

**UNIVERSITY OF MINNESOTA
BOARD OF REGENTS**

MINUTES

BOARD OF REGENTS MEETINGS

AND

COMMITTEE MEETINGS

March 26-28, 2014

**Office of the Board of Regents
600 McNamara Alumni Center**

UNIVERSITY OF MINNESOTA
BOARD OF REGENTS

Minutes of the Board of Regents Meetings
and Committee Meetings

March 26-28, 2014

	PAGE
I. Committee Meetings	
A. Litigation Review Committee - March 26, 2014 -----	152
II. Board of Regents Meeting - March 28, 2014	
A. Introductions & Recognitions -----	153
1. Dean of the Medical School & Vice President for Health Sciences	
2. President & CEO, University of Minnesota Foundation	
3. McKnight Land-Grant Professors	
B. Approval of Minutes -----	153
C. Report of the President -----	154
D. Report of the Chair -----	154
E. Receive & File Reports -----	154
1. Quarterly Report of Grant & Contract Activity	
2. Annual Capital Financing & Debt Management Report	
3. Facilities & Operations Committee Information Item	
F. Approval of Consent Report -----	154
1. Report of the All-University Honors Committee	
2. Gifts	
3. Reappointment of UMore Development LLC Board of Governors	
4. Finance Committee Consent Report	
G. Adoption of Amendments to Board of Regents Policy: <i>Student Representatives to the Board of Regents</i> -----	155
H. Review Amendments to Board of Regents Policy: <i>Namings</i> -----	158
I. Strategic Planning Update -----	159
J. Trends in Higher Education Food & Agricultural Programs -----	160
K. Report of the Audit Committee	
1. No meeting this month -----	161
L. Report of the Facilities & Operations Committee	
1. No meeting this month -----	161
M. Report of the Faculty & Staff Affairs Committee	
1. No meeting this month -----	161
N. Report of the Finance Committee	
1. No meeting this month -----	161
O. Report of the Academic & Student Affairs Committee	
1. No meeting this month -----	161
P. Report of the Litigation Review Committee	
1. Resolution to Conduct Non-Public Meeting of the Litigation Review Committee to Discuss Attorney-Client Privileged Matters -----	161
Q. Report of the Special Committee on Academic Medicine	
1. No meeting this Month -----	161

**UNIVERSITY OF MINNESOTA
BOARD OF REGENTS**

**Litigation Review Committee
March 26, 2014**

A meeting of the Litigation Review Committee of the Board of Regents was held on Wednesday, March 26, 2014 at 1:08 p.m. in the W.R. Peterson Conference Room, 600 McNamara Alumni Center.

Regents present: Richard Beeson, presiding. David Larson and David McMillan participated by phone.

Staff present: General Counsel William Donohue and Executive Director Brian Steeves. President Eric Kaler participated by phone.

Others present: Brent Benrud and Amy Phenix.

**RESOLUTION TO CONDUCT NON-PUBLIC MEETING
OF THE LITIGATION REVIEW COMMITTEE**

At 1:08 p.m. a motion was made and seconded that the following resolution be approved:

WHEREAS, based on advice of the General Counsel, the Board of Regents Litigation Review Committee has balanced the purposes served by the Open Meeting Law and by the attorney-client privilege, and determined that there is a need for absolute confidentiality to discuss litigation strategy in particular matters involving the University of Minnesota;

NOW, THEREFORE, BE IT RESOLVED, that in accordance with Minn. Stat. § 13D.01, Subd. 3 and 13D.05 Subd. 3(b), a non-public meeting of Litigation Review Committee be held on Wednesday, March 26, 2014 at 1:00 p.m. in the William R. Peterson Conference Room, 600 McNamara Alumni Center, for the purpose of discussing attorney-client privileged matters including the following:

- I. *Kathryn Brenny v. University of Minnesota*

The committee voted unanimously to approve the resolution.

The meeting adjourned at 1:45 p.m.

**BRIAN R. STEEVES
Executive Director and
Corporate Secretary**

**UNIVERSITY OF MINNESOTA
BOARD OF REGENTS**

**Board of Regents
March 28, 2014**

A meeting of the Board of Regents of the University of Minnesota was held on Friday, March 28, 2014 at 9:00 a.m. in the Boardroom, 600 McNamara Alumni Center.

Regents present: Richard Beeson, presiding; Clyde Allen, Laura Brod, Linda Cohen, Thomas Devine, John Frobenius, Dean Johnson, Abdul Omari, and Patricia Simmons. David McMillan participated by phone.

Staff present: President Eric Kaler; Chancellors Lendley Black, Stephen Lehmkuhle, and Fred Wood; Senior Vice President and Provost Karen Hanson; Vice Presidents Kathryn Brown, Brooks Jackson, and Richard Pfutzenreuter, General Counsel William Donohue; Executive Director Brian Steeves; and Associate Vice Presidents Terry Bock, Gail Klatt, and Michael Volna.

INTRODUCTIONS AND RECOGNITIONS

President Kaler introduced Jay Brooks Jackson, newly appointed Dean of the Medical School and Vice President for Health Sciences to the University community. Jackson began his appointment February 17, 2014. He briefly addressed the Board.

Kathleen Schmidlkofer, newly appointed President and Chief Executive Officer of the University of Minnesota Foundation was introduced to the University community. Schmidlkofer began her appointment March 3, 2014. She briefly addressed the Board.

Recognition was given to the 2014-15 McKnight Land-Grant Professors:

David J. Flannigan, Chemical Engineering and Materials Science
Sarah E. Gollust, Health Policy and Management
Christophe Lenglet, Radiology
Pamela Lutsey, Epidemiology and Community Health
Francis X. Shen, Law
James D. Van de Ven, Mechanical Engineering
Shannon Drysdale Walsh, Political Science
Travis Workman, Asian Languages and Literatures

APPROVAL OF MINUTES

A motion was seconded, and the Board of Regents voted unanimously to approve the minutes of the following meetings:

Audit Committee - February 13, 2014
Litigation Review Committee - February 13, 2014
Academic & Student Affairs Committee - February 13, 2014
Finance Committee - February 13, 2014
Facilities & Operations Committee - February 13, 2014

REPORT OF THE PRESIDENT

President Kaler indicated his report would focus on research and the importance of this institution's role as the state's only comprehensive research university. He noted that public-private partnerships and federal support have long funded basic research in the United States – research that drives discoveries that enhance the lives of individuals worldwide. He reported that federal support for basic research has been significantly reduced over the past few years and the need to re-energize federal funding is critical. He highlighted a number of current examples of University research and innovation.

Kaler also provided an update on the institution's capital request to the legislature, Operational Excellence initiatives, and the April 4 grand re-opening of Northrop.

A copy of the Report of the President is on file in the Board Office.

REPORT OF THE CHAIR

Chair Beeson reported that on the previous day, the Board of Regents hosted a breakfast "meet and greet" with state legislators in St. Paul. During the 2014 legislative session, Regents are taking part in a number of activities to support the University's capital request, including attending hearings where President Kaler and senior leaders have presented the capital request and provided updates on the institution's public safety efforts.

Beeson reported that following the breakfast Regents visited the medical school and health sciences programs. The visit included meetings and hands-on activities with students, faculty, and collegiate leadership and allowed Regents to gain a fuller understanding of several programs in the health sciences. Beeson also noted that several Regents attended a celebration of the 100th anniversary of Norman Borlaug's birth, during which a statue of Borlaug was revealed. The statue is a replica of one unveiled earlier that week at the U.S. Capitol's National Statuary Hall.

A copy of the Report of the Chair is on file in the Board Office.

RECEIVE AND FILE REPORTS

Chair Beeson noted the receipt and filing of the Quarterly Report of Grant and Contract Activity, the Annual Capital Financing and Debt Management Report, and a Facilities and Operations Committee Information item.

CONSENT REPORT

Chair Beeson presented for action the Consent Report as described in the docket materials, including:

- Report of the All-University Honors Committee recommendation forwarded in a letter from President Kaler dated March 19, 2014.
- Summary of Gifts through February 28, 2014.

- Reappointment of UMore Development LLC Board of Governors Community Governor David Sellergren for a three-year term from January 2014 through December 2016.
- Finance Committee Consent Report, including:

Purchase of Goods and Services \$1,000,000 and Over to:

- Ancestry.com for \$1,500,000 for a digital index license agreement and the transcription of information on 543 million individuals in the U.S. Censuses of 1860 through 1930, for the period July 1, 2015 through July 30, 2018, for the Minnesota Population Center.
- Cultural Insurance Services International for an estimated \$1,350,000 for international traveler health insurance as needed for the period August 1, 2014 through July 20, 2019, for Global Programs and Strategy Alliance.
- Minneapolis VA Medical Center for \$1,047,244 for technical services as needed through July 31, 2017 for the Division of Health Policy and Management, School of Public Health.

A motion was made and seconded, and the Board of Regents voted unanimously to approve the Consent Report.

**BOARD OF REGENTS POLICY:
STUDENT REPRESENTATIVES TO THE BOARD OF REGENTS**

Chair Beeson presented proposed amendments to Board of Regents Policy: *Student Representatives to the Board of Regents*, as detailed in the docket materials.

Beeson noted that the Board reviewed the proposed amendments at its February 14, 2014 meeting. He outlined the goals of the proposed policy changes:

- Ensure that each student representative understands the role and is prepared to effectively present the student voice to the Board.
- Reinforce a culture of professionalism and responsibility through clear expectations.
- Align Board policy with current practice.

Beeson reported that since the February meeting, six student government organizations from the five campuses and the current student representatives were consulted on the proposed policy changes. He indicated that several concerns were raised, but that clear support was voiced for many of the proposed changes. Beeson noted that a few revisions were made to the policy in response to the feedback.

Beeson added that is not unreasonable for the Board to establish minimal selection criteria and expectations for an advisory group it created as input to the Board's governance work. The policy changes ensure that the Board continues to hear from a broad cross-section of students most closely connected to the student experience at the University, while reinforcing the importance of academics. Academics are – and must remain – the first priority for students at the University, and the proposed policy language setting a base level of academic achievement supports that priority.

A motion was made and seconded, and the Board of Regents voted unanimously to adopt proposed amendments to Board of Regents Policy: *Student Representatives to the Board of Regents*, as follows:

Student Representatives to the Board of Regents

SECTION I. ROLE AND DUTIES.

The role of student representatives to the Board of Regents (Board) is to present the student voice to the Board as it fulfills its governance responsibilities. Student representatives do this through semester reports and as non-voting members of the Board's standing committees.

Student representatives have the following duties:

- Attend all meetings of the student representatives;
- Prepare for and participate in all regular meetings of assigned Board committees;
- Observe Board committee meetings when not participating on an assigned committee;
- Observe meetings of the full Board whenever possible; and
- Contribute ideas, time, and expertise toward the team effort to successfully develop and deliver semester reports to the Board.

The student representatives are an important part of the University's shared governance process.

SECTION II. REPRESENTATION AND SELECTION.

Subd. 1. Representation. There will be eight student representatives. Four students will be selected from the Twin Cities campus and one student each from the Crookston, Duluth, Morris, and Rochester campuses.

Of the Twin Cities representatives, at least one student must be a member of the Graduate and Professional Student Assembly (GAPSA) and at least two students must be members of the Minnesota Student Association (MSA).

Subd. 2. Selection Process. The four student representatives from the Twin Cities campus will be selected by GAPSA and MSA. The four student representatives from the Crookston, Duluth, Morris, and Rochester campuses will be selected by the Crookston Student Association, University of Minnesota Duluth Student Association, Morris Campus Student Association, and Rochester Student Association.

Policies for student representative selection shall be created by the relevant student group but will include the criteria for selection outlined in this policy.

Subd. 3. Selection Criteria. At time of selection, student representatives must be full-time, degree-seeking students (as defined by the University) and have at least a 2.5 cumulative GPA.

Ideal student representatives will possess the following attributes:

- Ability to set aside parochial interests and articulate the student voice on the widest array of student concerns;

- Willingness to collaborate with other students to produce timely and impactful student representative reports;
- Ability to think strategically about issues before the Board and articulate questions or comments in a formal meeting setting;
- Reliability and follow-through; and
- Understanding of or willingness to learn about University governance.

Subd. 4. Term of Office. Student representatives must be selected during the spring semester of each year. They assume office September 1 of that year and serve through June 30 of the next year, or until replaced.

Student representatives may serve no more than two terms.

Subd. 5. Orientation. The Board Office will provide an orientation for incoming student representatives prior to their participation in a Board meeting. Orientation is required for every student representative.

SECTION III. LEADERSHIP.

Subd. 1. Leadership Elections. During orientation, the student representatives must elect a chair and a vice chair. Officer terms are September 1 of the election year through June 30 of the following year.

Each campus is limited to one leadership position in a given term. Leadership positions are elected by secret ballot and require a simple majority. The Board Office will coordinate leadership elections.

Subd. 2. Responsibilities of the Chair. The chair serves as the representatives' main point of contact with the Board Office; determines all committee assignments; leads each meeting of the student representatives; determines and records excused and unexcused absences; assigns replacement representatives in cases of absence; coordinates development of semester reports to the Board; determines who delivers each report; and responds to all media inquiries on behalf of the student representatives.

The vice chair serves as chair in the chair's absence.

SECTION IV. ABSENCES, VACANCIES AND REMOVAL.

The effectiveness of the student representatives group is hindered by absences and mid-year vacancies. Student representatives are expected to commit the time necessary to attend all regular meetings of the Board's committees during their term of office.

Subd. 1. Absences. Advance notice to the chair of the student representatives is required for any absence. Each cohort of student representatives will determine the amount of notice required for an absence to be excused.

Any unexcused absence or two or more excused absences shall be considered grounds for removal from the student representatives program.

In the event of an absence that leaves a committee with only one student representative, the chair of the student representatives will assign another representative to fulfill the responsibilities of the absent representative for that committee meeting.

Subd. 2. Vacancies. In the event of a vacancy lasting no more than two consecutive committee meetings, the chair of the student representatives will assign a current student

representative to fulfill the vacated committee assignments. If at least three committee meetings remain in the unexpired term, a replacement must be selected by the selecting body to serve the remainder of the term.

Subd. 3. Removals. A student representative may be removed for absences or nonperformance of duties by a two-thirds majority vote of the student representatives and concurrence from the selecting body, or in accordance with actions by or procedures of the student group that selected the student representative.

SECTION V. BOARD MEETINGS.

Subd. 1. Committee Assignments. Two representatives will be assigned by the chair of the student representatives to each of the following committees of the Board: Audit, Academic and Student Affairs, Facilities and Operations, Faculty and Staff Affairs, and Finance. Student representatives will be assigned to standing committees of the Board only.

Subd. 2. Docket Materials. Student representatives are responsible for obtaining and reading relevant docket materials before each meeting.

Subd. 3. Voting. Student representatives are non-voting committee members.

Subd. 4. Reports. Student representatives may present a report to the Board each semester. The Board Office must approve all report topics and the methods for collecting data or requesting information. The Board Office will review each semester report before it is included in the docket, and has the authority to edit any portion of the report.

Subd. 5. Expense Reimbursement. Expenses of student representatives related to Board meetings will be reimbursed by the Board Office in accordance with existing University expense policies and Board Office guidelines.

Supersedes: The Role of Alternates dated February 11, 1977; Student Representatives to the Board of Regents dated December 8, 1989; Student Representative to the Committee of the Whole dated December 9, 1977; and Twin Cities Representatives dated December 10, 1976.

BOARD OF REGENTS POLICY: NAMINGS

Chair Beeson presented for review proposed amendments to Board of Regents Policy: *Namings*, as detailed in the docket materials. The proposed amendments add language to guide the consideration of namings involving Regents or Regents Emeriti.

The proposed amendments address:

- Honorary namings: Buildings and other significant University assets may be named in honor of a Regent Emeritus no sooner than one year following service on the Board.
- Namings associated with gifts or sponsorships: Buildings and other significant University assets may be named to recognize a gift from a Regent or Regent Emeritus.

In both instances, a special committee will consider such namings and forward its recommendations to the Board of Regents for final action.

Chair Beeson noted his expectation that honorary namings involving Regents will be rare and exceptional. He expressed his feeling that Regents serve in this role because of their support of the University and not for individual recognition. However, service as a Regent should not disqualify someone from being considered for this honor.

Regent Simmons expressed concerns about the proposed amendments and her belief that the naming of buildings for Regents should be an exceptional, rare event. She offered that the language as proposed is highly permissive, providing a pathway for (and possibly setting an expectation regarding) namings. She noted her feeling that the policy, if approved, places sitting Regents in an awkward position to approve a naming for a former colleague. She stressed that she would prefer to see language that is more exclusionary. Regent Cohen concurred, noting her preference as well for the policy language to be highly exclusionary.

In response to a question from Regent Frobenius, Executive Director Steeves indicated that the proposed amendments stem from a question about a proposed naming and the realization that Board policy does not provide guidance on the issue.

Regent Allen expressed his agreement with the concerns raised and his belief that the policy should not make someone who may have held other roles with the University from ineligible simply because of his or her service as a Regent.

Regent Brod commented that the recommendation of a one-year wait after the conclusion of Board service might be inadequate.

Board of Regents Policy: *Namings* will return for action at a future meeting of the Board of Regents.

STRATEGIC PLANNING UPDATE

President Kaler introduced the strategic planning update and introduced Senior Vice President and Provost Hanson to lead the discussion.

Hanson reviewed the principles guiding the efforts of the strategic planning work group. She reported on a process that included a number of conversations with numerous faculty and staff, students, internal and key external stakeholders that helped to a vision, which reads: "The University of Minnesota Twin Cities will be pre-eminent in solving the grand challenges of a diverse and changing world."

In pursuit of this vision, the institution will:

- "Use our depth and breadth to capitalize on our exceptional students, faculty, staff and on our location in a vibrant metropolitan setting to generate and disseminate new knowledge and insights.
- Create an educated populace able to identify, understand, and solve demanding problems.
- Leverage the power of divergent paths to knowledge and creativity in order to address grand challenges.
- Partner with the communities and people of the state of Minnesota to benefit the common good."

The workgroup has also identified four draft goal areas to pursue toward realizing the vision:

- Build an exceptional University where grand societal challenges are addressed.
- Support excellence and, with intention, reject complacency.
- Establish a culture of reciprocal engagement, capitalizing on our unique location.
- Aggressively recruit, retain, and promote field-shaping researchers and teachers.

Hanson summarized how each of the goals would support the strategic plan. She reviewed the timeline and described what will occur over the next several months before returning to the Board of Regents for approval in the fall of 2014. The work group will assign issue teams to develop actions plans for the initiatives, share progress with stakeholders, and align college and unit plans.

Hanson introduced two members of the strategic planning workgroup – Professor Reuben Harris, Department of Biochemistry, Molecular Biology and Biophysics, and Professor Joseph Konstan, Department of Computer Science and Engineering – to share their perspectives on the planning process.

In response to questions from Regent Allen, Kaler indicated this plan is for the Twin Cities campus, noting that a system-wide process would be cumbersome and that each campus has a strategic plan in place or is in the process of developing one. Kaler added the administration would convene a system-wide conversation following the completion of the Twin Cities planning process to ensure increased alignment system-wide and seek ways to leverage resources.

In response to comments from Regent McMillan, Hanson responded that this institution is well positioned to be a leader in addressing a number of global challenges with statewide impact. She added that there would be a process for determining which challenges to focus on.

TRENDS IN HIGHER EDUCATION FOOD & AGRICULTURAL PROGRAMS

Senior Vice President and Provost Hanson introduced Brian Buhr, Interim Dean, College of Food, Agricultural and Natural Resource Sciences (CFANS); Mike Reese, Director of Renewable Energy, West Central Research and Outreach Center (WROC), Morris; Becky Masterman, Entomologist and Coordinator, Bee Research and Outreach; James Bradeen, Professor and Department Head, Plant Pathology; and Gabe Gusmini, Research and Development Director, Long Term Research, Crop Science, PepsiCo, to lead a discussion on trends in higher education food and agricultural programs as detailed in the docket materials.

Buhr presented the “grand challenge” of agriculture, food, and natural resources: How do we provide food, fiber, bio-energy, bio-products, and ecosystem services to expanding populations and economies while sustaining productivity, our natural resources and advancing a civil, just and prosperous society? He also presented four key challenges:

1. Sustaining agricultural productivity.
2. Sustaining natural resources and biodiversity.
3. Assuring a safe, secure, and nutritious food supply.
4. Next-generation professional talent development.

Buhr reported that CFANS solutions include fully engaging the community and partners; field-changing faculty and researchers; information, genomics and technology; excellence and depth of expertise in crop pest and disease; experiential and multidisciplinary education programming; and global engagement and research. He described current research activities, challenges, and a number of areas of scientific study.

Bradeen discussed the University’s Stakman-Borlaug Center for Sustainable Plant Health, which pursues educational activities and research to enhance global food security, improve ecosystem health, and improve lives. Bradeen discussed how the center and its partners respond to crop pests and diseases, and provide local and global research and training opportunities. He discussed a local research workforce development partnership with PepsiCo that addresses plant genetics, noting that although the research focuses on local/statewide crops such as potatoes, apples, and wheat, the global impact is enormous.

Masterman discussed research on honeybee colony losses in the United States. She explained that multiple interacting factors, such as parasites, poor nutrition, and pesticides, are detrimental for honeybees. She detailed the work of the University's Bee Squad, directed by Professor Marla Spivak, Department of Entomology, which provides education and programs to educate and mentor beekeepers. Masterman described the importance of the honeybee's role in the productivity of agriculture through the pollination of fruit, vegetables, nuts, and flowers.

Reese discussed the "grand challenge" to feed 9 billion people by 2050, which means increasing food production while sustaining the environment. Current research addresses whether the earth can handle significant population growth, food production challenges in other parts of the world, and the benefits of localized nitrogen production. He described the process utilizing wind energy, water, and air to produce nitrogen fertilizer and described the WROC research on renewable and sustainable nitrogen fertilizer production systems. Reese discussed food production challenges in other parts of the world and the benefits of localized nitrogen production. Reese reported that the Renewable Hydrogen and Ammonia Pilot Plant in Morris, dedicated in 2013, is believed to be the first of its kind in the world.

Gusmini discussed the complexity of biological systems in food production, which require a complex skill set such as that offered at the University. He noted this institution is a partner with PepsiCo in studying crop production and food supply issues.

In response to questions from Regents Devine and Omari, Buhr agreed many people do not always think about the food they consume and how it is produced. He described several programs that bring the reality of food production into communities and educate citizens on nutrition, pesticides, and environmental issues. He added that this institution could do more to build awareness of the issues locally. Buhr also offered that there are many ways to engage the community in science and research through community gardening – for example, "living laboratories" that offer natural opportunities to learn about agricultural issues.

In response to a question from Regent Johnson, Buhr indicated that the University can play a key role with farmers by providing knowledge and science, proposing solutions to agricultural problems, and by convening conversations with government agencies that oversee regulatory issues.

REPORT OF THE LITIGATION REVIEW COMMITTEE

Chair Beeson reported that, pursuant to notice sent by the University, the Litigation Review Committee met on March 26, 2014. A resolution was considered and passed that authorized the closing of the meeting. In the closed meeting a discussion was held of matters subject to the attorney-client privilege.

Chair Beeson reported that the Audit, Academic & Student Affairs, Facilities & Operations, Faculty & Staff Affairs, and Finance Committees and the Special Committee on Academic Medicine did not meet this month.

The meeting adjourned at 11:20 a.m.

BRIAN R. STEEVES
Executive Director
and Corporate Secretary