown Hall addition (original request was \$8.7 million). If the Brown Hall \$2 million is received in FY09, it is anticipated that the remainder would be funded in FY10 as a continuing project.

There being no further business, the meeting was adjourned at 1:00pm.


Committee Chair

Colorado School of Mines
RECORD OF PROCEEDINGS
Finance and Audit Committee Meeting

The Board of Trustee's Finance and Audit Committee met on April 15, 2008 at 11:30am.

Committee members present:
Trustee Hutson, Chair
Trustee Cowart
Trustee Craig (via phone)

School representatives:
President Scoggins (via phone)
Kirsten Volpi

Trustee Hutson presided.

Approval of meeting minutes

The minutes for the February 26, 2008 meeting were approved as submitted.

Update on bonds since refinancing

Ms. Volpi reported that since the auction rate bonds were refinanced into variable rate demand bonds in early March, they have been trading very strong; 40 to 50 basis points below the short term index, SIFMA.

March 31, 2008 Financial Statements

The period ended March 2008 statement of financial position, all funds operating budget versus actual, and statement of cash flow were reviewed.

Ms. Volpi reported that the forecast has been reviewed and changed slightly within categories, however, the projected net result for the year remains balanced. Revenue continues to be stronger than budgeted primarily due to higher non-resident undergraduate student enrollment and both resident and non-resident graduate student enrollment. Most other revenue sources and expenditures are in line with the revised quarter forecast.

FY09 Budget update

Ms. Volpi reported that fiscal year 2009 budget submissions were due into the Budget Office on April 1. The Budget Office is now working on compiling the submissions. Some of the departments went through a more detailed, budget by function exercise where they were asked to provide a detail of their budget based on how the money is spent. Those departments were also asked what reallocation they would make if they were to lose 5% of the budget. The primary departments for the budget by function in fiscal year 2009 was all of Finance and Administration, the Geology Museum, Human Resources, Athletics, and Policy, Planning and Analysis. This budget by function

process will rotate through the rest of the departments with the intent of all of the departments going through a more detailed budget review once every four to five years.

FY09 funding allocation

Ms. Volpi reported that the Joint Budget Committee (JBC) approved a funding model for fiscal year 2009 which utilized the National Center for Higher Education Management Systems (NCHEMS) peer analysis. The JBC model first allocated CPI (2.2%) to all institutions and then allocated a percentage to each institution in relation to how far behind they are to their NCHEMS peers. The approved additional allocation for Mines is \$1.5 million bringing the total to \$23.2 million which will come in the form of COF and fee-for-service revenue.

Status of FY09 Capital Appropriation

Ms. Volpi reported that the state's capital development committee had prioritized fiscal year 2009 capital items and the school has two projects that are prioritized to be funded; \$3.5 million for the phase II of the Hall of Justice project and \$2 million for the Brown Hall addition (original request was \$8.7 million). With the potential of a Certificate of Participation (COP) bill being passed due to SB 218 - the Federal Mineral Lease revenue bill, the capital development committee may fund additional capital projects. The additional \$6.7 million for Brown Hall is currently the fourth prioritized project on the draft COP funding list.

Easements

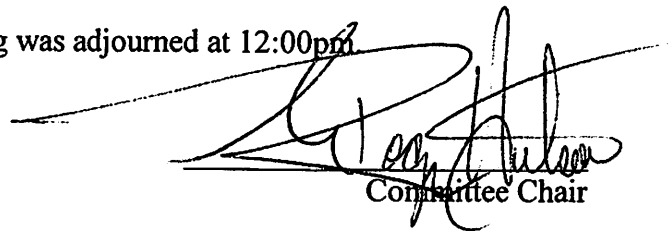
The School has been asked by Qwest to lay a fiber optic line on top of the power poles which are existing on the survey filed to the south of Mines Park. The school is in the process of entering into an easement agreement with Qwest, this will require full Board approval.

The School has also been asked by the City of Golden to grant an easement along clear creek and highway 6 so that the City can put in a nature trail. The school is in the process of entering into an easement agreement with the City, this will require full Board approval.

CSM/CSMF Operating Agreement

The School and Foundation will be meeting on May 16th to discuss the Operating Agreement between the entities. Trustee Cowart suggested that President Scoggins, David Wagner, Linda Landrum and Kirsten Volpi meet together prior to the 16th to garner a level of understanding and agreement.

There being no further business, the meeting was adjourned at 12:00pm



Committee Chair

RECORD OF PROCEEDINGS

Golden, Colorado
April 25, 2008

The Board of Trustees met in regular session on April 25, 2008 in the Coors Board Room.

Present: Trustees Cowart, Craig, DeFilippo, Hutson, Nyikos, Spaanstra, Tschatschula and Student Trustee Nelson.

Also in attendance: President Scoggins, Provost Middleton, Senior Vice President Volpi, Vice Presidents Poate, Chevront, and Williams and other staff and visitors.

Trustee Nyikos presided.

Regular Session. The Trustees convened in regular session at 9:15 a.m.

Approval of Minutes. Trustee Tschatschula made a motion, seconded by Trustee Craig, to approve the minutes of the March 7, 2008 meeting as submitted. Motion carried.

Chairman's Report. Trustee Nyikos reported that he continues to attend the energy briefings being held on the western slope.

Board Committee Reports. Trustee Hutson reported that the Finance and Audit Committee met on April 15, 2008 to review the financial statements. He indicated that the committee is also currently looking at the FY09 budget. Trustee Hutson reported that trading on the bonds is good and, in response to a question from Trustee DeFilippo, clarified that currently the School is doing a weekly refinancing, backed by a letter of credit; this will be evaluated on a continuous basis to ensure it is the most effective vehicle to manage this debt. Senior Vice President Volpi will give Trustee DeFilippo a chart that illustrates the bond refinancing.

President's Report. President Scoggins welcomed Ms. Amy Dubetz who will begin her term as Student Trustee on July 1, 2008.

President Scoggins reported that S.B. 08-191, regarding the addition of a non-voting faculty trustee, has passed both houses. The Faculty Senate is proceeding to hold an election in anticipation of the Governor signing the legislation.

President Scoggins reported that Mines is renewing its contacts with ConocoPhillips in advance of the opening of their facility in Colorado. President Scoggins hosted a dinner for several ConocoPhillips representatives who were in Colorado to attend Senator Salazar's energy summit. President Scoggins and Vice President Williams also visited ConocoPhillips on a recent trip to Bartlesville, and President Scoggins will meet with Chief Executive Officer James Mulva in Houston in June.

President Scoggins reported on the E-Days celebration at the Capitol, which was attended by Trustees Hutson and Spaanstra. Governor Ritter read the E-Days proclamation and the students made a special presentation to Senator Windels to thank her for her support.

President Scoggins reported on the April 4 dedication of Darden Baseball Field

President Scoggins reported that Mayor Hickenlooper was the speaker at the Young Environmental Symposium on April 7. Trustees DeFilippo, Hutson and Spaanstra attended the event, and there was excellent student attendance as well. President Scoggins remarked that Mr. Herb Young is very ill so a videotape of the lecture was prepared for him. The Trustees joined President Scoggins in extending their appreciation to the Youngs for their support and their best wishes to them during this difficult period.

President Scoggins reported that the School is looking into several potential opportunities in Kazakhstan and that Provost Middleton visited there earlier in April.

President Scoggins reported on a recent visit to Oklahoma City for an alumni and friends reception, as well as meetings with Williams Corporation in Tulsa.

President Scoggins reported on the opening of the second research center of the Colorado Renewable Energy Collaboratory, the Center for Revolutionary Solar Photoconversion (CRISP), which will be dedicated to basic and applied research to further solar technologies.

President Scoggins remarked that this year's Climate Action Days celebration, which is being organized by the students, features a number of educational activities.

President Scoggins gave an update on the Provost search and indicated that four finalists are visiting the campus; President Scoggins thanked the search committee for their hard work.

President Scoggins asked Chief of Staff Peter Han to give an update on the status of the performance agreement. Mr. Han distributed a spreadsheet with the School's initial analysis of areas to pursue change. He indicated that feedback from the Trustees would be most welcome. The School is still awaiting input from the Department of Higher Education regarding timing and the process. Trustee DeFilippo remarked that this is an important document for the School. Chairman Nyikos asked the Trustees to send any input to President Scoggins.

President Scoggins also remarked that the State Treasurer is looking at developing a program that would allow higher education institutions to issue debt using the State's credit rating. If adopted, this program would decrease the School's interest rates on bond debt.

President Scoggins also gave an update on the status of a bill that would reallocate the distribution of the State's share of Federal Mineral Lease funds. This could result in funding of capital projects for higher education. In addition to the Hall of Justice and Brown Hall projects, Mines has added Marquez Hall to the potential projects list.

President Scoggins asked Provost Middleton to provide an update on the Petroleum Institute. Dr. Middleton reported that the relationship between Mines and the Petroleum Institute continues to move toward a research basis, particularly upstream hydrocarbon research. There is

currently a commitment of over \$4M over a three year period. However, the School still has not received the \$2M payment from the Petroleum Institute for 2007. To date, the School has received \$21M of the original \$30M contract. The Petroleum Institute appears to want to move away from the original contract and move toward more of a joint research model. Dr. Middleton will be attending a Board meeting of the Petroleum Institute this summer and will obtain more information at that time. Trustee DeFilippo asked to have discussion of the Petroleum Institute contract added to the Executive Session agenda.

President Scoggins announced that the School will be honored by the Jefferson Foundation on October 25 with the Crystal Globe Award for Distinguished Service.

Research Activities. Vice President Poate provided an update on research activities for the months of February and March. Vice President Poate remarked on the success of the recent Graduate Student Association Research Fair. He also reported on several recent research awards, including one which will involved the next generation of photovoltaics. Dr. Poate also indicated that the new research magazine has been distributed to an extensive mailing list.

Financial Report. Senior Vice President Volpi reviewed the *Statement of Net Assets, Statement of Revenue and Expenses* (in the All Funds Operating Budget format) and a *Statement of Cash Flows* for the period ending March 31, 2008. She pointed out that the School currently has a very favorable cash position. Trustee Spaanstra inquired as to the status of Colorado School of Mines Research Institute (CSMRI) payments. Ms. Volpi will prepare a briefing for the Board on the financial aspects of CSMRI. Ms. Volpi also remarked that consideration is currently being given to the best use of the Ford property recently acquired by the School.

Student Government Report. Student Trustee Nelson gave an update on recent student government activity. She thanked Trustees Cowart, DeFilippo, and Nyikos for attending a recent meeting of the Associated Students of Colorado School of Mines (ASCSM). She indicated that ASCSM tried to host an on-campus event for legislators, but none were able to attend since the legislature was still in session.

Approval of Easement Requests. Senior Vice President Volpi introduced three easement requests. The first request is from Qwest Communications, which has requested a pole line easement on the existing Excel power poles across the Colorado School of Mines survey field. Qwest will use the linear easement for a fiber optic cable line to provide additional service between Lookout Mountain and Golden. The School has proposed a 10-year easement with a one-time administration fee of \$5,000. Trustee DeFilippo made a motion, seconded by Trustee Cowart, to approve the following resolution:

BE IT RESOLVED, that the Board of Trustees of the Colorado School of Mines hereby approves of the School entering into an easement agreement with Qwest in connection with a Qwest fiber line on the School's survey field, and authorizes the President or his appropriate delegate to negotiate the terms of this agreement and execute it on the School's behalf.

Motion carried.

The second easement request is from AT&T. AT&T's predecessor, Denver Cellular Telephone Company, entered into a site lease agreement with the School in 1989 to install and

maintain a cellular communications facility near Mines Park. The original 10-year lease was extended for a second 10-year term and is due to expire in February 2009. The School has indicated an interest in renewing for a five year period and is currently negotiating a rental fee. The School will also require some aesthetic improvements to the existing structure. Trustee Hutson made a motion, seconded by Trustee Spaanstra, to approve the following resolution:

BE IT RESOLVED, that the Board of Trustees of the Colorado School of Mines hereby approves of the School entering into a lease agreement with AT&T in connection with AT&T's cellular communications facility on a site adjacent to the School's Phase Three Mines Park student housing development, and authorizes the President or his appropriate delegee to negotiate the terms of this agreement and execute it on the School's behalf.

Motion carried, with Trustee DeFilippo recusing himself.

The third easement request is from the City of Golden, which would like to construct part of their creek side nature trail on Mines property, directly south of Clear Creek and east of 6th Avenue near the athletic fields. The School is currently negotiating several site improvements and proposes that the term of the easement be approximately 70 years. Trustee DeFilippo made a motion, seconded by Trustee Hutson, to approve the following resolution:

BE IT RESOLVED, that the Board of Trustees of the Colorado School of Mines hereby approves of the School entering into an easement agreement with the City of Golden in connection with the construction and maintenance of a nature trail on the School's property near Clear Creek and 6th Avenue, and authorizes the President of his appropriate delegee to negotiate the terms of this agreement and execute it on the School's behalf.

Motion carried.

Approval of Recommended Changes to Terms and Conditions of Syvret Educational Loan Fund. Senior Vice President Volpi and General Counsel Walker introduced a proposal to change the Syvret Educational Loan Fund to a scholarship fund. Since the fund was originally established by Mr. Charles Syvret, more federal and other loan programs have been established and provide more beneficial terms than provided by the Syvret Educational Fund. The donor made provisions that the Trustees could make adjustments to the fund if they deemed it practicable. There are no descendents of Mr. Syvret to consult on this matter. Trustee Hutson made a motion, seconded by Trustee Craig, to approve the following resolution:

WHEREAS the Board of Trustees finds that due to the availability of federal and other educational loan programs to graduate students on relatively favorable terms and conditions, it is impractical for the Colorado School of Mines to continue to provide loans to qualified CSM students through the Syvret Educational Loan Fund ("SELF") pursuant to the terms of the Syvret Endowment Fund Memorandum of Agreement dated September 16, 1995 ("MOA").

NOW, THEREFORE, BE IT RESOLVED that the Board of Trustees of the Colorado School of Mines hereby approves the following action:

- (1) That the SELF program be de-obligated as a student loan program;*

- (2) *That the proceeds remaining in the SELF fund be utilized to provide need-based financial assistance to qualified graduate students who meet the criteria set forth in the MOA, to wit, students who are:*
- (a) master's degree students enrolled in engineering disciplines at CSM;*
 - (b) graduates of Colorado high schools;*
 - (c) Colorado residents for tuition classification purposes; and*
 - (d) ranked in the upper quartile of their undergraduate class, or who provide other evidence of superior potential and motivation.*

Motion carried.

Approval of Graduation Lists. Provost Middleton introduced the candidates for degrees to be awarded at the May 9, 2008 commencement ceremony. Trustee DeFilippo made a motion, seconded by Trustee Tschatschula, to approve the following resolution:

BE IT RESOLVED that the Board of Trustees of the Colorado School of Mines approves the award of degrees to the candidates named in the attached graduation lists for May 2008.

Motion carried.

Faculty Handbook Recommendations. Provost Middleton introduced the proposed changes to the Faculty Handbook arising from the work of the Handbook Committee in the 2007-08 review cycle. For this review period, the committee focused on housekeeping type issues. In response to an inquiry from Trustee DeFilippo, Provost Middleton indicated he would look at the formatting on the section pertaining to the Sustainability Committee.

Faculty Senate Report. Professor Tyrone Vincent reported for the Faculty Senate. Professor Vincent reported that an election will be held in early May for the Faculty Trustee position. He also reported on several recent Faculty Forums and announced that Professor Arthur Sacks had been selected as the Faculty Senate Distinguished Lecturer for AY08-09.

Alumni Association Report. Ms. Anita Pariseau presented an overview of the Colorado School of Mines Alumni Association. The current budget is \$678,000 with 6.75 FTE. Currently, there are 5,662 total members, including 556 life members. Ms. Pariseau highlighted a number of events sponsored by the Alumni Association as well as their many community programs and services.

Regular Written Reports. There were no questions on the regular written reports. President Scoggins remarked on the Undergraduate Admissions report and indicated that a wait list will be implemented to control the size of the incoming freshman class since acceptances are very strong.

Executive Session. Trustee DeFilippo made a motion, seconded by Trustee Cowart, to go into Executive Session to discuss promotion and tenure recommendations, as authorized by §24-6-402 (3)(b)(I), C.R.S. and to receive legal advice as authorized by CRS § 24-6-402 (3) (a) (II)
Motion carried.

Regular Session. The Trustees reconvened in regular session at 11:30 a.m. Trustee DeFilippo made a motion, seconded by Trustee Cowart, to approve the following resolution:

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

Carolyn Koh (Chemical Engineering) – recommend Tenure

Colin Wolden (Chemical Engineering) – recommend promotion to Professor

Mark Eberhart (Chemistry and Geochemistry) – recommend promotion to Professor

James Ranville (Chemistry and Geochemistry) – recommend Tenure

Joe Crocker (Engineering) - recommend promotion to Senior Lecturer

Moneesh Upmanyu (Engineering) - recommend Tenure and promotion to Associate Professor

John McCray (Environmental Science & Engineering) – recommend promotion to Professor

Matthew Posewitz (Environmental Science & Engineering) – recommend promotion to Associate Research Professor

Paul Santi (Geology & Geological Engineering) – recommend promotion to Professor

Tina Gianquitto (Liberal Arts & International Studies) – recommend Tenure and promotion to Associate Professor

Jon Leydens (Liberal Arts & International Studies) – recommend promotion to Associate Professor

Michael Colagrosso (Mathematical and Computer Sciences) – recommend Tenure and promotion to Associate Professor

Barbara Moskal (Mathematical and Computer Sciences) – recommend promotion to Professor

Hugh Miller (Mining Engineering) - recommend Tenure

Vilem Petr (Mining Engineering) - recommend promotion to Associate Research Professor

Jennifer Miskimins (Petroleum Engineering) - recommend Tenure and promotion to Associate Professor

Joe Beach (Physics) - recommend promotion to Associate Research Professor

Uwe Greife (Physics) – recommend promotion to Professor

Fred Sarazin (Physics) - recommend Tenure and promotion to Associate Professor

Motion carried.

Meeting adjourned at 11:40 a.m.


Secretary

Colorado School of Mines
RECORD OF PROCEEDINGS
Finance and Audit Committee Meeting

The Board of Trustee's Finance and Audit Committee met on April 15, 2008 at 11:30am.

Committee members present:

Trustee Hutson, Chair
Trustee Cowart
Trustee Craig (via phone)

School representatives:

President Scoggins (via phone)
Kirsten Volpi

Trustee Hutson presided.

Approval of meeting minutes

The minutes for the February 26, 2008 meeting were approved as submitted.

Update on bonds since refinancing

Ms. Volpi reported that since the auction rate bonds were refinanced into variable rate demand bonds in early March, they have been trading very strong; 40 to 50 basis points below the short term index, SIFMA.

March 31, 2008 Financial Statements

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FY09 Budget update

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process will rotate through the rest of the departments with the intent of all of the departments going through a more detailed budget review once every four to five years.

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Status of FY09 Capital Appropriation

Ms. Volpi reported that the state's capital development committee had prioritized fiscal year 2009 capital items and the school has two projects that are prioritized to be funded; \$3.5 million for the phase II of the Hall of Justice project and \$2 million for the Brown Hall addition (original request was \$8.7 million). With the potential of a Certificate of Participation (COP) bill being passed due to SB 218 - the Federal Mineral Lease revenue bill, the capital development committee may fund additional capital projects. The additional \$6.7 million for Brown Hall is currently the fourth prioritized project on the draft COP funding list.

Easements

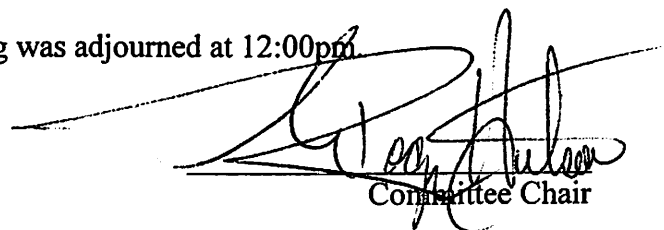
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CSM/CSMF Operating Agreement

The School and Foundation will be meeting on May 16th to discuss the Operating Agreement between the entities. Trustee Cowart suggested that President Scoggins, David Wagner, Linda Landrum and Kirsten Volpi meet together prior to the 16th to garner a level of understanding and agreement.

There being no further business, the meeting was adjourned at 12:00pm



Committee Chair

RECORD OF PROCEEDINGS

Golden, Colorado
June 6, 2008

The Board of Trustees met in regular session on June 6, 2008 in the Coors Board Room.

Present: Trustees Cowart, Craig, DeFilippo, Hutson, Nyikos, Spaanstra, Tschatschula; and Faculty Trustee Dorgan, Student Trustee Nelson.

Also in attendance: President Scoggins, Senior Vice President Volpi, Vice Presidents Poate, Chevront, and Williams and other staff and visitors.

Trustee Nyikos presided.

Regular Session. The Trustees convened in regular session at 9:25 a.m.

Approval of Minutes. Trustee Spaanstra made a motion, seconded by Trustee DeFilippo, to approve the minutes of the April 25, 2008 meeting as submitted. Motion carried.

Board Committee Reports. Trustee Hutson reported that the Finance and Audit Committee met on May 29 and discussed the upcoming bond issue. The Committee also reviewed recent internal audits with the internal auditor, Ms. Marilyn North.

Trustee Tschatschula reported that the Presidential Evaluation and Compensation Committee will meet with President Scoggins shortly. Trustee Cowart inquired as to the current presidential evaluation process. Currently, the President works with the Board to develop a set of goals. The committee will discuss developing a more structured, formal program with President Scoggins for the future. Faculty Trustee-elect Dorgan remarked that the faculty would welcome the opportunity to provide input.

President's Report. President Scoggins reported on the status of fundraising for Marquez Hall. The School is working with Mr. and Mrs. Marquez to extend the original deadline to raise the matching funds. The School is also trying to obtain matching funds from the State. Marathon Oil Corporation recently pledged \$1M toward the project.

President Scoggins reported that the School continues to develop its relationship with ConocoPhillips. President Scoggins will meet with their CEO, Mr. James Mulva, later in June, and their Senior Vice President for Technology, Dr. Stephen Brand, will visit the campus on June 19.

President Scoggins reported that the School continues its outreach efforts with Xcel Energy Company. Last year, Xcel Chairman, President and CEO Mr. Richard Kelly toured the campus. Later this month, Mr. Tim Taylor, President and CEO of Public Service Corporation – Colorado, will visit the campus.

President Scoggins remarked that Provost Middleton is currently in Abu Dhabi for a Petroleum Institute board meeting, where he hopes to make progress toward settling the current contract between the School and the Petroleum Institute.

President Scoggins also reported that the School will enter into a non-binding Memorandum of Understanding with PFC Energy, regarding the development of an energy institute in Kazakhstan, similar to the Petroleum Institute in Abu Dhabi.

President Scoggins gave an update on the Provost search. Four finalists were brought to campus and there was good feedback from the campus community. Unfortunately, two of the finalists withdrew to accept other positions. President Scoggins is working with the search committee to evaluate whether to invite additional candidates to campus, as well as evaluating whether to bring one of the remaining finalists back for a follow-up visit.

President Scoggins reported that the School and the Colorado School of Mines Foundation are in the process of developing an operating agreement. When ready, the draft agreement will be circulated to the Board of Trustees for input before it is formally presented for consideration at a future Board meeting.

President Scoggins asked Associate Provost Harrison to provide an update on the faculty hiring situation. Dr. Harrison reported that currently 27 new faculty appointments have been finalized for the coming academic year. Of these, six are women faculty members. Taking into account faculty retirements, this represents a headcount gain of 20 faculty members. Trustee DeFilippo indicated he would like an estimate of changes to the faculty/student ratio in recent years.

President Scoggins asked Chief of Staff Han to provide a status report on the performance agreement. Mr. Han indicated that the Department of Higher Education has not made much progress in this regard; he also indicated that the Department will be undertaking a study of the College Opportunity Fund (COF).

President Scoggins asked Associate Vice President Dougherty to provide an update on the employee partnership agreements authorized by Governor Ritter. Mr. Dougherty reported that the American Arbitration Association is running the election and ballots have been sent to classified staff in the affected position classifications.

President Scoggins reported that Vice President Chevront has announced his intention to retire, but that he has agreed to stay on during a one year transition period.

President Scoggins reported on several efforts to improve the School's marketing program. A great deal of positive feedback has been received on the research magazine. Efforts are continuing on a complete redesign of the website, and a program of advertising at Denver International Airport will begin this summer.

Research Activities. Vice President Poate provided an update on research activities for the months of April and May 2008. Dr. Poate indicated that research volume is up, with over half of research funding coming from industry, as compared to 20% at most higher education institutions. The volume of industry-funded research at Mines means that the School needs to evaluate its

intellectual property procedures, which will be done in consultation with the Research Management Cabinet. Dr. Poate reported on his recent trip to Washington, D.C. and highlighted several recent grant awards. Dr. Poate reported that the American Society of Mechanical Engineers (ASME) will hold its 6th International Fuel Cell Science, Engineering & Technology Conference will be held in Denver in mid-June. President Scoggins will speak at the conference; Trustee DeFilippo indicated his interest in attending the conference as well.

Financial Report. Senior Vice President Volpi reviewed the *Statement of Net Assets, Statement of Revenue and Expenses* (in the All Funds Operating Budget format) and a *Statement of Cash Flows* for the period ending April 30, 2008. Ms. Volpi reported that there had been no material shifts since the last board meeting and that it appears the School will end the year very close to the adjusted forecast.

Oath of Office and Faculty Trustee Remarks. Trustee Nyikos administered the Oath of Office to the incoming Faculty Trustee, Professor John Dorgan. Dr. Dorgan expressed his commitment to representing the Mines faculty in his role as the inaugural faculty trustee and commended the Mines faculty for their dedication and hard work. He also expressed concern about the metrics used to measure quality, including the student to faculty ratio.

Election of Chairman, Secretary and Treasurer. Trustee Tschatschula made a motion, seconded by Trustee Craig, to re-elect Dr. Michael Nyikos as Chairman of the Board. Motion carried. Trustee Nyikos thanked the board and indicated he was honored to continue to serve as Chairman.

Trustee Hutson made a motion, seconded by Trustee Craig, to re-elect Trustee Tschatschula as Secretary of the Board. Motion carried.

Trustee DeFilippo made a motion, seconded by Trustee Cowart, to confirm Senior Vice President Volpi as Treasurer of the Board. Motion carried.

AY09 Tuition and Fee Approval. Senior Vice President Volpi presented the proposed tuition and fees for the 2008-09 academic year. The proposal features a 4.4% per credit hour increase for resident undergraduate students and a 9.5% increase for non-resident students, with comparable increases at the graduate level. As part of the tuition restructuring plan, full-time status for resident undergraduate students will be increased to 15 credit hours. No new fees were added this academic year and no significant fee increases beyond inflationary increases, with the exception of the phased capital construction fee approved by the students. Trustee Tschatschula made a motion, seconded by Trustee Craig, to approve the following resolution:

BE IT RESOLVED that the Board of Trustees of the Colorado School of Mines hereby approves the following tuition and fee charges:

- *Per-credit-hour increases of 4.4% for resident undergraduate students and 9.5% for nonresident undergraduate students;*
- *Increasing full-time status for resident undergraduates to 15 credit hours;*
- *Full-time graduate rates set level with full-time undergraduate rates;*
- *Elimination of the tuition surcharge implemented in fall 2006; and*
- *Increases in mandatory fees that reflect inflationary increases and student-supported increases.*

Motion carried.

Approval of FY09 Budget. Senior Vice President Volpi introduced the proposed FY09 operating budget. In developing the proposed budget, the School's Campus Budget Committee and Executive Committee reviewed revenue projections and expenditure requests for FY09 and presented their recommendations to the President. The Board's Finance and Audit Committee also reviewed the proposed budget. The budget as presented features a \$7.7M increase in revenue growth, \$6.2M of which is due to tuition and \$1.5M due to state support. On the expenditure side, the proposed budget includes \$3.3M for increases to salaries and benefits of current faculty and staff; \$1.8M for new faculty and annualization of positions authorized during FY08; \$1.3M for new faculty development (start-up) funding; and \$1M for undergraduate and graduate student support. Trustee Nyikos complimented the staff on the clarity of the budget presentation. After discussion on various budget elements, Trustee Cowart made a motion, seconded by Trustee Spaanstra, to approve the following resolution, with the proviso that the Trustees be notified of any substantial changes at each Board meeting:

BE IT RESOLVED that the Board of Trustees of the Colorado School of Mines hereby approves the FY 2009 All Funds Operating Budget, including:

- o The Colorado School of Mines operating budget; and*
- o The Colorado School of Mines Foundation unrestricted budget.*

The Board further grants the President of the School the ability to realign as needed prioritized new spending requests while maintaining a balanced budget without the use of Petroleum Institute funds.

Motion carried.

Approval of FY09 Capital Plan. Senior Vice President Volpi introduced the school's five-year (FY10 – FY14) capital construction plan, which the School is required to submit to the Colorado Commission on Higher Education. Included in the five year plan are program planning for a replacement to Meyer Hall, phase one of the Earth-Energy Institute, and phase one of new campus housing, as well as funding requests for Marquez Hall, Meyer Hall, and the Earth-Energy Institute. In regard to the proposed new construction, Faculty Trustee Dorgan suggested that the School pursue platinum rather than silver status through the Leadership in Energy and Environmental Design (LEED) Green Building Rating System, possibly through the interest of donors. Trustee Tschatschula suggested that the opening paragraph of the Earth-Energy Institute white paper be revised. In response to a question on student housing demand, Vice President Chevront indicated a feasibility study had been conducted in 2005. Trustee Spaanstra made a motion, seconded by Trustee Hutson, to approve the following resolution:

BE IT RESOLVED, that the Board of Trustees of the Colorado School of Mines hereby approves the five year capital plan with a total project cost of \$356 million as listed and prioritized in the agenda item and approves the following within the plan:

- 1. The program planning for:*
 - a. the Meyer Hall Replacement;*
 - b. phase one of the Earth Energy Institute; and*
 - c. phase one of new campus housing.*
- 2. State requests for the fiscal year 2010 funding year for the following projects:*
 - a. Marquez Hall - \$20,000,000;*
 - b. Meyer Hall Replacement - \$25,000,000; and*
 - c. Earth Energy Institute phase one - \$20,000,000*

Motion carried.

Approval of Brown Hall Addition Bond Financing. Senior Vice President Volpi introduced a proposal to issue bonds for the financing of the Brown Hall addition and a portion of the next housing project. In August 2007 the School adopted a master resolution to put a lien on certain revenues as the platform for financings and re-financings. The Trustees are asked to adopt a fourth Supplemental Resolution authorizing the issuance of Variable Rate Demand Enterprise Improvement Revenue Bonds, series 2008B, in accordance with the Master Enterprise Bond Resolution. Morgan Stanley sets the rate on these bonds on a daily basis.

The Trustees will each electronically receive a written consent regarding this issuance and authorizing the Chairman and Treasurer of the Board to execute the Fourth Supplemental Resolution and related documents. The written consent document will need to be signed and sent to Senior Vice President Volpi's office.

Trustee DeFilippo departed the meeting at 11:40 a.m.

Approval of Faculty Handbook Revisions. Associate Provost Harrison presented the proposed changes to the Faculty Handbook. Trustee Hutson made a motion, seconded by Trustee Craig, to approve the following resolution:

BE IT RESOLVED that the Board of Trustees of the Colorado School of Mines approves the following Faculty Handbook changes:

Section 4: *Section 4.1.9: Word "Faculty" removed from title, since non-remuneration appointments can apply to non-faculty. Changed order of sections 4.1.8 and 4.1.9*

Section 7: *Sections 7.1 and 7.2: Sections expanded to include research faculty and non-tenure track academic faculty in goal setting, evaluation, and professional growth plans*

Section 12: *Section 12:5: Add a Student Life representative to the Safety Committee and correct the name of the Association of Classified Employees*

Entire Handbook: *Change titles throughout to reflect current titles:*

- *Executive Vice President for Academic Affairs/EVPAA to Provost*
- *Associate Vice President for Academic & Faculty Affairs/AVPA&FA to Associate Provost*
- *Plant Facilities to Facilities Management*
- *Vice President for Finance and Administration to Senior Vice President for Finance and Administration*

Change references to "tenure and promotion" to more commonly used phrase "promotion and tenure"

Motion carried.

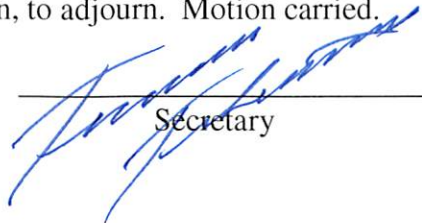
Undergraduate Admissions Report. Vice President Chevront introduced Ms. Heather Boyd, director of enrollment management. Ms Boyd provided an update on the expected enrollment for Fall 2008. Since more students have indicated their intention to enroll than expected, a wait list was established for any students who submitted their commitment to enroll after the May 1 deadline. The goal is to try and manage the number of committed students, currently at 962, to closer to the target range of 875 – 925 students. The Fall 2008 class shows significant increases of non-resident students, as well as increases in the number of women and minority students. The Trustees discussed the issue of what constitutes the right size for the School. President Scoggins indicated that Academic Affairs has been working on an update to the strategic plan, which should include revised growth targets. Faculty Trustee Dorgan remarked that the School’s relatively high acceptance rate negatively impacts the School on some external ranking services, such as *U.S. News and World Report*.

Regular Written Reports. There were no questions on the regular written reports.

Chairman’s Remarks. Trustee Nyikos reported with great sadness the passing of Joan Johnson, former state legislator and CCHE staff member who served as the liaison to the Colorado School of Mines Board of Trustees for several years. Trustee Nyikos also thanked outgoing Student Trustee Nelson for her service on the Board and expressed the Board’s best wishes for her future.

Executive Session. Trustee Craig made a motion, seconded by Trustee Hutson, to go into Executive Session to receive legal advice as authorized by CRS § 24-6-402 (3) (a) (II) Motion carried. The Executive Session commenced at 12:35 p.m.

Regular Session. The Trustees reconvened in regular session at 1:10 p.m. Trustee Craig made a motion, seconded by Trustee Hutson, to adjourn. Motion carried.


Secretary

Colorado School of Mines
RECORD OF PROCEEDINGS
Finance and Audit Committee Meeting

The Board of Trustee's Finance and Audit Committee met on May 29, 2008 at 10:30am.

Committee members present:

Trustee Hutson, Chair
Trustee Cowart (via phone)
Trustee Craig (via phone)

School representatives:

President Scoggins (via phone)
Kirsten Volpi
Marilyn North

Guests:

Stephanie Chichester, North Slope Capital
Chuck Cook, Morgan Stanley
Fred Marienthal, Kutak Rock

Trustee Hutson presided.

Approval of meeting minutes

The minutes for the April 15, 2008 meeting were approved as submitted.

June 2008 Bonds issue

Ms. Volpi discussed the upcoming June bond financing in the amount of \$34m which will fund \$25.5m of the Brown Hall addition and \$8.5m towards the new housing project. The issue will be in the same form as the March refinanced bonds; variable rate demand bonds (VRDB's) backed by a letter of credit with Dexia Bank. Also, the School will use the forward starting swap that it locked in September 2007 with a rate of 4.21%.

It was discussed that because the \$43.2m March VRDB's along with the new \$34m VRDB's have a put feature, it is the intent to move out of the VRDB mode into a fixed mode for at least 60% of the bonds whenever it is financially feasible.

The fourth supplemental resolution and official statement will be presented at the June 6th Board of Trustees meeting for approval.

Audit

Internal Auditor North presented the Student Activities Audit which had been recently finalized. She noted several areas of improvements which management agreed with the recommendations and is in the process of addressing.

Ms. Volpi reported that the external audit has begun with preliminary work and interim to begin in mid June.

Ms. Volpi reported that the Department of Higher Education is beginning their audits of the College Opportunity fund. Mines' audit will begin in June.

Ms. Volpi also reported that the Legislative Audit Committee has commissioned an audit of all student fees assessed at higher education institutions. Mines will be prepared for the audit when it commences.

April 30, 2008 Financial Statements

The period ended April 2008 statement of financial position, all funds operating budget versus actual, and statement of cash flows were reviewed.

Ms. Volpi reported that the forecast remains the same with a projected balanced net result for the year. Revenue continues to be stronger than budgeted primarily due to higher non-resident undergraduate student enrollment and both resident and non-resident graduate student enrollment. Most other revenue sources and expenditures are in line with the revised quarter forecast.

Academic Year 08-09 Tuition

Ms. Volpi presented the proposed tuition and fee schedule for the academic year 2008-2009. The proposed changes to tuition are as follows:

- Increase resident undergraduate tuition twice inflation, 4.4%
- Complete fifth and final year of the undergraduate resident full-time equivalent to 15 credit hours
- Eliminate the resident undergraduate tuition surcharge
- Increase non-resident undergraduate tuition 9.5%
- Increase resident and non-resident graduate tuition 9.5%

The changes noted above fall within both the Board's statutory authority on setting tuition rates and the FY09 long bill.

The proposed tuition rates will be presented to the Board of Trustees at its June 6th meeting for approval.

FY09 Budget update

Ms. Volpi reported the School's Campus Budget Committee and Executive Committee have reviewed revenue and expenditure requests for FY 2009 and presented their respective recommendations to the President. After consideration of the Committees' recommendations, the President's budget includes the following key items:

- \$7.7 million in revenue growth from tuition (\$6.2M) and state support (\$1.5M);
- \$3.3 million for increases to salaries and benefits for current faculty and staff;

- \$1.8 million for new faculty and also annualization of positions authorized during FY08;
- \$1.3 million for new faculty development (start-up); and
- \$1.0 million for student support – both undergraduate and graduate.

The items noted, along with other nondiscretionary increases, left only a small amount of new revenue available for departmental requests.

Ms. Volpi reported that the FY 2009 All Funds Budget reflects significant growth in revenues, and equally significant growth in spending directives. Below is an overview of revenue and expenditure changes by category.

<i>FY09 REVENUE</i>	
Tuition and Fees	\$6,257,000
State Support	\$1,500,000
Indirect Cost Recoveries	\$306,000
Auxiliary Increases	\$864,500
Investment Income	(\$125,000)
TOTAL NEW REVENUE	\$8,802,500
<i>FY09 EXPENSES</i>	
Mandated Increases	\$2,675,000
FY09 Commitments	\$3,022,500
Policy Directives	\$2,550,000
Auxiliary Increases	\$860,000
FY08 One Time Adjustments	(\$1,575,000)
FY09 New Request	\$1,290,000
TOTAL NEW EXPENSES	\$8,802,500

The proposed FY2009 budget will be presented to the Board of Trustees at its June 6th meeting for approval.

Capital

Ms. Volpi reported the 2008 legislative session yielded increased capital funding for higher education and additional financing tools for public higher education institutions in the state:

- SB 218 – Creates a Higher Education Maintenance and Reserve Fund and a Higher Education Federal Mineral Lease Revenues Fund and provides for deposits to these funds per the formula set forth in statute
- SB 233 – Authorizes the issuance of State of Colorado COPs payable from the Higher Education FML Revenue Fund for higher education capital construction

- SB 245 – Expansion of the State’s K-12 Bond Intercept Program to cover higher education revenue bonds; program ratings on current program are Aa3/AA-

Ms. Volpi also reported that the School must submit its five-year (FY10 – FY14) capital construction plan to the Colorado Commission on Higher Education (CCHE), subject to the review and approval of the Board of Trustees.

The five-year capital construction plan includes projects in the amount of \$356 million which the School intends to seek state capital construction funding in the amount of \$167 million for the five year plan period. The remainder of the sources is anticipated to come from private donations and debt financing.

The proposed overall priority, project cost, and timing of the projects is as follows:

Marquez Hall – The 2006 Program Plan justified the need for a new 75,000 square foot building to accommodate the Petroleum Engineering Department’s rapid growth in enrollment (undergraduate and graduate) and research. The anticipated cost was \$40 million. Mines requested spending approval to fund the building 100% through cash funds due to limited availability of state funding. The need to develop schematic designs for fundraising campaign expedited plans to seek program and spending approvals.

However, recognizing the challenge of privately raising \$40 million for a building and the immediate need to accommodate significant enrollment growth, Mines developed schematic design plans that would fulfill the needs outlined in the program plan through 2 phases. Phase 1 is a 57,000 square foot building at a cost of \$27 million – providing a 50% increase in space. To date, Mines has raised \$17 million for this project.

Support from the State would allow for the completion of the entire building as outlined and supported in the program plan in a single phase instead of 2 phases – resulting in construction cost savings from inflation and accommodating the 2nd phase.

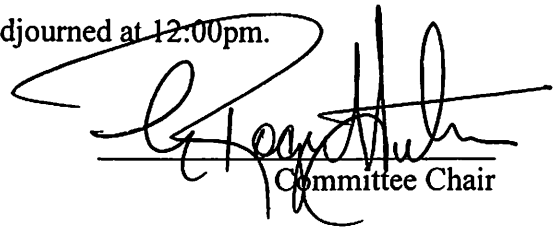
Meyer Hall – The home of the Physics department is one of the last academic buildings on campus that has not seen considerable renovations. Meyer Hall, built in the 1960’s, lacks the programmatic space and design for the department’s undergraduate, graduate and research initiatives. The replacement of this building is anticipated to be funded from several sources; state funds, private donations and debt financing. With the passing of the ASCSM referendum to institute a capital construction fee, the School has a source of revenue for the construction of general classroom and lab space. The students voted to allocate 75% of that fee to the construction of an addition to Brown Hall leaving the remaining 25% unallocated. The replacement of Meyer Hall could be a viable use of those remaining funds should the students determine. This Program Plan is in development and will be submitted as required to CCHE in July.

Earth Energy Institute - The *Earth Energy Institute* will serve as the physical and intellectual locus of academic, research, corporate, and outreach programs focusing on the intersection of the nexus between energy production and distribution, resource

development, the Earth and its environments, and policy and social license. The *Institute* will consist of a set of physically contiguous infrastructure and a unified administrative structure. Intellectually, the *Institute* will focus on research, graduate-level and professional education, industry collaborations and partnerships, and incubator support for startups and corporate partners. See attached for a more complete description of the *Earth Energy Institute*.

It is anticipated that the Institute will be developed in several phases; the first phase is estimated to be a 60,000 square foot building directly east of the USGS building at an approximate cost of \$35 million to be funded by state funds and private donations. This Program Plan is in development and will be submitted as required to CCHE in July.

There being no further business, the meeting was adjourned at 12:00pm.



Committee Chair

**UNANIMOUS WRITTEN CONSENT OF
THE BOARD OF TRUSTEES OF THE COLORADO SCHOOL OF MINES
IN LIEU OF MEETING**

The undersigned, being the members of the Board of Trustees of the School of Mines, a body corporate (the "Board") do hereby consent to the adoption of, and do hereby adopt, the following resolutions and declare them to be in full force and effect as of June 13, 2008 as if they were adopted at a regularly scheduled meeting of the members of the Board:

RESOLVED, that the Fourth Supplemental Resolution (the "Third Supplemental Resolution") authorizing the issuance of The Board of Trustees of the Colorado School of Mines Variable Rate Demand Enterprise Improvement Revenue Bonds Series 2008B pursuant to and in accordance with the Master Enterprise Bond Resolution adopted by the Board as of August 24, 2007, be, and is hereby adopted as of this date.

RESOLVED FURTHER, that the Chairman of the Board and the Vice President for Finance and Treasurer of the Board is each hereby authorized and empowered for and on behalf of the Board to execute the Fourth Supplemental Resolution and all other documents authorized by the Fourth Supplemental Resolution.

[Signature Page Follows]

Dated as of this 13th day of June, 2008.

**THE BOARD OF TRUSTEES OF
THE COLORADO SCHOOL OF MINES**

MEMBERS:

Vicki J. Cowart / by KamAnne Cvencek
Vicki J. Cowart

Dr. Michael S. Nyikos

Frank DeFilippo

DeAnn Craig

L. Roger Hutson

James R. Spaanstra

Terrance G. Tschatschula

Jean Yeager

From: Cowart, Vicki [Vicki.Cowart@pprm.org]
Sent: Friday, June 13, 2008 9:29 AM
To: Tammy Strange; Cowart, Vicki
Cc: KariAnne Cvencek; Jean Yeager
Subject: RE: E-mail to the board on bond financing approval

Ok - we can do that. KAC _ let me know if you have any questions, Thanks; V

-----Original Message-----

From: "Tammy Strange" <Tammy.Strange@is.mines.edu>
To: "Cowart, Vicki" <Vicki.Cowart@pprm.org>
Cc: "KariAnne Cvencek" <Kari.Cvencek@pprm.org>; "Jean Yeager" <Jean.Yeager@is.mines.edu>
Sent: 6/13/08 8:58 AM
Subject: RE: E-mail to the board on bond financing approval

Thanks Vicki. I checked with Kirsten, if your assistant could sign your name/by her name and fax it in (303-273-3950), that should work coupled with your email approval below.
Thanks!
Tammy

Tammy Strange
President's Office
Colorado School of Mines
303-273-3281
303-273-3285 fax
tstrange@mines.edu

-----Original Message-----

From: Cowart, Vicki [mailto:Vicki.Cowart@pprm.org]
Sent: Friday, June 13, 2008 8:56 AM
To: Tammy Strange
Cc: KariAnne Cvencek
Subject: RE: E-mail to the board on bond financing approval

I'm out of the office, but I approve. Can I have my assistant sign it for me or is email ok?
Vicki

-----Original Message-----

From: "Tammy Strange" <Tammy.Strange@is.mines.edu>
To: "DeAnn Craig" <DollyACraig@hotmail.com>; "Frank DeFilippo" <frankdef@comcast.net>; "Terrance Tschatschula" <terrance@bluesky75.com>; "Vicki Cowart" <Vicki.cowart@pprm.org>
Sent: 6/13/08 8:39 AM
Subject: RE: E-mail to the board on bond financing approval

Just a reminder that your signed consent is needed by today, June 13, and can be faxed to Kirsten Volpi's office at 303-273-3950.

Thank you!

Regards,

Carol

Dated as of this 13th day of June, 2008.

**THE BOARD OF TRUSTEES OF
THE COLORADO SCHOOL OF MINES**

MEMBERS:

Vicki J. Cowart

Michael S. Nytkos
Dr. Michael S. Nytkos

Frank DeFilippo

DeAnn Craig

L. Roger Huson

James R. Spearstra

Terrance G. Tschatschula

**UNANIMOUS WRITTEN CONSENT OF
THE BOARD OF TRUSTEES OF THE COLORADO SCHOOL OF MINES
IN LIEU OF MEETING**

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RESOLVED FURTHER, that the Chairman of the Board and the Vice President for Finance and Treasurer of the Board is each hereby authorized and empowered for and on behalf of the Board to execute the Fourth Supplemental Resolution and all other documents authorized by the Fourth Supplemental Resolution.

[Signature Page Follows]

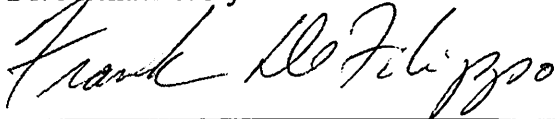
Dated as of this 13th day of June, 2008.

**THE BOARD OF TRUSTEES OF
THE COLORADO SCHOOL OF MINES**

MEMBERS:

Vicki J. Cowart

Dr. Michael S. Nyikos



Frank DeFilippo

DeAnn Craig

L. Roger Hutson

James R. Spaanstra

Terrance G. Tschatschula

Jean Yeager

From: Craig, DeAnn [DeAnnCraig@cnxgas.com]
Sent: Friday, June 13, 2008 3:06 PM
To: Jean Yeager; CarolChapman@is.mines.edu
Cc: Mysko, Cheryl
Subject: Bond approvals - CSM

I am enroute to Istanbul.

I approve the bond financing and will forward signed copy upon my return to the States.

Sent from my BlackBerry Wireless Device

“This email communication, including any attachments, is confidential and may be legally privileged. This communication is intended solely for the use of the intended recipient(s). If you are not an intended recipient, you are prohibited from any use, distribution, or reproduction of this communication. If you have received this communication in error, please immediately notify the sender and then delete this communication in its entirety from your system.”

Dated as of this 13th day of June, 2008.

**THE BOARD OF TRUSTEES OF
THE COLORADO SCHOOL OF MINES**

MEMBERS:

Vicki J. Cowart

Dr. Michael S. Nyikos

Frank DeFilippo

DeAnn Craig

DeAnn Craig

L. Roger Hutson

James R. Spaanstra

Terrance G. Tschatschula

*Carol -
Here is last copy of
written consent form.
Formerly approved
via email from
DeAnn Craig.
Thanks -
Jen*

209 273-3950

[Signature Page Follows]

RESOLVED FURTHER, that the Chairman of the Board and the Vice President for Finance and Treasurer of the Board is each hereby authorized and empowered for and on behalf of the Board to execute the Fourth Supplemental Resolution and all other documents authorized by the Board to execute the Fourth Supplemental Resolution.

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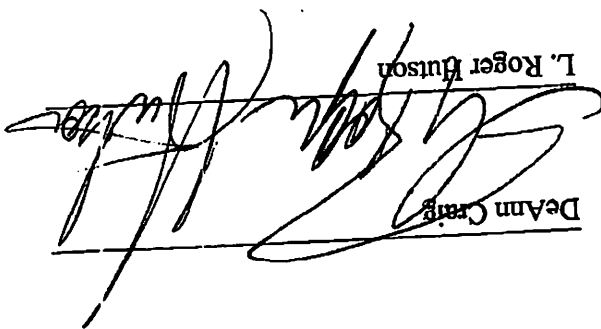
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**UNANIMOUS WRITTEN CONSENT OF
THE BOARD OF TRUSTEES OF THE COLORADO SCHOOL OF MINES
IN LIEU OF MEETING**

Terrance G. Tschatschula

James R. Spaanstra

L. Roger Hutson



DeAnn Craig

Frank DeFilippo

Dr. Michael S. Nyikos

Vicki J. Cowart

MEMBERS:

THE BOARD OF TRUSTEES OF
THE COLORADO SCHOOL OF MINES

Dated as of this 13th day of June, 2008.

**UNANIMOUS WRITTEN CONSENT OF
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[Signature Page Follows]

Dated as of this 13th day of June, 2008.

**THE BOARD OF TRUSTEES OF
THE COLORADO SCHOOL OF MINES**

MEMBERS:

Vicki J. Cowart

Dr. Michael S. Nyikos

Frank DeFilippo

DeAnn Craig

L. Roger Hutson



James R. Spaanstra

Terrance G. Tschatschula

Dated as of this 13th day of June, 2008.

**THE BOARD OF TRUSTEES OF
THE COLORADO SCHOOL OF MINES**

MEMBERS:

Vicki J. Cowart

Dr. Michael S. Nyikos

Frank DeFilippo

DeAnn Craig

L. Roger Hutson

James R. Spaanstra



Terrance G. Tschatschula

Carol Chapman

From: Bill Scoggins
Sent: Monday, August 25, 2008 8:49 AM
To: 'Mike Nyikos'
Cc: Carol Chapman; Harold Cheuvront
Subject: FW: enrollment confirmation deposit

Mike,

I support the \$200 confirmation fee to be implemented immediately. The fee is non-refundable, but creditable against the first semester tuition and fees invoice and is in line with peer practice. As this is an addition to the fee schedule approved by the Board earlier this year, Board approval is appropriate for this new fee. Inasmuch as the Fall, 2009 recruiting season is gearing up and we'd like to include this fee, if approved, in our published materials. I would appreciate you asking Trustees to vote via e-mail on this matter with a copy to Carol. We will then prepare the formal resolution for your signature.

Regards,

Bill

Dr. M. W. Scoggins
President
Colorado School of Mines
1500 Illinois Street
Golden, CO 80401
(303) 273-3280 (phone)
(303) 273-3285 (fax)
(303) 704-7043 (cell)
scoggins@mines.edu

-----Original Message-----

From: Heather Boyd
Sent: Wednesday, August 20, 2008 4:47 PM
To: Harold Cheuvront
Subject: enrollment confirmation deposit

Harold,

I would like to request a new student fee. The past three months have had the undergraduate Admissions office spending considerable time and staff resources managing an extensive waiting list. On May 1, 2008, our stated enrollment confirmation deadline, we had approximately 970 students 'intending to enroll'. This was fully 60 students above the original upper range goal of 910; and certainly well above the 920 – 925 that ultimately seemed manageable should the new student enrollment come in above the anticipated target.

There were a number of specific efforts undertaken to manage the extra students who met the deadline, as well as the students who did not meet the deadline. These students comprised our waiting list, and this list grew to almost 60 students at one point in the summer. As census date quickly approaches, the actual enrolling student number appears to be heading toward the original target range of 890 – 910 new students.

Nationally, colleges and universities reported a particularly unusual and unstable Fall term enrollment confirmation period this Spring and Summer. It was reported that students were confirming their plans to enroll at more than one school as a safe-guard or back up. To date, Colorado School of Mines has relied on 'a student's good word, and a handshake' philosophy regarding new student enrollment confirmation.

9/3/2008

However, given this new pattern of 'having a backup plan', we now need to put ourselves in the best possible position to encourage students to really tell us what their plans are, and initiating a reasonable enrollment confirmation deposit may help in this effort. The logistics of the deposit would have to be defined, but generally, a student would submit a deposit at the time they submit their intent to enroll. As long as the student follows through and enrolls, the deposit is applied to their student bill; should the student not enroll, they would forfeit the enrollment confirmation deposit.

Colorado School of Mines is certainly among a minority within 4-year universities without such an enrollment confirmation deposit. A couple of state examples are: Colorado State University requires a \$300 enrollment confirmation deposit, and University of Colorado requires a \$200 enrollment confirmation deposit.

With the residence hall deposit being increased to \$150 for the 2009-2010 academic year; I would like to request instituting a \$200 enrollment confirmation deposit beginning for new students entering in the Fall 2009. I considered a complimentary \$150 enrollment confirmation deposit, but with more consideration decided that this might cause confusion for new students.

Since this fee was not included in the schedule of new student fees for the FY08-09; I'd like to request a late addition at this time. While the deposit itself would not officially be credited to student accounts until the FY09-10 cycle; the collection and processing of this fee would begin in the current fiscal year.

Please let me know if you have any questions, need further clarification, or prefer this request in a different format.

Thank you,
Heather

Heather Boyd

Director of Enrollment Management
Colorado School of Mines
1600 Maple Street
Golden, CO 80401
303-273-3221 office
303-273-3509 fax
www.mines.edu

From: DeAnn Craig [dollyacraig@hotmail.com]
Sent: Wednesday, August 27, 2008 7:12 AM
To: Carol Chapman
Subject: [IS_SPAM_MEDIUM] Enrollment Confirmation Deposit
Importance: Low

I approve.

Dr. DeAnn Craig, P.E.
(cell) 303-717-0074

Page 1 of 4

Carol Chapman

From: Terrance [terrance@bluesky75.com]
Sent: Wednesday, August 27, 2008 8:35 PM
To: lrhutson@hrmres.com; Bill Scoggins; mnyikos@hotmail.com; dollyacraig@hotmail.com; frankdef@comcast.net; jsaanstra@faegre.com; vicki.cowart@pprm.org; Carol Chapman
Subject: Re: enrollment confirmation deposit

If we need a motion, I move that we adopt the enrollment confirmation deposit proposal of \$200.

If we need a second, I second.

If we need a vote, I vote yes.

(Aren't I agreeable!!).

5-7% no show rate is about 60 students - our current wait list. And I know some on the wait list are foreign students (most from Texas).

Terrance

-----Original Message-----

From: Roger Hutson <lrhutson@hrmres.com>
To: Bill Scoggins <Bill.Scoggins@is.mines.edu>; Mike Nyikos <mnyikos@hotmail.com>; DeAnn Craig <dollyacraig@hotmail.com>; Frank DeFilippo <frankdef@comcast.net>; Spaanstra <jsaanstra@faegre.com>; Terrance Tschatschula <terrance@bluesky75.com>; Vicki.Cowart@pprm.org <vicki.cowart@pprm.org>; Carol Chapman <Carol.Chapman@is.mines.edu>
Sent: Mon, 25 Aug 2008 10:55 am
Subject: RE: enrollment confirmation deposit

fair enough

Bill Scoggins <Bill.Scoggins@is.mines.edu> wrote:

Roger,

Probably 5-7%--trend is certainly increasing as potential students have multiple choices and are often waiting for waitlists to clear before ultimately deciding. Since we now have a waitlist as well and are running at near capacity, it seems only fair that we tighten up the confirmation process with a "competitive" practice.

Regards,

Bill

Dr. M. W. Scoggins
President
Colorado School of Mines
1500 Illinois Street

8/28/2008

Carol Chapman

From: Bill Scoggins
Sent: Monday, August 25, 2008 3:01 PM
To: Carol Chapman
Subject: FW: enrollment confirmation deposit

Regards,

Bill

*Dr. M. W. Scoggins
President
Colorado School of Mines
1500 Illinois Street
Golden, CO 80401
(303) 273-3280 (phone)
(303) 273-3285 (fax)
(303) 704-7043 (cell)
scoggins@mines.edu*

From: Roger Hutson [mailto:lrhutson@hrmres.com]
Sent: Monday, August 25, 2008 2:04 PM
To: Bill Scoggins
Subject: RE: enrollment confirmation deposit

yes

Bill Scoggins <Bill.Scoggins@is.mines.edu> wrote:

Assume this was an official "yes"!

Regards,

Bill

*Dr. M. W. Scoggins
President
Colorado School of Mines
1500 Illinois Street
Golden, CO 80401
(303) 273-3280 (phone)
(303) 273-3285 (fax)
(303) 704-7043 (cell)
scoggins@mines.edu*

From: Roger Hutson [mailto:lrhutson@hrmres.com]
Sent: Monday, August 25, 2008 10:55 AM
To: Bill Scoggins; Mike Nyikos; DeAnn Craig; Frank DeFilippo; Spaanstra; Terrance Tschatschula; Vicki.Cowart@pprm.org; Carol Chapman

8/25/2008

Carol Chapman

From: Frank DeFilippo [frankdef@comcast.net]

Sent: Monday, August 25, 2008 12:49 PM

To: 'Mike Nyikos'; 'DeAnn Craig'; 'Spaanstra'; 'Terrance Tschatschula'; 'Vicki.Cowart@pprm.org'; Bill Scoggins; Carol Chapman; Harold Chevront; Heather Boyd

Subject: RE: enrollment confirmation deposit

Mike,

You have my "YES" vote for the fee. With the enrollment credit, it sounds fair to the entering and sincere students.

Frank DeFilippo

RECORD OF PROCEEDINGS

Golden, Colorado
September 12, 2008

The Board of Trustees met in regular session on September 12, 2008 in the Coors Board Room.

Present: Trustees Cowart, Craig, DeFilippo, Hutson, Nyikos, Spaanstra, Tschatschula; and Faculty Trustee Dorgan, Student Trustee Dubetz.

Also in attendance: President Scoggins, Provost Middleton, Senior Vice President Volpi, Vice Presidents Poate, Chevront, and Williams and other staff and visitors.

Trustee Nyikos presided.

Regular Session. The Trustees convened in regular session at 9:20 a.m.

Approval of Minutes. Faculty Trustee Dorgan asked that the draft minutes of the June 6, 2008 meeting be amended to add that as part of his remarks following taking the oath of office he expressed concerns about the metrics used to measure quality including student to faculty ratio. Trustee Spaanstra made a motion, seconded by Trustee DeFilippo, to approve the minutes of the June 6, 2008 meeting as amended. Motion carried.

Chairman's Report. Trustee Nyikos reported on recent western slope activities, including student recruitment and the energy forum.

Board Committee Reports. Trustee Hutson reported that the Finance and Audit Committee met on August 29 and discussed the internal auditor's report, which is in the process of being finalized. At the next board meeting, the Committee plans to distribute a list of completed audits. He remarked that the Committee had not had time to review the proposed debt management policy or the interest rate swap policy so those agenda items will be deferred to a future meeting.

President's Report. President Scoggins reported that Trustee DeFilippo had attended the Fuel Cell Conference in June and that his written report was distributed to each Trustee.

President Scoggins reported on meetings with several ConocoPhillips representatives, including a meeting with the CEO, Mr. James Mulva, in Houston.

President Scoggins remarked that the Faculty Oversight Committee on Sports and Athletics has completed its semi-annual report and no major issues were identified; the information gathered will be used for continuous improvement.

President Scoggins reported that he was invited to join Governor Ritter as part of a trade delegation to Japan and China in mid-November. Provost Middleton will represent the School.

President Scoggins gave a status report on the Provost search. A search firm has been engaged to work with the search committee, which is chaired by Associate Provost Barbara Olds. There is a strong list of potential candidates.

President Scoggins reported that new members continue to be added to the Foundation Board of Governors. The Board will meet October 2 and 3. That same weekend is also Homecoming, with all the associated events, including the Mines Century Society dinner and Athletics Hall of Fame banquet.

President Scoggins invited Student Trustee Dubetz to give an update on the activities of the Associated Students of Colorado School of Mines (ASCSCM). Ms. Dubetz reported that ASCSCM had established seven priorities, including a study to evaluate the best use of the intermodal transportation fee and voter registration.

President Scoggins asked Vice President Chevront to give an update on the Career Center. Dr. Chevront reported on the success of the recent Career Day and provided statistics on last year's placement rates and starting salaries.

President Scoggins gave an update on the School's rankings in *U.S. News and World Report*. Three of the major factors influencing these rankings are peer ratings, selectivity and retention. The School will continue its efforts to enhance its competitive profile.

President Scoggins asked Associate Vice President Dougherty to give a report on the new dependent tuition reduction benefit. The need for a dependent tuition benefit emerged as part of the work of the Faculty Compensation Committee. During Fall 2008, seven students have taken advantage of this new benefit for a total cost of \$14,040. Mr. Dougherty further reported on the Faculty Compensation Committee's work. As part of a faculty compensation survey, the committee learned that the faculty benefits package is very competitive. Salaries vary by rank and discipline. In general, overall compensation is competitive; however, several departments/divisions were identified as being below their peers. This data is helpful when making equity adjustments as part of the annual review process.

Research Activities. Vice President Poate provided an update on research activities for the months of June and July. Dr. Poate reported that he will represent Colorado School of Mines on the board of the National Renewable Energy Laboratory (NREL) as part of the new management contract. He also reported on several recent awards, including a Materials Research Science and Engineering Center (MRSEC) award from the National Science Foundation (NSF) to Dr. Craig Taylor. Governor Ritter will host a press conference with representatives from Mines and the University of Colorado to announce this major research award.

Financial Report. Senior Vice President Volpi reviewed the *Statement of Net Assets, Statement of Revenue and Expenses* (in the All Funds Operating Budget format) and a *Statement of Cash Flows* for the period ending June 30, 2008. She reported that revenues from Education and General (E & G) activities ended \$1.7M higher than forecasted. Tuition revenue ended very close to the forecast, which had been increased significantly from the original budget to reflect growth in undergraduate non-resident students as well as graduate students. The primary drivers for the surplus were the strength of the research enterprise and higher than anticipated investment

income. E & G expenditures finished very close to the forecast. Ms. Volpi also pointed out that unrestricted net assets grew 22% over last year, which is very positive for the School.

Ms. Volpi remarked that the School is looking at various options for the use of the \$1.7M Education and General fund surplus. One possibility is to fund several FY09 projects that were not able to be funded; there are also some old deficits that could be addressed. It may also make sense to pay down some debt. Trustee Dorgan encouraged the Trustees to address faculty salary issues. Ms. Volpi remarked that the new indirect cost return policy will be helpful in this regard, as well as the increased allocations for faculty start-up funding and an increased pool of funds for equity adjustments.

Trustee Craig congratulated President Scoggins and Senior Vice President Volpi on the improved financial reporting in the past two years.

Student Trustee Oath of Office. Trustee Nyikos administered the Oath of Office to the incoming Student Trustee, Ms. Amy Dubetz. The Trustees welcomed Ms. Dubetz to the Board.

Approval of the CSM/CSMF Operating Agreement. President Scoggins introduced the proposed operating agreement between the Colorado School of Mines Foundation, Inc. and the Colorado School of Mines. Trustee DeFilippo pointed out an inconsistency in how the title for the Vice President for University Advancement is listed in the document, which will be corrected. Trustee Cowart made a motion, seconded by Trustee Hutson, to approve the following resolution:

BE IT RESOLVED, that the Board of Trustees of the Colorado School of Mines hereby approves the Operating Agreement between the Colorado School of Mines and the Colorado School of Mines Foundation, as presented in this agenda item.

Motion carried.

Approval of Debt Management Policy and Procedures. This agenda item was deferred to a subsequent meeting.

Approval of Interest Rate Swap Policy. This agenda item was deferred to a subsequent meeting.

Approval of Designation of Mann Estate Proceeds. Vice President Williams and Senior Vice President Volpi presented their recommendation for designation of the estate of Carolyn V. Mann, widow of John F. Mann '43. Mrs. Mann's bequest of approximately \$1.8M is unrestricted to the School, which means the Board can choose to designate, some, all or none of the bequest. Based on the previous giving history of Mr. and Mrs. Mann, Ms. Williams and Ms. Volpi recommend designating the bequest as follows: \$1M toward graduate fellowships in geology; \$500K toward an endowment for the Earth Energy Institute; and \$300K to be added to the School's unrestricted endowment. Trustee DeFilippo commented that he would like to see this agenda item deferred; he indicated he would like more information on the Earth Energy Institute, and expressed his interest in reviewing the original gift papers and the estate papers. Trustee Cowart expressed her confidence in the professional capability of the staff in handling the details of the bequest. Trustee DeFilippo made a motion, seconded by Trustee Tschatschula, to defer this item to the next board meeting. After discussion, motion carried, with Trustees Cowart and Craig opposed.

Emergency Action Item. Senior Vice President Volpi introduced a request to approve the general terms of the leases between the School and the Colorado School of Mines Foundation for the Ford and Ellickson properties. Trustee DeFilippo made a motion, seconded by Trustee Tschatschula, to approve the following resolutions:

BE IT RESOLVED, that the Board of Trustees of the Colorado School of Mines hereby approves the capital lease between the Colorado School of Mines and CSMF VIII, LLC for the use and benefit of the real property located at 1920 Jones Road, Golden, Colorado with the terms as follows:

- *Lease term June 1, 2008 – December 31, 2010*
- *Annual lease payments of \$61,936.60*
- *\$100 consideration for option to purchase property*
- *Option period October 1, 2008 – December 31, 2010*
- *Option purchase price \$1,034,000*

The Board of Trustees authorizes insignificant and immaterial changes to the terms noted above prior to execution of the lease.

And further;

BE IT RESOLVED, that the Board of Trustees of the Colorado School of Mines hereby approves the capital lease between the Colorado School of Mines and CSMF IX, LLC for the use and benefit of the real property located at 1301 19th Street, Golden, Colorado with the terms as follows:

- *Lease term June 1, 2008 – December 31, 2010*
- *Annual lease payments of \$194,734.90*
- *\$100 consideration for option to purchase property*
- *Option period October 1, 2008 – December 31, 2010*
- *Option purchase price \$3,251,000*

The Board of Trustees authorizes insignificant and immaterial changes to the terms noted above prior to execution of the lease.

Motion carried.

Process to Secure Certificate of Participation Financing. Senior Vice President Volpi reported that the State of Colorado is in the middle of its process to issue certificates of participation. Since the State can not issue debt to fund capital projects, it issues certificates of participation. Certificates of participation are a quasi-debt type of instrument, which require collateral. As such, the Trustees will be asked to approve the use of Stratton Hall and the McBride Honors Program house as collateral. The State anticipates having the documents ready in the next two to three weeks. Ms. Volpi indicated this may require action of the Trustees before the next regularly scheduled meeting, which would necessitate a special teleconference meeting.

External Auditor's Required Communications. Senior Vice President Volpi introduced the required communication sent by the School's external auditor. The document outlines the scope and timing of the upcoming audit.

Report on Student/Faculty Ratios. Provost Middleton distributed a summary report on Student to Faculty Ratios from AY00 to AY09. Dr. Middleton commented that in line with one of the goals of the Strategic Plan, lecturers and instructors are now carrying a higher percentage of the teaching load. The report shows a relatively stable student to faculty ratio (of academic faculty including those on transitional appointments), ranging from 17.1 in AY00 to 18.5 in AY09, with a low point of 15.9 in AY03. Trustee Dorgan remarked on the increased faculty workload from AY03 to present. The report also included IPEDS Peer Data, compiled from a national database, which shows Colorado School of Mines in the mid-range of its peer institutions. Trustee Dorgan questioned the legitimacy of the IPEDS survey including administrative faculty in the data set.

Fall 2008 Enrollment Summary. Mr. Han and Ms. Douthit-Paulson distributed a summary of Fall 2008 enrollment data to the Board.

Office of University Advancement Report. Vice President Williams presented a summary of fundraising data from 1999 to 2008, which shows average annual giving in the \$14M range, excluding unusual gifts. President Scoggins has set a goal of \$25M for FY09. In order to achieve this, the Office of University Advancement will need to identify more potential donors in the \$50K - \$500K range, as well as expand its outreach to corporations and foundations. Ms. Williams also reported that her office has begun the process of formulating a new campaign; the newly-expanded Foundation Board of Governors will be of tremendous assistance in this regard.

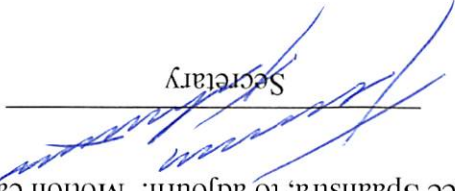
CSM Foundation Report. Executive Director Landrum presented the unaudited Statement of Financial Position as of June 30, 2008. The investment committee, which is chaired by Mr. George Wood, did an excellent job for the Foundation, despite generally poor market conditions.

Faculty Senate Report. Dr. Thomas McKinnon, the new Faculty Senate President, provided an update on the work of the Senate. The Senate's primary goal for the year is to advance the "greening" of Colorado School of Mines, with the goal of branding the School as a leader in sustainability. Dr. McKinnon also reported that the Senate passed a resolution in favor of Amendment 58, which would provide funding for college scholarships. In response to a question, Dr. McKinnon remarked that the Senate has been advised by the School's administration of the requirements of the Fair Campaign Practices Act. He reported that the Senate did not use any state resources in regard to its stance on Amendment 58 as they met off-campus during non-working hours. As requested, the Senate will put a disclaimer on any public communications regarding their support of Amendment 58 indicating they do not represent the School.

Regular Written Reports. There were no questions on the regular written reports.

Executive Session. Trustee Craig made a motion, seconded by Trustee Hutson, to go into Executive Session to receive legal advice as authorized by CRS § 24-6-402 (3) (a) (II) Motion carried. Chairman Nyikos requested that the voting Trustees, Ms. Carol Chapman, Ms. Anne Walker, and President Scoggins participate in the Executive Session, which commenced at 11:30 a.m.

Regular Session. The Trustees reconvened in regular session at 12:35 p.m. Trustee Hutson made a motion, seconded by Trustee Spanstra, to adjourn. Motion carried.



Secretary

Colorado School of Mines
RECORD OF PROCEEDINGS
Finance and Audit Committee Meeting

The Board of Trustee's Finance and Audit Committee met on September 9, 2008 at 2:00 p.m.

Committee members present:

Trustee Hutson, Chair
Trustee Cowart (via phone)
Trustee Craig (via phone)

School representatives:

President Scoggins
Kirsten Volpi

Trustee Hutson presided.

Approval of meeting minutes

The minutes for the May 29, 2008 meeting were approved as submitted.

Audit

Ms. Volpi reported that Internal Auditor North was finalizing the most recent audit on Reporting Requirements for Taxable Transactions. Ms. North will present the completed audit at the next Finance and Audit Committee meeting. The prioritized list for coming audits was discussed; Donations from the Foundation to CSM will be the next internal audit. The committee also discussed that the Board of Trustees at its next meeting in October will receive a listing of all completed audits to date.

The committee reviewed the communication from external auditor BKD, LLP. It was noted that this communication was a requirement pursuant to a new audit standard which provides an overview of the auditor's scope of work for the coming audit. Ms. Volpi reported that the external audit has begun.

June 30, 2008 Financial Statements

The year ended June 2008 statement of financial position, all funds operating budget versus actual, and statement of cash flows were reviewed.

Ms. Volpi reported that the year end financial statements reflect a strong increase in cash, the new bond financings issued during the year bringing total debt to over \$106 million, and a 22 percent increase in unrestricted net assets. It was noted that this positive increase in unrestricted net assets included for the first time in several years a positive net asset balance for the general fund; this change was primarily due to the change in tuition strategy to move full time credit hours to 15, more focused budgeting, and controlling the spending of rollforward budget balances. Current unrestricted operating activity reflected a positive variance of a little over \$3.3 million; \$1.7 million from education and

general and \$1.6 million from auxiliaries. The primary driver for the positive education and general variance was higher than expected indirect cost recoveries. The non-operating activity reflected the write off of the \$2 million Development Services receivable from the Petroleum Institute; CSM is still working with the Petroleum Institute under a research arrangement while the Development Services agreement is being discussed.

Upcoming Bonds issue

Ms. Volpi discussed the upcoming bond financing which will likely take place in January 2009 and will fund approximately \$18 million of the new housing project along with a new parking structure. It is anticipated that the Board of Trustees will approve the parking program plan at its December 2008 meeting in preparation for approval of the financing.

It was also discussed that Ms. Volpi continues to watch the variable rate and swap market for opportunities to refinance the 2008A and/or 2008B issues. Because the \$43.2m March VRDB's (2008A) along with the \$34m VRDB's (2008B) have a put feature, it has been the intent to move out of the VRDB mode into a fixed mode for at least 60% of the bonds whenever it is financially feasible.

Underwriter Selection

Ms. Volpi reported that the School engaged in an underwriter selection process which resulted in a pool of underwriters being selected; Morgan Stanley, Royal Bank of Canada, and George K. Baum. The School will be utilizing George K. Baum as sole manager on its upcoming financing. The committee requested a written summary of the underwriter selection process.

Debt related Policies

The committee briefly discussed the Debt Management Policy and Procedures and the Interest Rate Swap Policy. The committee members will review both draft policies in detail prior to the next committee meeting and will send Ms. Volpi questions or comments prior to the meeting. The committee will then bring these policies forward for Board approval at its October meeting.

Recommended designation of Mann estate proceeds

Ms. Volpi reported the School was a beneficiary of the Carolyn V. Mann Trust; proceeds estimated at \$1.8 million. Pursuant to the new Operating Agreement between the School and the CSM Foundation, this gift being named to the School (and not Foundation) will be administered by the School.

Given that this gift is unrestricted but the giving history of Mrs. Mann and her husband was directed to Geology, the Board is being asked to designate \$1.5 million of the gift to Geology and to areas that support Geology.

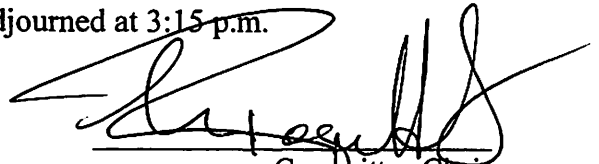
Capital Leases

The terms of two capital leases between the School and the CSM Foundation was discussed. These leases reflect the use by the School of the Foundations' recently purchased properties at 1301 19th Street in Golden (Stevenson Ford) and 1920 Jones Road. The leases have purchase options as it is the intent of the School to purchase these properties prior to the end of the lease term (December 2010). The School is exploring the financial feasibility of purchasing these properties using the next bond financing.

Process to secure financing through Certificates of Participation (COP)

The committee discussed the State's upcoming \$215 million COP issuance which includes \$6.7 million for the School's Brown Hall addition. It is anticipated that the State will have draft documents by late September which will need each respective School's review, Finance and Audit committee review and approval and Board of Trustees approval.

There being no further business, the meeting was adjourned at 3:15 p.m.



Committee Chair

RECORD OF PROCEEDINGS

Golden, Colorado
October 15, 2008

The Board of Trustees met in special session on October 15, 2008 via teleconference established in the Coors Board Room.

Present: Trustees Cowart, Craig, DeFilippo, Hutson, Nyikos, Spaanstra, Tschatschula; Student Trustee Dubetz. Absent: Faculty Trustee Dorgan.

Also in attendance: President Scoggins, Provost Middleton, Senior Vice President Volpi, General Counsel Walker, Ms. Chapman; Ms. Stephanie Chichester, North Slope Capital Advisors; Mr. Fred Marienthal, Kutak Rock.

Trustee Nyikos presided.

Special Session. The Trustees convened in special session at 4:00 p.m. There were no minutes for approval.

Certificate of Participation. Trustee Hutson reported that the Board's Finance and Audit Committee met earlier in the day to review the Colorado Higher Education Lease Purchase Site Lease and the Colorado Higher Education Lease Purchase Sublease, as well as the associated resolution. Mr. Hutson clarified that the lease documents are boilerplate from the State and not subject to editing by the School. The State requires approval by each affected higher education governing board by October 17.

Mr. Hutson reported that the Finance and Audit Committee is in frequent contact with Ms. Volpi and President Scoggins to monitor the School's financial position in relation to the financial markets, and asked Senior Vice President Volpi to provide a general overview of the current market conditions. Ms. Volpi provided an overview on the impacts to the School's variable bond portfolio, noting the high level of volatility in the market.

The Trustees discussed the School's participation in the proposed State of Colorado issuance of Certificates of Participation, which would provide \$6.7M to the School for the expansion of Brown Hall. After extensive discussion, Trustee Hutson made a motion, seconded by Trustee Cowart, to approve the following resolution:

WHEREAS, the Board of Trustees of the Colorado School of Mines (the "Board" and the "Institution"), established under Article VIII, Section 5 of the Colorado Constitution, and Sections 23-41-101 and 23-41-105 of the Colorado Revised Statutes, as amended ("C.R.S."), is authorized pursuant to C.R.S. §§ 23-41-104, 23-41-116, 23-41-123, to sell, lease or exchange real property or any interest therein; and

WHEREAS, pursuant to the State of Colorado Higher Education Capital Construction Lease Purchase Financing Program Master Trust Indenture, as supplemented by the State of Colorado Higher Education Capital Construction Lease Purchase Financing Program

Series 2008 Supplemental Trust Indenture (together, the "Indenture"), dated as of the dated date to be established (the "Dated Date"), by Wells Fargo Bank, National Association, as trustee thereunder (the "Trustee"), the proceeds of the Higher Education Capital Construction Lease Purchase Financing Program Certificates of Participation Series 2008 (the "Series 2008 Certificates") will be used to finance a portion of the costs of the construction of an addition to the Institution's Brown Building at 1610 Illinois Street in Golden, Colorado (the "Project"); and

WHEREAS, the Institution desires to lease certain property of the Institution (the "Leased Property") to the Trustee in its capacity as trustee under the Indenture pursuant to a Site Lease, dated as of the Dated Date (the "Site Lease"); and

WHEREAS, the State will lease the Leased Property from the Trustee in its capacity as trustee under the Indenture pursuant to a State of Colorado Higher Education Capital Construction Lease Purchase Financing Program Series 2008 Lease Purchase Agreement, dated as of the Dated Date (the "Series 2008 Lease") between the Trustee and the State; and

WHEREAS, the Institution will sublease its Leased Property from the State pursuant to a State of Colorado Higher Education Capital Construction Lease Purchase Financing Program Sublease of the Colorado School of Mines, dated as of the Dated Date, by and between the State, as sublessor, and the Institution, as sublessee (the "Sublease"); and

WHEREAS, there has been presented to the Board proposed forms of the Site Lease and the Sublease to be executed in connection with the Project;

NOW, THEREFORE, BE IT RESOLVED by the Board as follows:

Section 1. *The Senior Vice President for Finance and Administration is hereby authorized, empowered and directed to execute any documents, agreements or certificates and take any actions required to implement the Project, Site Lease and Sublease. Pursuant to HJR 08-1042, the Institution is not required to contribute any of its own funds to the Project.*

Section 2. *The proposed forms of the Site Lease and the Sublease submitted to the Board are approved, ratified and confirmed, and the Senior Vice President for Finance and Administration is hereby authorized, empowered and directed to execute the Site Lease and the Sublease, subject to the General Counsel's review and approval of the contracts, in the name of and on behalf of the Institution; that such Site Lease and the Sublease in the proposed forms hereby are approved, with such changes therein as shall be approved by the officers of the Institution or other representative of its Board executing the same, their execution thereof to constitute conclusive evidence of the Institution's approval of the Site Lease and the Sublease and any and all changes or revisions therein from the proposed forms; and that from and after the execution and delivery of the Site Lease and the Sublease, the officers, and such agents are empowered and directed to do all such acts and things and to execute, attest, acknowledge and deliver the Site Lease and the Sublease as may be necessary to carry out and comply with the provisions of the Site Lease and the Sublease as executed, including but not limited to any and all other documents necessary or desirable in connection therewith.*

Section 3. *The Senior Vice President for Finance and Administration is authorized to execute all closing documents which may be necessary in connection with the Project,*

the Site Lease, the Sublease and the Leased Property and any other closing agreements reasonably required in connection therewith, and all such actions and doings of said persons which are in conformity with the purposes and intent of this resolution hereby are in all respects ratified approved and confirmed.

Section 4. *All other prior or future acts and doings of the officers, agents and employees of the Institution or the Board, including but not limited to the execution of other agreements, certificates and documents, which are in conformity with the purposes and intent of this resolution and in furtherance of the Project, the Site Lease, the Sublease and the Leased Property shall be and the same hereby are in all respects ratified, approved and confirmed. Such agreements, certificates and documents shall include, but not be limited to, such agreements, certificates and documents as may be required for the Institution to obtain the standard forms of title insurance policies for the Leased Property.*


Section 5. *If any section, paragraph, clause or provision of this resolution shall for any reason be held to be invalid or unenforceable, the invalidity or unenforceability of such section, paragraph, clause or provision shall not affect any of the remaining provisions of this resolution.*

Section 6. *All bylaws, orders and resolutions, or parts thereof, inconsistent herewith are hereby repealed to the extent only of such inconsistency. This repealer shall not be construed as reviving any bylaw, order or resolution or part thereof.*

Section 7. *This resolution shall be in full force and effect upon its passage and approval.*

Motion carried.

There being no further business, the meeting adjourned at 5:05 p.m.


Secretary

**RESOLUTION OF THE BOARD OF TRUSTEES OF
THE COLORADO SCHOOL OF MINES
OCTOBER __, 2008**

W I T N E S S E T H:

WHEREAS, the Board of Trustees of the Colorado School of Mines (the "Board" and the "Institution"), established under Article VIII, Section 5 of the Colorado Constitution, and Sections 23-41-101 and 23-41-105 of the Colorado Revised Statutes, as amended ("C.R.S."), is authorized pursuant to C.R.S. §§ 23-41-104, 23-41-116, 23-41-123, to sell, lease or exchange real property or any interest therein; and

WHEREAS, pursuant to the State of Colorado Higher Education Capital Construction Lease Purchase Financing Program Master Trust Indenture, as supplemented by the State of Colorado Higher Education Capital Construction Lease Purchase Financing Program Series 2008 Supplemental Trust Indenture (together, the "Indenture"), dated as of the dated date to be established (the "Dated Date"), by Wells Fargo Bank, National Association, as trustee thereunder (the "Trustee"), the proceeds of the Higher Education Capital Construction Lease Purchase Financing Program Certificates of Participation Series 2008 (the "Series 2008 Certificates") will be used to finance a portion of the costs of the construction of an addition to the Institution's Brown Building at 1610 Illinois Street in Golden, Colorado (the "Project"); and

WHEREAS, the Institution desires to lease certain property of the Institution (the "Leased Property") to the Trustee in its capacity as trustee under the Indenture pursuant to a Site Lease, dated as of the Dated Date (the "Site Lease"); and

WHEREAS, the State will lease the Leased Property from the Trustee in its capacity as trustee under the Indenture pursuant to a State of Colorado Higher Education Capital Construction Lease Purchase Financing Program Series 2008 Lease Purchase Agreement, dated as of the Dated Date (the "Series 2008 Lease") between the Trustee and the State; and

WHEREAS, the Institution will sublease its Leased Property from the State pursuant to a State of Colorado Higher Education Capital Construction Lease Purchase Financing Program Sublease of the Colorado School of Mines, dated as of the Dated Date, by and between the State, as sublessor, and the Institution, as sublessee (the "Sublease"); and

WHEREAS, there has been presented to the Board proposed forms of the Site Lease and the Sublease to be executed in connection with the Project;

NOW, THEREFORE, BE IT RESOLVED by the Board as follows:

Section 1. The Senior Vice President for Finance and Administration is hereby authorized, empowered and directed to execute any documents, agreements or certificates and take any actions required to implement the Project, Site Lease and Sublease. Pursuant to HJR 08-1042, the Institution is not required to contribute any of its own funds to the Project.

Section 2. The proposed forms of the Site Lease and the Sublease submitted to the Board are approved, ratified and confirmed, and the Senior Vice President for Finance and Administration is hereby authorized, empowered and directed to execute the Site Lease and the Sublease, subject to the General Counsel's review and approval of the contracts, in the name of and on behalf of the Institution; that such Site Lease and the Sublease in the proposed forms hereby are approved, with such changes therein as shall be approved by the officers of the Institution or other representative of its Board executing the same, their execution thereof to constitute conclusive evidence of the Institution's approval of the Site Lease and the Sublease and any and all changes or revisions therein from the proposed forms; and that from and after the execution and delivery of the Site Lease and the Sublease, the officers, and such agents are empowered and directed to do all such acts and things and to execute, attest, acknowledge and deliver the Site Lease and the Sublease as may be necessary to carry out and comply with the provisions of the Site Lease and the Sublease as executed, including but not limited to any and all other documents necessary or desirable in connection therewith.

Section 3. The Senior Vice President for Finance and Administration is authorized to execute all closing documents which may be necessary in connection with the Project, the Site Lease, the Sublease and the Leased Property and any other closing agreements reasonably required in connection therewith, and all such actions and doings of said persons which are in conformity with the purposes and intent of this resolution hereby are in all respects ratified approved and confirmed.

Section 4. All other prior or future acts and doings of the officers, agents and employees of the Institution or the Board, including but not limited to the execution of other agreements, certificates and documents, which are in conformity with the purposes and intent of this resolution and in furtherance of the Project, the Site Lease, the Sublease and the Leased Property shall be and the same hereby are in all respects ratified, approved and confirmed. Such agreements, certificates and documents shall include, but not be limited to, such agreements, certificates and documents as may be required for the Institution to obtain the standard forms of title insurance policies for the Leased Property.

Section 5. If any section, paragraph, clause or provision of this resolution shall for any reason be held to be invalid or unenforceable, the invalidity or unenforceability of such section, paragraph, clause or provision shall not affect any of the remaining provisions of this resolution.

Section 6. All bylaws, orders and resolutions, or parts thereof, inconsistent herewith are hereby repealed to the extent only of such inconsistency. This repealer shall not be construed as reviving any bylaw, order or resolution or part thereof.

Section 7. This resolution shall be in full force and effect upon its passage and approval.

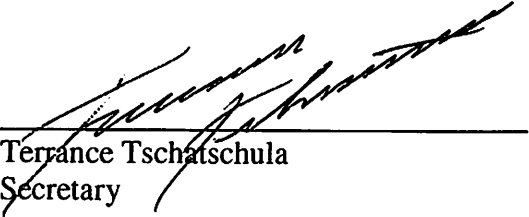
PASSED AND ADOPTED by the Board of Trustees of the Colorado School of Mines
this ____ day of October, 2008.

Board of Trustees of the
Colorado School of Mines

[SEAL]

By 
Michael S. Nyikos
Chairman

Attest:

By 
Terrance Tschatschula
Secretary

Colorado School of Mines
RECORD OF PROCEEDINGS
Finance and Audit Committee Meeting

The Board of Trustee's Finance and Audit Committee met on October 15, 2008 at 10:30 a.m.

Committee members present:

Trustee Hutson, Chair
Trustee Cowart (via phone)
Trustee Craig (via phone)

School representatives:

President Scoggins
Kirsten Volpi
Marilyn North

Guest: Stephanie Chichester

Trustee Hutson presided.

Approval of meeting minutes

The minutes for the September 9, 2008 meeting were approved as submitted.

Status of School's debt portfolio

Ms. Volpi provided an update on the recent volatility in the credit markets and how that volatility is impacting the School's outstanding debt; primarily the School's variable rate demand bonds (VRDBs). Prior to September 15, 2008, the School's VRDBs and the associated swaps were performing very well and ahead of what had been budgeted for the year; July, August and early September bond interest rates averaged below 2%. With the news of Lehman Brothers bankruptcy on September 15th came tremendous lack of confidence in the market and the entire VRDB market has been extremely volatile including the School's bonds. The later part of September and so far in October, the School's VRDB's have been averaging from 3% to over 6%. Because of the volatility and market uncertainty which includes the School's letter of credit provider, Dexia, Ms. Volpi along with the School's Financial Advisor and approved underwriters have been assessing options to the current VRDB modes.

After discussion, it was determined that the School will continue to watch the market, assess options, and outline target parameters that could be used as thresholds for decision points in determining a possible conversion to a different mode.

September 30, 2008 Financial Statements

The quarter ended September 2008 statement of financial position, operating budget versus actual, and statement of cash flows were reviewed.

Ms. Volpi reported that the quarter end financial statements reflect an increase in cash primarily due to increase in tuition and fees and more timely draws on federal research contracts. A forecast has been prepared for activity through the first quarter which reflects an increase of \$3 million in tuition revenue primarily due to increase non-resident enrollments; both undergraduate and graduate. An additional \$400,000 in indirect cost recovery is projected due to anticipated increase in research activity. Expenses are forecasted to be higher than budgeted; \$800,000 partly due to the increase in non-resident graduate enrollment and partly due to additional spending for summer instruction. Consistent with the anticipated increase in indirect cost recovery revenue, \$150,000 additional indirect cost recovery which is distributed to campus is projected. Other projected expense items include an increase in the General Research Lab debt payment, and other unbudgeted items in Student Services and Institutional Support.

Debt related Policies

The committee reviewed, discussed, and revised where appropriate the Debt Management Policy and Procedures and the Interest Rate Swap Policy. The committee approved the revised policies and plans to bring them forward to the full Board for approval at the October 24th meeting.

Audit

Ms. North presented the draft report on Reporting Requirements for Taxable Transactions. Ms. North noted that her audit identified areas where process improvements could be made; management has agreed with the audit recommendations. The committee also discussed that the Board of Trustees at its October 24th meeting will receive a listing of all completed audits to date.

Ms. Volpi reported that the external audit is coming to a close. The auditors have relayed four probable audit findings which are categorized as the lowest level of risk; control deficiency. As the audit is not complete yet, the auditors reserve the right to make changes or additions to the audit findings.

State FY09 capital appropriation

Ms. Volpi reported that due to the State's first quarter revenue shortfall projection, the State have delayed certain capital appropriations that were approved for fiscal year 2009. Mines has two delayed projects; \$2 million for the Brown Hall addition and \$3.5 million for phase 2 of the Hall of Justice demolition project. The State will revisit the status of all delayed projects after their December revenue forecast.

State FY10 capital appropriation

Ms. Volpi reported that the State Capital Development Committee cancelled their annual higher education meetings due to the state's anticipated lack of funding for capital in fiscal year 2010.

Process to secure financing through Certificates of Participation (COP)

The committee discussed the State's upcoming \$215 million COP issuance which includes \$6.7 million for the School's Brown Hall addition and the required documents

for execution of the COPs. The committee approved the required documents and will forward to the full Board of Trustees for approval at the afternoon Board conference call.

Other Business

The committee discussed that the committee would forward to the Board of Trustees at its October 24th meeting the previous recommendation to allocate and invest the Mann estate; \$1 million to fund Geology Fellowships, \$500,000 to fund the Earth Energy Institute and \$300,000 to be added to the School's unrestricted reserves.

There being no further business, the meeting was adjourned at 1:00 p.m.

Committee Chair

RECORD OF PROCEEDINGS

Golden, Colorado
October 24, 2008

The Board of Trustees met in regular session on October 24, 2008 in the Coors Board Room.

Present: Trustees Cowart, Craig, DeFilippo, Hutson, Nyikos, Spaanstra, Tschatschula; and Faculty Trustee Dorgan, Student Trustee Dubetz.

Also in attendance: President Scoggins, Provost Middleton, Senior Vice President Volpi, Vice Presidents Poate and Chevront, and other staff and visitors.

Trustee Nyikos presided.

Regular Session. The Trustees convened in regular session at 9:20 a.m.

Approval of Minutes. Faculty Trustee Dorgan asked that the draft minutes of the September 12, 2008 meeting be amended. Under the Report on Student/Faculty Ratios on page 5, Trustee Dorgan asked that his comment questioning the legitimacy of IPEDS including administrative faculty in their data set be noted. Trustee Cowart made a motion, seconded by Trustee Craig, to approve the minutes of the September 12, 2008 meeting as amended. Motion carried. Trustee Cowart made a motion, seconded by Trustee Craig, to approve the minutes of the October 15, 2008 special meeting. Motion carried.

Chairman's Report. Trustee Nyikos reported that he was a guest at the October 23 meeting of the Associated Students of Colorado School of Mines (ASCSM.)

Board Committee Reports. Trustee Hutson reported that the Finance and Audit Committee met on October 15. The committee approved three agenda items: the Mann estate, the debt management policy and the interest rate swap policy. Trustee Hutson also distributed a list of audits completed by the internal auditor. Trustee Hutson asked Senior Vice President Volpi to give an update on the credit markets. Ms. Volpi indicated that unlike the equity market, the credit market seems to be settling down. The School's bonds have been improving as the interest rates have been steadily declining. Trustee Hutson thanked President Scoggins, Senior Vice President Volpi and her staff for their diligence during these uncertain market conditions.

Trustee Tschatschula indicated that the Presidential Evaluation and Compensation Committee would discuss its work during the Executive Session.

President's Report. President Scoggins reported that given the concerns with the state of the economy, he has directed staff to take a very conservative approach to spending, including a review of all new and vacant positions.

President Scoggins reported on Senator Obama's visit to campus on September 16. His speech was telecast in Bunker Auditorium to enable more students to participate.

President Scoggins reported that the Department of Geology and Geological Engineering Visiting Committee met on September 18 and 19.

President Scoggins reported on Homecoming and the associated activities, including the Athletic Hall of Fame dinner, at which Marv Kay was inducted. He also reported that there were more than 300 guests at the Mines Century Society dinner, including Trustees Nyikos and Cowart. President Scoggins also reported on the meeting of the Foundation Board of Governors on October 2 and 3; Trustees Nyikos and Tschatschula participated in the Board of Governors meetings.

President Scoggins reported on a successful Oil Shale Symposium held on campus October 13 – 15. The keynote speakers were The Honorable Jon Huntsman, Governor of Utah; Mr. Harris Sherman, Executive Director of the Colorado Department of Natural Resources; and Dr. Foster Wade, Deputy Assistant Secretary for Land and Minerals Management of the U. S. Department of the Interior.

President Scoggins reported that the School's new marketing-oriented website has been launched. There will still be a great deal of work to do on the website, but this represents a major step forward in the School's marketing efforts.

President Scoggins reported that Academic Affairs and Student Life recently co-sponsored a First Year Forum to discuss how the critical first year experience can be enhanced for our students.

President Scoggins asked Student Trustee Dubetz to give an update on ASCSM activities. Student Trustee Dubetz remarked that the students appreciated the opportunity to give a presentation at the breakfast prior to the board meeting. She reported on the students' interactions with the City of Golden to try and improve pedestrian safety and announced that the City has agreed to install a sidewalk on the south side of 19th Street near Mines Park. ASCSM will continue to advocate for additional safety enhancements at the 6th Avenue intersection and on 19th Street at the Ford property. ASCSM is also studying the best use of the intermodal transportation fee.

Research Activities. Vice President Poate provided an update on research activities for the months of August and September. Research expenditures are currently double what they were last year at the same time period, however the downturn in the economy could affect research volume. Dr. Poate also highlighted several major awards, including a fuel cell award supported by Representative Perlmutter and a clean coal award supported by Senator Allard. Dr. Poate also gave an update on the Collaboratory's plan to pursue a major appropriation for a carbon management program. Dr. Poate reported that the biology facility in the General Research Laboratory will be ready soon. Dr. Poate also reported that the new NREL board met and that the plan is to double or triple the size of NREL. Faculty Trustee Dorgan commended Dr. Poate's leadership in the research area and highlighted the importance of the School's recent Materials Research Science and Engineering Center (MRSEC) grant.

Trustee Cowart inquired about the potential impacts to the School should Amendment 46 pass. President Scoggins reported that the administration has been researching this issue and feels that it will be manageable; Amendment 46 will have no impact on federal grant-funded programs.

Financial Report. Senior Vice President Volpi provided an update on the status of the Certificates of Participation, which priced well and are scheduled to close in two weeks. The Brown Hall expansion is fourth on the list of priorities. Ms. Volpi reviewed the *Statement of Net Assets, Statement of Revenue and Expenses* (in the All Funds Operating Budget format) and a *Statement of Cash Flows* for the period ending September 30, 2008. The first forecast looks strong, due to increases in graduate tuition and non-resident student tuition, as well as increased indirect cost returns. Given the recent volatility in the equity and bond markets, the School will be monitoring expenses closely.

Earth Energy Institute Update. Graduate Dean Tom Boyd presented an overview of the proposed Earth Energy Institute. Mines has a unique energy portfolio and emerging leadership in water resources. Additional space is needed to enable Mines to continue to grow its research and graduate education in these areas, and to provide a venue for interdisciplinary approaches and industry partnerships. The proposed Earth Energy Institute would be located in the area near the current Hall of Justice, to take advantage of the proximity of many of the collaborating departments and entities: Mining/Engineering, Geology, Chemical Engineering, Physics, Petroleum Engineering and the high performance computing center. The proposed Institute would house the Geophysics Department. The School is in advance discussions with several potential donors; the project would most likely be done in three phases for a total cost of \$125M. The first phase is projected to cost \$45.5M.

Approval of Designation of Mann Estate Proceeds. Trustee Spaanstra made a motion, seconded by Trustee Cowart to approve the following resolution:

BE IT RESOLVED, that the Board of Trustees of the Colorado School of Mines hereby approves the recommendation to designate a portion of the proceeds from the Carolyn V. Mann Trust, as follows:

\$1,000,000 – to create an endowment called the John and Carolyn Mann Graduate Fellowship in Geology. This fellowship will support graduate students pursuing a masters or doctorate degree in Geology.

\$500,000 – to create an endowment called the Earth Energy Institute Endowment to support the programmatic, research, and/or physical components of the Earth Energy Institute.

The Board of Trustees approves the remainder of the proceeds or \$300,000 be added to the School's unrestricted endowment.

These funds will be administered by the School but invested with the Colorado School of Mines Foundation. Spending from these endowments will be comparable to the rate of spending of other School and Foundation endowments. Corpus may be spent from these accounts with explicit Board of Trustees approval.

Chairman Nyikos called for discussion. Trustee Tschatschula questioned whether the Board should restrict the use of these funds since there is always a need for unrestricted funds. President Scoggins affirmed that the Board can always choose to unrestrict funds it has previously restricted should the need arise.

Chairman Nyikos called for a vote on the motion. Motion carried with Trustee Tschatschula dissenting.

Approval of Mines Park Utility Easement. Trustee DeFilippo made a motion, seconded by Trustee Hutson, to approve the following resolution:

BE IT RESOLVED, that the Board of Trustees of the Colorado School of Mines hereby approves of the School entering into an easement agreement with the City of Golden in connection with allowing the City of Golden Public Works department access to certain utilities located on the Mines Park housing property, and authorizes the President or his appropriate delegee to negotiate the terms of this agreement and execute it on the School's behalf.

Motion carried.

Approval of Debt Management Policy and Procedures. Trustee Hutson remarked that the proposed debt management policies and procedures will establish a strategy for the School on the use of debt. Trustee Craig made a motion, seconded by Trustee Cowart, to approve the following resolution:

BE IT RESOLVED, that the Board of Trustees of the Colorado School of Mines hereby approves the Board of Trustees Policy on Debt Management, as presented in this agenda item.

Chairman Nyikos called for discussion. Trustee DeFilippo asked that in section 1.3 it be clarified that the recommendations for changes in the debt management policy should go to the Board. He also requested that the entire board get a copy of the annual report specified in section 6.0, after it has been reviewed by the Finance and Audit Committee. Trustee Tschatschula asked that there be a report at a board meeting on the financial ratios identified in section 4.0 of the policy, and that this be done each time the School is considering new debt. The Trustees thanked the Finance and Audit Committee and Ms. Volpi for their hard work in developing this policy, as well as the interest rate swap policy. Chairman Nyikos called for the vote on the motion. Motion carried.

Approval of Interest Rate Swap Policy. Trustee Spaanstra made a motion, seconded by Trustee Hutson, to approve the following resolution:

BE IT RESOLVED, that the Board of Trustees of the Colorado School of Mines hereby approves the Interest Rate Swap Policy, as presented in this agenda item.

Motion carried.

Approval of Emeritus Recommendations. Provost Middleton recommended four candidates for emeritus status on the occasion of their retirement. Faculty Trustee Dorgan inquired as to the process for the awarding of University Emeritus status. Provost Middleton indicated that the nomination for University Emeritus status is normally made by the faculty and is reviewed by a faculty committee and can be done subsequent to the awarding of regular emeritus status. Trustee DeFilippo made a motion, seconded by Trustee Craig, to approve the following resolution:

BE IT RESOLVED that the Board of Trustees of the Colorado School of Mines approves the following for Emeritus status effective on their respective retirement dates:

*Graeme Fairweather
Emeritus Professor of Mathematical and Computer Sciences*

*Eric Nelson
Emeritus Associate Professor of Geology and Geological Engineering*

*Barbara Olds
Emeritus Professor of Liberal Arts and International Studies*

*Eileen Poeter
Emeritus Professor of Geology and Geological Engineering*

Motion carried.

Approval of Board of Trustees Bylaws Amendments. Trustee Hutson remarked that he and Trustee Spaanstra had previously reviewed the proposed revisions with Student Trustee Dubetz and Faculty Trustee Dorgan and asked if they would like to comment. Student Trustee Dubetz commented on Section XI and questioned whether the presumption should be that advisory Trustees will not participate in executive sessions. After discussion, it was suggested that section XI be amended to indicate that advisory board members will participate in Executive Sessions at the invitation of the Chairman. Faculty Trustee Dorgan remarked that section VI, which would give the Chairman the authority to appoint and remove committee members, does not take into consideration bipartisan participation on committees. The Trustees remarked that the language in section VI is reflective of current practice. Trustee Spaanstra made a motion, seconded by Trustee Craig, to approve the following resolution, and incorporating the suggested wording change in section XI:

WHEREAS, the Colorado School of Mines Board of Trustees has deemed it necessary to make certain amendments to its Bylaws to address recent statutory amendments governing the Board's composition, and to reflect current Board operational practices; and

WHEREAS, the Trustees were timely notified of the Board's intention to consider amending the Bylaws in advance of the Board's regular meeting scheduled for October 24, 2008, pursuant to and in compliance with Section XII of the Bylaws; and

WHEREAS, the proposed Bylaws amendments reflected in the document attached hereto as Exhibit A were approved by a majority vote of the voting Trustees during a regular, open meeting on October 24, 2008;

NOW, THEREFORE, BE IT HEREBY RESOLVED THAT:

The Bylaws shall be amended as reflected in Exhibit A hereto. The amended Bylaws shall be effective on the date this resolution is executed below.

Motion carried, with Trustee DeFilippo dissenting.

Sabbatical Reports. Provost Middleton presented the reports from the members of the faculty who took sabbaticals during AY2007/08. The Trustees have historically selected a few reports for verbal presentation. Interest was expressed in having verbal reports from Dr. Rod Eggert, Dr. Michael Walls and Dr. Masami Nakagawa. The Trustees were asked to send any additional suggestions to Ms. Chapman.

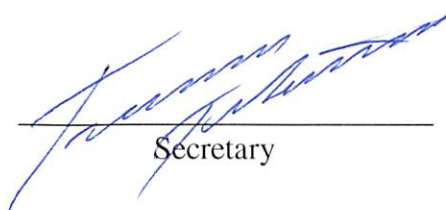
Faculty Senate Report. Professor Thomas McKinnon, Faculty Senate President, provided an update on the work of the Senate. In addition to their usual business of committee work, the Senate has decided to make the “greening of Mines” its primary initiative in the 2008-09 academic year. The Senate will be working closely with the Sustainability Committee on this initiative. Trustee DeFilippo suggested that as part of this initiative they look into electronic transfer of documents to reduce paper consumption; he further suggested looking at whether there were ways to use the C470/Morrison RTD site for any transportation related initiatives since it is currently not well used. Trustee Hutson inquired as to how many members of the Senate had voted in favor of the Senate’s resolution of support for Amendment 58. Professor McKinnon reported that 7 out of 13 senators had voted in favor.

Regular Written Reports. There were no questions on the regular written reports.

Executive Session. Trustee Tschatschula made a motion, seconded by Trustee Craig, to go into Executive Session to discuss an award nomination as authorized by CRS §24-6-402 (3) (a) (VIII) and to discuss the work of the Presidential Evaluation and Compensation Committee as authorized by CRS §24-6-402 (3) (b) (I). Motion carried. Chairman Nyikos requested that the voting Trustees, Ms. Carol Chapman, Dr. Nigel Middleton, and President Scoggins participate in the Executive Session, which commenced at 11:30 a.m. President Scoggins and Dr. Middleton departed the Executive Session at 11:45 a.m.

Regular Session. The Trustees reconvened in regular session at 12:00 p.m. Trustee Hutson made a motion, seconded by Trustee Spaanstra, to approve the following resolution:
BE IT RESOLVED that the Board of Trustees of the Colorado School of Mines accepts the recommendation of the faculty awards committee and Provost for the Board of Trustees’ Outstanding Faculty Award.
Motion carried.

Trustee DeFilippo made a motion, seconded by Trustee Tschatschula, to adjourn the meeting. Motion carried. Meeting adjourned at 12:05 p.m.


Secretary

RECORD OF PROCEEDINGS

Golden, Colorado
December 11, 2008

The Board of Trustees met in regular session on December 11, 2008 in the Coors Board Room.

Present: Trustees Cowart, Craig, DeFilippo, Hutson, Nyikos, Spaanstra, Tschatschula; and Faculty Trustee Dorgan, Student Trustee Dubetz.

Also in attendance: President Scoggins, Provost Middleton, Senior Vice President Volpi, Vice Presidents Williams and Chevront, and other staff and visitors.

Trustee Nyikos presided.

Regular Session. The Trustees convened in regular session at 9:25 a.m.

Approval of Minutes. Trustee Hutson made a motion, seconded by Trustee Craig, to approve the minutes of the October 24, 2008 meeting as submitted. Motion carried.

Chairman's Report. Trustee Nyikos commented on a series of successful energy briefings being conducted on the western slope.

Board Committee Reports. Trustee Hutson introduced Mines freshman student, Ms. Erin Stephens, who is the top caller in the Office of University Advancement's Digger Dial telephone solicitation program. Following up on Ms. Stephens' earlier telephone solicitation, Trustee Hutson presented her with a \$1,000 check for the School and encouraged others to also contribute to the Mines annual giving program.

Trustee Hutson reported that the Finance and Audit Committee met on December 5 and approved the Verizon Wireless Site Lease Agreement, which appears as an action item later in the agenda.

The committee also reviewed the final audit results and discussed in general terms a proposed parking facility. Trustee Hutson reported that the School's bonds are doing well.

President's Report. President Scoggins reported with great sadness the death of Rukayah Al-Awami, a sophomore geophysics student from Saudi Arabia, in an automobile accident on campus. Her tragic death emphasizes the importance of the School's efforts to work with the City of Golden to address traffic issues on the campus.

President Scoggins reported on his visit to Calgary on October 28 – 30.

President Scoggins reported on two outstanding speakers who had recently visited campus. Mr. Steve Hinchman, executive vice president of Technology and Services for Marathon Oil

Corporation, spoke on campus on November 6. On December 2, Mr. Matthew R. Simmons, Chairman of Simmons and Company International, gave a presentation on campus. Following his presentation, President Scoggins hosted a reception for Mr. Simmons in downtown Denver.

President Scoggins reported that the Mines football team played in the Rotary Bowl in St. George, Utah on December 6. The team was accompanied by the band and cheerleaders.

President Scoggins reported that the provost search continues to move forward.

President Scoggins announced that prior to the December 12 commencement ceremony, a special hooding ceremony will take place for the Ph.D. graduates.

President Scoggins reported that the School will make its annual presentation to the Joint Budget Committee on December 18. Trustees are invited to attend if interested.

President Scoggins reported that it is likely that the State, in addition to the freeze on capital construction funding, may also rescind some previously appropriated general funds due to the budget crisis.

President Scoggins invited Student Trustee Dubetz to give an update on the activities of the Associated Students of Colorado School of Mines (ASCSM). Student Trustee Dubetz reported on issues associated with the intermodal transportation fee. ASCSM is awaiting the results of a feasibility study being undertaken by the City of Golden to determine the possibilities of a jointly-funded commuter bus.

Trustee DeFilippo asked for updates on the Petroleum Institute, the endowment and legislative issues. President Scoggins reported that the School is attempting to resolve the Petroleum Institute contract issues by moving forward with a new contract based on a research model. In regard to the School's endowment, as of October 31 it was at \$130M, which is down 22% from the year prior. The Standard and Poor's index was down 33% during the same timeframe. The Foundation Board met on December 10 and feels that they are in a good position in terms of liquidity. In terms of the School's legislative agenda, with the assistance of our federal lobbyist, the School will actively pursue funding from the new administration, particularly the Department of Energy. At this point, the School has no specific legislation at the State level, but will maintain an active presence and will be seeking matching support for projects of the Colorado Renewable Energy Collaboratory.

President Scoggins reported that the School received the Crystal Globe Award for Distinguished Service from the Jefferson Foundation at their Crystall Ball on October 25. Trustee DeFilippo accepted the award on behalf of the School.

Research Activities. Associate Vice President Speer provided an update on research activities for the month of October. Dr. Speer reported that research awards are well ahead of last year. There may be some slowing due to the economic downturn, but several major proposals are currently pending. Dr. Speer also highlighted several new significant awards from the Department of Energy. Faculty Trustee Dorgan also cited the work of Dr. Neal Sullivan at the Fuel Cell Center.

Financial Report. Senior Vice President Volpi reviewed the *Statement of Net Assets*, *Statement of Revenue and Expenses* and the *Statement of Cash Flows* for the period ending October 31, 2008. Ms. Volpi reported that the School's cash position is still strong. Expenses are on target and the revenue forecast from September has not been adjusted. Ms. Volpi remarked that President Scoggins has directed staff to control spending in case of a budget rescission from the state. Ms. Volpi reported that work is continuing on planning for the School's first parking structure, which would be primarily funded through the student parking fee implemented last year. The board may be asked to approve the program plan for the parking structure prior to its next meeting so the debt can be issued in conjunction with the housing component. Faculty Trustee Dorgan indicated he would recuse himself if there were a conflict of interest in relation to the proximity of his home. Trustee DeFilippo asked that the parking structure and housing plans be presented as separate agenda items.

Approval of Graduation Lists. Trustee DeFilippo made a motion, seconded by Trustee Craig, to approve the following resolution:

BE IT RESOLVED that the Board of Trustees of the Colorado School of Mines approves the award of degrees to the candidates named in the attached graduation lists for December 2008.

Motion carried. The Trustees extended their congratulations to all the graduates and their families. Trustee Nyikos remarked on the number of graduates from the western slope.

Approval of Verizon Wireless Lease. Senior Vice President Volpi reported that Verizon Wireless has requested a renewal of an existing cellular antenna structure site lease on the northwest corner of the survey field. The proposed new lease terms will bring this site lease in line with other similar leases and current market value. There will be no change in the intensity of the signal. Trustee DeFilippo made a motion, seconded by Trustee Hutson, to approve the following resolution:

BE IT RESOLVED, that the Board of Trustees of the Colorado School of Mines hereby approves of the School entering into a lease agreement with Verizon Wireless in connection with the lease of certain real property located on the CSM Survey field, and authorizes the President or his appropriate delegate to negotiate the terms of this agreement and execute it on the School's behalf.

Motion carried.

Finance and Administration Report. Senior Vice President Volpi presented a 10 year historical overview of the School's finances, as requested by Trustee Nyikos. The presentation was prepared using the School's audited financial statements. As of June 30, 2008 the School had total assets of \$277M, and total liabilities of \$144.9M. The School's net assets were \$132.4M. Ms. Volpi provided historical data on revenues by source and expenses by major categories.

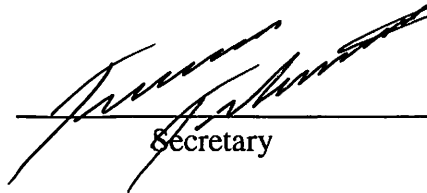
Sabbatical Report by Professor Eggert. Professor Rod Eggert gave a report on his sabbatical during AY07/08. Professor Eggert chaired the Committee on Critical Mineral Impacts on the U.S. Economy for the National Research Council. He served as a consultant on an international monetary fund mission to the Kyrgyz Republic. He also served as a visiting professor at the University of Witwatersrand, the University of Chile, and the Catholic University of Chile. Professor Eggert presented numerous public seminars nationally and internationally and worked on and completed numerous papers for publication.

Faculty Senate Report. Faculty Senate President Tom McKinnon gave an update on the work of the Faculty Senate. The Senate, in conjunction with the Undergraduate Council, has been considering the issue of adopting a plus/minus grading system. The Senate was prepared to move forward with a plan to implement this change in the Fall of 2009. However, a significant number of students have recently expressed concern about the proposed change to the grading system. As a result, a committee of faculty, students and administrators will be convened to seek a consensus solution. The Senate, at the request of Associate Provost Harrison, is also in the process of discussing the issue of enrollment caps. Professor McKinnon also remarked that Governor Lamm has indicated an interest in speaking on the campus this spring on hard choices in public policy.

Regular Written Reports. There were no questions on the regular written reports.

Executive Session. Trustee Tschatschula made a motion, seconded by Trustee Craig, to go into Executive Session to receive legal advice as authorized by CRS § 24-6-402 (3) (a) (VIII). Motion carried. Chairman Nyikos requested that the voting Trustees, President Scoggins, Provost Middleton, Associate Vice President Speer, and Ms. Chapman participate in the Executive Session, which commenced at 10:55 a.m.

Regular Session. The Trustees reconvened in regular session at 12:04 p.m. Trustee Tschatschula made a motion, seconded by Trustee DeFilippo, to adjourn the meeting. Motion carried. Meeting adjourned at 12:05 p.m.


Secretary

Colorado School of Mines
RECORD OF PROCEEDINGS
Finance and Audit Committee Meeting

The Board of Trustee's Finance and Audit Committee met on December 5, 2008 at 9:00 a.m.

Committee members present:
Trustee Hutson, Chair

School representatives:
Kirsten Volpi

Approval of meeting minutes

The minutes for the October 15, 2008 meeting were approved as submitted.

October 31, 2008 Financial Statements

The October financial statements were reviewed. It was noted that the activity through October was consistent with the forecast developed after the first quarter; tuition revenue continues to be strong and expenses are on track.

Debt

Ms. Volpi reported that the School's Variable Rate Demand Bonds are performing well; at or below 1% and the swaps are performing at essentially break even. Ms. Volpi continues to watch the market for possible fix out strategies, however at this time, converting to fixed is not effective for the School.

It is anticipated that the School will issue fixed rate debt in the January or February timeframe which will support the construction of the new housing project and parking garage.

Verizon Wireless lease

The School has an existing lease with Verizon Wireless for their occupancy of a portion of the survey field at Mines Park. That lease is expiring soon and the Board is being asked to approve the new lease commitment.

Audit

Ms. Volpi reported that Internal Auditor North was working on two audits; compliance with gift accounts and Financial Aid including the School's Perkins loan program.

The financial audit results for the year ending June 30, 2008 were reviewed. The audit contained two general audit findings; interest accrual requirements and construction in progress accrual requirement. The audit also included four federal compliance findings; two related to research and development and two related to financial aid.

Capital

Ms. Volpi reported that the School is working on developing a program plan for an upcoming parking garage. The garage will be funded primarily by a student fee instituted the fall of 2007.

There being no further business, the meeting was adjourned at 10:15 a.m.

Committee Chair