

**UNIVERSITY OF MINNESOTA**  
**BOARD OF REGENTS**  
**Finance & Operations Committee**  
**October 11, 2007**

A meeting of the Finance and Operations Committee of the Board of Regents was held on Thursday, October 11, 2007 at 4:25 p.m. in the Recital Hall, Humanities & Fine Arts Building on the University of Minnesota Morris campus.

Regents present: Dean Johnson, presiding; Clyde Allen, Linda Cohen, John Frobenius, and Venora Hung.

Staff present: Vice President Richard Pfutzenreuter and Executive Director Ann Cieslak.

Student Representatives present: Nathan Swanson and Mark Torma.

**RESOLUTION RELATED TO ISSUANCE OF NEW COMMERCIAL PAPER**

Regent Johnson invited Vice President Pfutzenreuter to present a resolution related to issuance of new commercial paper, as detailed in the docket materials. Pfutzenreuter explained the resolution increases the commercial paper program by \$135 million to finance and/or reimburse the University for purchases of land and buildings, construction and remodeling projects to be undertaken by the University, and acquisition and installation of equipment, together with an additional principal amount to finance the costs of issuance.

The committee voted unanimously to recommend approval of the resolution related to issuance of new commercial paper.

**CONSENT REPORT**

Vice President Pfutzenreuter presented the Consent Report, as detailed in the docket materials, including the Purchase of Goods and Services over \$250,000 to:

- Informa Economics, Inc. for \$285,966 to conduct a two-part Agricultural Strategic Study during the time period from October 15, 2007 through June 30, 2009 for the Minnesota Agricultural Experiment Station.
- Managed Services, Inc. for \$509,045 to award a contract to provide preventive maintenance and janitorial services to West Bank Office Building for the period of October 17, 2007 to October 17, 2008.
- Pillar Data Systems for an estimated \$600,000 to purchase a Mid-Tier Disk Storage Subsystem, including installation services and three years of maintenance and support for all components for Enterprise Application Systems in the Office of Information Technology.

- XPEDX for an estimated \$433,277 for the purchase of recycled copy paper to be stocked at the University Stores for use in University departments. The contract period is October 15, 2007 through September 30, 2008.

Approval of New Investment Managers

To approve engaging the following four new investment managers to invest target allocations in the Consolidated Endowment Fund:

- **Fixed Income Portfolio: Absolute Return**  
 Black River Asset Management
  - \$15 million investment
 Angelo Gordon
  - \$15 million investment
- **Domestic Equity Portfolio: Hedged Equity**  
 Paulson & Co.
  - \$15 million investment
- **Private Capital: Venture Capital**  
 Ignition Venture Partners
  - \$5 million investment

Approval of Expansion of Commercial Paper Facility

To approve:

- An expansion of the University's Commercial Paper facility to accommodate the issuance of new external debt financing for specified capital expenditures in the approximate amount of \$135,000,000 through Merrill Lynch.

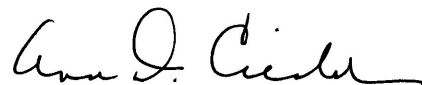
The committee voted unanimously to recommend approval of the Consent Report.

**INFORMATION ITEMS**

Vice President Pfitzenreuter referred committee members to the Information Items contained in the docket materials, including:

- Financial Oversight;
- Key Indicators; and
- Emergency Purchases.

The meeting adjourned at 4:27 p.m.



**ANN D. CIESLAK**  
**Executive Director and**  
**Corporate Secretary**