



Board of Regents

July 2014

Jul 9, 2014

12:15 p.m. - 2:45 p.m.

Boardroom, McNamara Alumni Center

BOR - JUL 2014

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BOARD OF REGENTS DOCKET ITEM SUMMARY

Board of Regents

July 9, 2014

Agenda Item: Introduction of Dean, College of Food, Agricultural, and Natural Resource Sciences

Review

Review + Action

Action

Discussion

This is a report required by Board policy.

Presenters: President Eric W. Kaler

Purpose & Key Points

To introduce the Dean of the College of Food, Agricultural, and Natural Resource Sciences. Brian Buhr's appointment as Dean was approved by the Board of Regents on June 13, 2014 and he began his appointment on June 16, 2014.

Dr. Buhr is a professor of applied economics who joined the University of Minnesota faculty in 1992. He became head of Applied Economics in 2008, and from 2009 to 2013, he served as head of the Division of Applied Economics and Agricultural Education. In the summer of 2013, he began service as interim dean of the college and interim director of Minnesota Agricultural Experiment Station. He has an impressive record of accomplishments as an agricultural economist and as an administrator, as well as broad experience collaborating across the University and around the world.

Dr. Buhr works in the areas of commodity marketing, with an emphasis on livestock markets. He has worked extensively with commodity groups and industry on risk management, value-added marketing, and the economic impacts of policy and technology. An Iowa native, Dr. Buhr earned his Ph.D. in economics from Iowa State University; he also holds B.S. degrees from Iowa State in animal science and agricultural business. He started his University of Minnesota career in 1992 as an assistant professor and Extension marketing economist in the Department of Applied Economics. In 1997, he was promoted to associate professor (with an appointment partially based in Extension) and in 2005 to professor. From 2004 to 2009, he held the E. Fred Koller Endowed Chair of Management Information Systems in Applied Economics.



BOARD OF REGENTS DOCKET ITEM SUMMARY

Board of Regents

July 9, 2014

Agenda Item: Introduction of Incoming Chair of the Academic Professionals & Administrative Consultative Committee

Review

Review + Action

Action

Discussion

This is a report required by Board policy.

Presenters: President Eric W. Kaler

Purpose & Key Points

To introduce the 2014-15 Chair of the Academic Professionals & Administrators Consultative Committee (PACC).

Katherine Cramer, Chief of Staff for the Institute for Mathematics and its Applications in the College of Science and Engineering, will serve as PACC chair for 2014-15.



BOARD OF REGENTS DOCKET ITEM SUMMARY

Board of Regents

July 9, 2014

Agenda Item: Introduction of Incoming Chair of the Civil Service Consultative Committee

Review

Review + Action

Action

Discussion

This is a report required by Board policy.

Presenters: President Eric W. Kaler

Purpose & Key Points

To introduce the 2014-15 Chair of the Civil Service Consultative Committee (CSCC).

Bill O'Neill, Associate District Director in Facilities Management, will serve as CSCC chair for 2014-15.

DRAFT

**UNIVERSITY OF MINNESOTA
BOARD OF REGENTS**

MINUTES

BOARD OF REGENTS MEETINGS

AND

COMMITTEE MEETINGS

June 12-13, 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

June 12-13, 2014

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**UNIVERSITY OF MINNESOTA
BOARD OF REGENTS**

**Audit Committee
June 12, 2014**

A meeting of the Audit Committee of the Board of Regents was held on Thursday, June 12, 2014 at 8:00 a.m. in the East Committee Room, 600 McNamara Alumni Center.

Regents present: Laura Brod, presiding; Clyde Allen, Peggy Lucas, Abdul Omari, and Patricia Simmons.

Staff present: Senior Vice President and Provost Karen Hanson; Vice President Brian Herman; Executive Director Brian Steeves; and Associate Vice Presidents Gail Klatt and Michael Volna.

Student Representatives present: Joseph Daniewicz and Ben Metcalf.

INTERNAL AUDIT PLAN

Associate Vice President Klatt presented the 2014-15 Internal Audit Plan (plan), as detailed in the docket. She noted that the plan is risk-based and continues to reflect the principles of the Integrated Framework of Internal Control. The annual internal audit plan is intended to demonstrate:

- The breadth and depth of audit activities addressing financial, operational, compliance, and strategic risks of the University;
- Accountability for resources; and
- Progress in efforts to continually improve the University's Internal Audit Program.

Klatt explained that the plan includes 25 audits of University processes, units, and systems. Given that audit coverage was recently provided for all of the University's significant processes, the proposed plan includes notably more unit-based audits.

The Office of Internal Audit will have a staffing complement of 15.3 full-time equivalent professionals in 2014-15. The office intends to devote 55 percent of its audit resources to scheduled audits; 6 percent to investigations; 10 percent to requests from the Board of Regents, President, and senior leaders; 4 percent for follow-up procedures; and 25 percent for internal administrative functions. The plan consists of 10 process audits, 14 unit-based audits, and 1 system-based audit.

In response to a question from Regent Simmons, Klatt explained that data privacy and security is covered by a number of audits throughout the University. The audit process has looked at both specific projects dealing with data privacy and security and processes of how data is handled. Data privacy and security is a topic included in unit-based audits. Klatt cautioned that this is a fluid area that many organizations across the world are struggling with. More risk assessment in this area is needed to ensure that appropriate controls are in place.

In response to a question from Regent Brod, Klatt stated that the University is exposed to data theft but that little that can be done to limit exposure given the sophistication of the attacks. Additional controls may not be cost effective since the size of the risk is unknown. The Office of

Internal Audit does have three information technology auditors who are able to examine most of the data privacy and security needs of the University. For unique areas, the University would bring in outside auditors, but seeking outside support has been rare.

In response to Regent Allen, Klatt agreed that the goal of both internal and external audits is reasonable assurance that the University has mitigated risk, especially those risks identified as high or moderate. It is not within the means of the University to audit each and every unit.

INTERNAL AUDIT UPDATE

Associate Vice President Klatt presented the Internal Audit Update, as detailed in the docket.

Since the last update to the Audit Committee in February 2014, University departments implemented 29 percent of outstanding recommendations rated as “essential,” below the expected implementation rate of 40 percent. (Five units fully implemented all their remaining “essential” recommendations.) Six audit reports containing 29 recommendations rated as “essential” were issued in the last four months. The Office of Internal Audit also performed investigative work on nine issues in accordance with the University policy on Reporting and Addressing Concerns of Misconduct.

In response to Regent Omari, Klatt explained some issues are not easily solved, and the committee should be concerned when action toward addressing the issues raised by the audit is unsatisfactory. As long as risks are being mitigated and the unit is working toward a solution, there is not concern. If that effort were not being made and progress were unsatisfactory, the committee would be notified.

UPDATED RESEARCH RISK PROFILE

Regent Brod introduced Vice President for Research Brian Herman and Sarah Waldemar, director, Research Education and Oversight, to present an update to the research risk profile, as detailed in the docket.

Herman noted that the research risk profile continues to change due to environmental shifts and intentional risk management activities. He explained that the Office of the Vice President for Research (OVPR) has worked to recalibrate the tolerance for certain types of risk, while maintaining proactive oversight. These changes include a review of clinical trials oversight and research data management policy; engaging leadership around a prioritization of key areas of risk; and ensuring appropriate use of resources.

Herman explained that OVPR is working to reduce administrative burden on faculty members. Currently, faculty members involved in research are spending over 40 percent of their time on administrative activities. OVPR is working to strike the right balance between needed and burdensome administrative reporting.

Waldemar explained that OVPR is working to reduce administrative burden by identifying processes that represent departmental requirements in excess of what is required by policy and research agreements. OVPR will be working to assist researchers and staff in developing and implementing new procedures. To do so, Waldemar will work with two pilot sites – the University of Minnesota Duluth and the Department of Computer Science and Engineering in the College of Science and Engineering on the Twin Cities campus – to determine perceived burden and financial impact of changes.

In response to a question from Regent Brod, Herman reported that OVPR has worked hard to be proactive in improving public-private partnerships. OVPR has sought to create more

streamlined and transparent processes to allow partnerships to grow. He added that he has heard from businesses that they are receptive to these changes, and that University researchers have started 52 new companies over the past five years. University researchers are also looking at these types of relationships as an opportunity to supplement decreased federal funding for research.

In response to a question from Regent Simmons, Herman described the need for more growth in clinical trial research. He explained that OVPR is working to ensure oversight and management with an appropriate structure that extends across the entire University. Herman noted that this work would help ensure robust capacity for clinical trials at the University.

CONSENT REPORT

Associate Vice President Klatt invited Associate Vice President Michael Volna to present the Consent Report, as detailed in the docket. Volna explained that the University's Office of Facilities Management seeks to engage Deloitte Consulting (Deloitte) to provide advisory services for the first phase of the University's Enterprise Asset Management (EAM) project. The EAM project will develop new business processes and systems for maintaining the University's physical plant and infrastructure assets. Volna noted the engagement is for the project establishment and preliminary planning phase.

Volna reminded the committee that Deloitte is the external auditor for the University. He stated that his office had reviewed the scope, deliverables, and Deloitte's proposed role and concluded that this engagement would not impair the firm's independence with respect to their role as external auditor.

In response to a question from Regent Brod, Volna responded that both the University and Deloitte review additional engagements to ensure that those engagements are not impairing the firm's independence. A key aspect of that review is ensuring that Deloitte is not making decisions for the project, but instead is giving recommendations to the University.

A motion was made and seconded and the committee voted unanimously to recommend approval of the Consent Report.

INFORMATION ITEMS

Associate Vice President Klatt invited Associate Vice President Volna to present the semi-annual controller's report, as detailed in the docket. Volna highlighted three main points included in the report:

1. Analysis of new accounting standards that will be adopted by the University.
2. Implementation of a new procurement card contract with U.S. Bank.
3. Status of the finance system upgrade as a part of the Enterprise Systems Upgrade Program.

The meeting adjourned at 9:23 a.m.



BRIAN R. STEEVES
Executive Director and
Corporate Secretary

**UNIVERSITY OF MINNESOTA
BOARD OF REGENTS**

**Litigation Review Committee
June 12, 2014**

A meeting of the Litigation Review Committee of the Board of Regents was held on Thursday, June 12, 2014 at 8:30 a.m. in the W.R. Peterson Conference Room, 600 McNamara Alumni Center.

Regents present: Richard Beeson, presiding; and David McMillan.

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

Others present: Brent Benrud, Keith Dunder, Amy Phenix, and Tracy Smith.

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

At 8:35 a.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 Thursday, June 12, 2014 at 8:30 a.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. *West Bank contamination;*
- II. *Prescription drug insurance claims*
- III. *Minnesota Police and Peace Officers Association and Police Officers Federation of Minneapolis (MPPOA) v. National Football League, Minnesota Vikings Football, LLC, and Regents of the University of Minnesota; and*
- IV. *Kathryn Brenny v. University of Minnesota*

The committee voted unanimously to approve the resolution.

The meeting adjourned at 9:35 a.m.

A handwritten signature in black ink that reads "Brian R. Steeves". The signature is written in a cursive, flowing style.

BRIAN R. STEEVES
Executive Director and
Corporate Secretary

**UNIVERSITY OF MINNESOTA
BOARD OF REGENTS**

**Facilities & Operations Committee
June 12, 2014**

A meeting of the Facilities & Operations Committee of the Board of Regents was held on Thursday, June 12, 2014 at 9:45 a.m. in the West Committee Room, 600 McNamara Alumni Center.

Regents present: Clyde Allen, presiding; Linda Cohen, Thomas Devine, Dean Johnson, Peggy Lucas, and Abdul Omari.

Staff present: President Eric Kaler; Chancellors Jacqueline Johnson and Fred Wood; Vice Presidents Brian Herman, Scott Studham, and Pamela Wheelock; Executive Director Brian Steeves; and Associate Vice President Laurie Scheich.

Student Representatives: Hannah Keil and Benjamin Metcalf.

REAL ESTATE TRANSACTION

A. Sale of 18.13 Acres, Carver County – Landscape Arboretum

A motion was made and seconded to recommend approval of the following action:

On recommendation of the President and the Vice President for University Services, the appropriate administrative officers are authorized to execute the appropriate documents providing for the following real estate transaction:

- The subject property is located west of Bavaria Road at the Landscape Arboretum. The property consists of 18.13 acres of vacant land.
- Basis for Request: The subject property and an additional parcel totaling 51.72 acres at the Landscape Arboretum were identified for sale in late 2012 in conjunction with identifying funding sources for the planned purchase of 78.13 acres for expansion of the Landscape Arboretum. As a result of the sale listing for the 18.13 acres, Meridian Land Company, LLC submitted an offer to purchase the property.
- Detail of Transaction: The sale price will be \$750,000 with \$100,000 earnest money/down payment and the balance on two-year contract for deed at 2% interest per annum. The closing will occur when the buyer has obtained all applicable governmental approvals required for subdividing the land into 14 or more single-family residential lots, but no later than December 12, 2014. After August 2, 2014 the \$100,000 earnest deposit will become non-refundable.

The committee voted unanimously to recommend approval of the real estate transaction for the sale of 18.13 acres in Carver County at the Landscape Arboretum.

**PROJECT COMPONENTS OF THE PRESIDENT'S
RECOMMENDED FY15 ANNUAL CAPITAL BUDGET**

Vice President Wheelock provided an overview of the project components of the President's Recommended FY 2015 Capital Improvement Budget (Capital Budget), as detailed in the docket. Wheelock explained that the Capital Budget authorizes projects totaling \$291,655,000 to begin design or construction during the next fiscal year. She updated the committee on changes made to the budget since the conclusion of the 2014 legislative session.

In response to questions from Regent Lucas, Wheelock explained that the Six-Year Capital Plan would likely include plans to repurpose the existing Bell Museum. She noted that renovation will be required to make the space usable for another purpose but added that the space is attractive to the College of Design.

In response to a question from Regent Omari, Wheelock invited Monique MacKenzie, Director of Planning, to respond. MacKenzie explained that one of the additions to the Capital Budget since it was before the committee in May was spurred by a change in the scope of work required to install a key piece of research equipment. Addressing the second addition, Wheelock noted that following recent organizational changes in University Services, the department was now positioned to move forward with Phase II of the Work+ workspace renovation.

In response to a question from Regent Devine, Wheelock explained that an additional \$7.5 million would be required to co-locate all of the earth sciences programs in Tate Hall as a part of the Tate Science and Teaching Renovation. The college is funding the additional project cost.

A motion was made and seconded and the committee voted unanimously to recommend approval of the resolution related to the President's Recommended FY 2015 Capital Improvement Budget.

**MAXIMIZING THE UNIVERSITY'S PHYSICAL ASSETS (PART III):
FACILITIES PLANNING & ASSUMPTIONS**

Vice President Wheelock introduced part three of a conversation on maximizing the University's physical assets, as detailed in the docket. Wheelock explained that University Services must shift its focus to think strategically about how space will be used in the future to guide facility changes that can support shifting demographics and enrollment or academic program changes. She added that given limited resources, it is important to be strategic about growth that will advance the academic mission while also remaining good stewards of the existing infrastructure.

Wheelock presented the following questions to frame the presentation:

- How can we predict academic program changes and priorities?
- How is the condition of our facilities limiting academic productivity?
- How can we match the use of our buildings with the function they best support?
- If our competitive advantage comes from a unique place-based experience, are we positioned to be successful?
- How can we allocate resources to better protect the investment we have already made when we also have opportunities to build and develop new?

Wheelock invited Monique MacKenzie, Director of Planning, to present. MacKenzie shared the footprint of the University of Minnesota Twin Cities campus at various points in its history. She also shared a map highlighting where new development is expected, and referred to the campus boundaries as increasingly fluid. She emphasized that buildings constructed in the 1960s and 1970s were expected to have shorter life spans yet they are still in use today, 50 years later.

MacKenzie cited several goals that will remain at the forefront of planning decisions, including making spaces flexible over a long span of time, protecting existing investments, finding the right space for the right people in the right location, developing a building by building strategy for facility investments, and close alignment of academic program needs within a physical location/area.

In response to a comment by Regent Johnson, MacKenzie cautioned that before expansion is considered, efforts to stay within the existing footprint must be exhausted. Wheelock added that it is necessary to decommission and vacate old spaces to free up resources.

In response to a question from Regent Omari, President Kaler affirmed that it is time to update the Campus Master Plan.

STUDENT HOUSING TRENDS & STRATEGIES

Vice President Wheelock, Laurie McLaughlin, Director of Housing and Residential Life, and Robert McMaster, Vice Provost and Dean of Undergraduate Education, led a discussion on student housing trends and strategies, as detailed in the docket. Wheelock explained the importance of on-campus housing to the overall student experience, citing the sense of community built in residence halls and its affordability as a living option.

McMaster shared data showing better outcomes for students who lived on campus during their first year, including higher GPA, and increased retention and graduation rates. He also pointed out that graduation rates increased another 10 percent for students who spent two years in on-campus housing.

McLaughlin reported that there is a national trend toward investing in on-campus housing. The University of Minnesota has followed that trend with investments in new residence halls on the Crookston, Morris and Twin Cities campuses.

Wheelock emphasized that room and board rates cover the debt service and maintenance of housing facilities, and stressed that maintaining affordability is a core commitment.

In response to a question from Regent Lucas, Wheelock stated that priority is given to first-year students who register for housing by the May deadline. Following that deadline, capacity is determined for second-year students. McLaughlin added that there was space for approximately 2,000 second-year students in residence halls during the 2013-2014 academic year.

In response to a comment by Regent Cohen, McLaughlin agreed that there is a risk in Living Learning Communities becoming too insular, but that care is taken to be thoughtful about where the communities are located and proximity to other students housed nearby.

In response to comments by Student Representative Keil and Regent Johnson, Wheelock stated that the University has the second-lowest housing rates in the Big Ten.

THE ROLE OF INFORMATION TECHNOLOGY IN RESEARCH

Vice President Wheelock invited Vice President & Chief Information Officer Scott Studham and Vice President for Research Brian Herman to present on the role of information technology in research, as detailed in the docket.

Studham explained that the role of information technology is broken into two areas: infrastructure and scientific consulting. He shared that infrastructure must support the capabilities of computational power, storage, and network capabilities. He noted that in the past, computation was the most important, but now networking is the most strategic and storage is the most important.

Herman discussed the link between scientific consulting and infrastructure. He explained that vast amounts of data could be measured, collected, and stored but the key is extracting useful knowledge from the data. Herman explained that informatics, a tool used to extract that information, requires specialized analysis skills and tools that many researchers do not have. He stressed that informatics services will be crucial to meet the needs of researchers effectively.

In response to a question from Regent Johnson, Herman responded that ownership of information and data is often complicated and does not have a clear answer.

INFORMATION ITEM

Vice President Wheelock referred committee members to the following information item:

- Capital Planning & Project Management Semi-Annual Report

The meeting adjourned at 11:53 a.m.



BRIAN R. STEEVES
Executive Director
and Corporate Secretary

**UNIVERSITY OF MINNESOTA
BOARD OF REGENTS**

**Faculty & Staff Affairs Committee
June 12, 2014**

A meeting of the Faculty & Staff Affairs Committee of the Board of Regents was held on Thursday, June 12, 2014 at 9:45 a.m. in the East Committee Room, 600 McNamara Alumni Center.

Regents present: John Frobenius, presiding; Richard Beeson, Laura Brod, and David McMillan.

Staff present: Chancellor Fred Wood; Senior Vice President and Provost Karen Hanson; Vice Presidents Kathryn Brown and Richard Pfitzenreuter; General Counsel William Donohue; Executive Director Brian Steeves; and Associate Vice Presidents Bernard Gulachek, Gail Klatt, and Stuart Mason.

Student Representatives present: Joseph Daniewicz and Kevin Lang.

OVERVIEW OF BENEFITS

Vice President Brown presented for discussion an overview of benefits provided to University faculty and staff, as detailed in the docket.

Brown stated that the goal of benefits at the University is to attract and retain a high-quality workforce, ensure a cost-effective program, encourage good health and wellness, and comply with state and federal law.

Brown detailed changes to UPlan related to the Affordable Care Act (ACA). She noted that the University has sought to minimize the impact for those with health conditions. Brown explained that the excise tax under ACA continues to be a concern. The University has taken steps such as increasing costs to employees to avoid a possible tax liability of roughly \$50 million over five years.

Brown highlighted the creation of an Accountable Care Organization (ACO) plan. ACOs represent the first step away from a fee-for-service system, and are a model that can help reduce the University's excise tax liability. ACOs provide all services through a single provider, which typically reduces costs for the individual and the University. Brown noted that UPlan ACO enrollment was initially 915 and has grown to 1,005 enrollees as of May 2014.

Brown also provided information on the University's move toward a total reward strategy for benefits. The program will likely include health, wellness, retirement, compensation, and rewards and recognition programs. Brown noted that total reward strategies are being used in the private sector and could help the University create a program that reflects the culture and goals of the organization, while reducing the cost of health care and other noncash benefits to employees.

In response to a question from Regent Frobenius, Brown indicated that there are neither barriers nor strong incentives for University employees to use University health facilities and University of Minnesota Physicians (UMP). She noted ongoing discussions of how the University can strengthen the tie between University employees and UMP.

In response to comments from Regents Beeson, Frobenius, and McMillan, Brown agreed that a broader discussion of the philosophy and policy behind the University's mix of benefits and compensation would be helpful. She cautioned that a single mix would not fit all employees given the range of duties and responsibilities. She indicated comfort with the current policy since it provides both needed flexibility and sufficient direction. Brown agreed that any changes at the Board policy level should be strategic and intentional, while allowing the administration the appropriate freedom to act.

ANNUAL UPLAN HEALTH INSURANCE UPDATE

Vice President Brown invited Dann Chapman, director of Employee Benefits in the Office of Human Resources, to present the annual UPlan health insurance update, as detailed in the docket.

Chapman described UPlan governance and administration, the history of the plan, and current health care trends. Chapman noted that while UPlan continues to be below the trend in health care costs, costs continue to rise; spikes in health care will occur and likely cannot be prevented.

Chapman explained that UPlan is self-insured and separate from the State of Minnesota. This allows the University to control what the plan looks like and offers. Chapman added that being self-insured has created lower administrative fees along with significant savings through cost avoidance. He noted that for every dollar spent, 95 cents goes to care. That is well above the Affordable Care Act (ACA) standard for large employer-insured plans of 85 cents.

Chapman also outlined benefits of the University-sponsored wellness program. The program provides a \$1.63 return on investment for every dollar spent, and the University has seen health risks decrease by 6.8 percent. New options to reduce stress and enhance employee well being include expansion of the Employee Assistance Program and the addition of a financial counseling program.

In response to a question from Regent Brod, Chapman noted that employees have incentives to use generic drugs, which save both the employee and employer money. He cautioned that the percent of employees using generic drugs is starting to reach the upper limit and further growth may not be possible. Specialty drug costs will continue to be high, and some may never be offered as a generic due to the expense and skill required for production.

In response to a question from Regent Beeson, Chapman agreed that there is tension between offering a wide selection of plans and the expense associated with that selection. While there could be savings if all employees were in one plan, different plans make sense given the geographic distribution of University employees and the desire for control over health care providers. Chapman noted that there is little to no internal subsidizing between plans.

In response to a question from Regent Frobenius, Chapman noted that there has been an increase in the employee's contribution since the University became self-insured and given the requirements of the ACA. The University has paid a large amount of those increased costs over time, but has moved some of the cost to the employee in order to avoid the excise tax liability. The University has established benchmarks to compare employee health care costs to those of other institutions and to ensure that the University is competitive in the employment marketplace.

RETIREMENT PROGRAM TRENDS

Vice President Brown invited Jackie Singer, director of Retirement Programs in the Office of Human Relations (OHR), to present program trends for retirement plans offered by the University, as detailed in the docket.

Singer walked through the four major retirement plans offered by the University. She noted that the Minnesota State Retirement System is well managed and provides a strong return with lower employee and employer contributions compared to other public sector employers. She noted that the Faculty Retirement Plan, which includes academic professional and administrative employees, continues to keep the employee contribution low. The corresponding estimated income replacement ratio is also lower than for other public research institutions.

In response to a question from Regent Beeson, Singer explained that adjunct faculty are not eligible for the Faculty Retirement Plan. An employee needs to hold at least a nine-month appointment of 67 percent time or above to be eligible. Adjunct faculty could participate, but would not receive a contribution from the University.

Singer explained that retirement plan simplification continues to be a focus for OHR. This simplification could include different tiers allowing employees to pick the level of involvement they want to have in managing their investments.

CONSENT REPORT

Vice President Brown presented for review and action the Consent Report, which included the following items:

- Appointment of Dr. Brian Buhr as Dean of the College of Food, Agricultural and Natural Resources Sciences.
- Appointment of members of the Minnesota Landscape Arboretum Foundation Board of Trustees.
- Conferral of tenure of new hires.

A motion was made and seconded and the committee voted unanimously to recommend approval of the Consent Report.

INFORMATION ITEMS

Vice President Brown referred the committee to the information items contained in the docket materials, which included:

- Personnel highlights
- University highlights
- Faculty and staff activities and awards

The meeting adjourned at 11:34 a.m.



BRIAN R. STEEVES
Executive Director and
Corporate Secretary

**UNIVERSITY OF MINNESOTA
BOARD OF REGENTS**

**Academic & Student Affairs Committee
June 12, 2014**

A meeting of the Academic & Student Affairs Committee of the Board of Regents was held on Thursday, June 12, 2014 at 2:45 p.m. in the East Committee Room, 600 McNamara Alumni Center.

Regents present: Linda Cohen, presiding; Thomas Devine, Peggy Lucas, and Abdul Omari.

Staff present: Chancellors Jacqueline Johnson and Stephen Lehmkuhle; Executive Director Brian Steeves; and Associate Vice President Bernard Gulachek.

Student Representatives present: Meghan Mason and Joelle Stangler.

STRATEGIC PLANNING PROCESS UPDATE

Senior Vice President and Provost Hanson provided an update on the strategic planning process. She reported that the process was moving from strategic visioning to development of objectives and that the project was on schedule. She explained that five teams have been created and are meeting on key issues related to each of the four goals that will support the vision. Hanson invited leaders from each of the workgroups to share an update on the work of their committee.

Professor Renee Cheng, co-lead for the grand challenges curriculum team, explained that her team is reviewing the grand challenges courses that already exist within the University and identifying barriers such as administration, budget, and time constraints that limit participation, as well as ways to lower those barriers. She noted that the difference between the curriculum grand challenges and the research grand challenges is that the goal within the curriculum is to impart a certain set of skills and values on the student but not necessarily to solve any particular challenge.

Professor Allen Levine, co-lead for the grand challenges research team, shared that his team is determining how to involve students, scholars and the outside community in selecting the grand challenges, as well as how to involve not only the STEM disciplines but also the arts and humanities in addressing the challenges. Levine noted that the committee is considering resource management and will use existing data from the Office of Institutional Research to determine the University's areas of strength.

Associate Professor Jakub Tolar, co-lead for the rejecting complacency team, commented that his committee is using several principles to guide their work including: avoid mistakes, include everyone, operate with actions and not words, and stay away from overused phrases. Specifically, they recommend detailed annual reviews with measurable goals, rewarding success, and the use of an employee engagement survey that can be compared with peers outside of the University. The overarching goal is to attract and retain the best and the brightest to an environment that is open to new ideas – even those that may be contrarian.

Assistant Dean Amelious Whyte, co-lead of the reciprocal engagement team, identified the core competencies around reciprocal engagement as mutual respect and trust, authentic commitment, sustainable collaboration, flexibility and accountability. His team surveyed community members to understand the opportunities and challenges of working with the University. He shared several objectives to achieve greater engagement including that partners feel welcome and respected, greater recognition and incentives for engagement, and improved navigation for finding and developing partnerships.

Professor Timothy Kehoe, co-lead of the field shaping researchers/teachers team, reported that his committee would like to see the University be known as the “University of opportunity.” He emphasized the need to develop a culture that attracts a diverse faculty, and that offers more flexibility but with a sense of accountability and responsibility. He added that faculty members should have the opportunity to strive to be their best and the University should provide additional compensation for its highest achievers. Kehoe proposed that department chairs need better training, resources, and recognition.

Provost Hanson also invited Meghan Mason, a graduate student and strategic planning workgroup member, to provide the student perspective. Mason offered that students would find the greatest connection within the grand challenges research and curriculum. For graduate students she cited the growing importance of interdisciplinary work and emphasized that working within the grand challenges would offer much-needed training in that area. From the undergraduate perspective she noted a strong interest in the grand challenges curriculum as an opportunity for service learning, skills development, design thinking and opportunities to address problems from a global and local level not offered in a traditional classroom experience.

In response to questions and comments by Regents, a discussion arose around acceptable types and levels of risk. The discussion included:

- Monitoring four-year graduation rates to mitigate risk around curriculum changes.
- Updating department tenure codes to encourage interdisciplinarity, and rewarding individuals who tackle the hard challenges rather than making incremental gains that result in an acceptable but mediocre research profile.
- Creating a culture that accepts failure but reacts quickly to change course.
- Reducing bureaucracy while maintaining meaningful annual reviews.
- A desire for a growth model for professors, with a meaningful review from a competent leader that is focused without being burdensome.

HEALTH & WELLNESS SERVICES ASSESSMENT

Senior Vice President and Provost Hanson shared information on the ongoing review of the mission of Boynton Health Service (Boynton), its scope of services, population served, and its relations with the Academic Health Center (AHC), University of Minnesota Physicians, and University of Minnesota Health, as detailed in the docket.

Danita Brown Young, Vice Provost for Student Affairs and Dean of Students; Ferdinand Schlapper, Director and Chief Health Officer, Boynton Health Service; and Bobbi Daniels, CEO of University of Minnesota Physicians presented on the impact of student affairs on health, the need to increasingly focus on campus population health – students, faculty and staff – and opportunities for the delivery of clinical care across Boynton, the AHC, and University of Minnesota Health.

Provost Hanson noted that the review is ongoing and specific recommendations will be presented at a future meeting.

In response to a question from Regent Devine, Brown Young identified several touch points educating students about the mental health resources available on campus, including orientation, welcome week, the undergraduate *Brief* newsletter, and marketing to student groups.

In response to a question from Regent Omari, Schlapper predicted that the demand for mental health services will continue to rise and will require a new and more holistic approach to providing support.

In response to a question from Regent Cohen, the following ideas were proposed to enhance collaboration between student affairs, Boynton, and the AHC:

- Offer AHC teaching rotations and training experiences to Boynton.
- Expand the use of technology such as apps and text messaging to appeal to students, as well as provide additional technology training to faculty and staff to support their use.
- Increase collaboration between Boynton and the AHC to gain efficiencies and services.

Student Representative Mason noted her participation on the review committee and cited additional opportunities for collaboration with the School of Public Health.

CONSENT REPORT

A motion was made and seconded, and the committee unanimously recommended approval of the following, as described in the Consent Report:

- **Request for Approval of New Academic Programs**
 - Academic Health Center (Twin Cities campus)—Create M.A. degree in Integrative Health and Wellbeing Coaching
 - Academic Health Center (Twin Cities campus)—Create post-baccalaureate certificate in Clinical Ethics
 - College of Continuing Education (Twin Cities campus)—Create B.A.Sc. degree in Health Services Management
 - College of Continuing Education (Twin Cities campus)—Create undergraduate minor in Translation
 - College of Liberal Arts (Twin Cities campus)—Create M.A. degree in Health Communication
 - College of Liberal Arts (Twin Cities campus)—Create certificate in Technical Communication
 - Medical School (Twin Cities campus)—Create certificate in Pediatric Dermatology
 - School of Dentistry (Twin Cities campus)—Create post-baccalaureate certificate in Advanced Dental Therapy

- Labovitz School of Business and Economics (Duluth campus)—Create B.B.A. degree in Entrepreneurship
- College of Liberal Arts (Duluth campus)—Create a B.A. degree and undergraduate minor in Women, Gender and Sexuality Studies
- The Morris campus—Create undergraduate minor in Latin American Area Studies
- **Request for Changes to Academic Programs**
 - College of Liberal Arts (Twin Cities campus)—Create dual B.A./M.A. degree program in Health Communication
 - College of Liberal Arts and the Humphrey School of Public Affairs (Twin Cities campus)—Create dual B.A./M.P.P. degree in Political Engagement
 - School of Nursing (Twin Cities campus)—Change the name of the sub-plan in Informatics to Nursing Informatics within the Doctor of Nursing Practice (D.N.P.) degree
 - School of Public Health (Twin Cities campus)—Create Plan B sub-plan within the M.S. degree in Clinical Research
 - College of Education and Human Service Professions (Duluth campus)—Change the name of the Health Education minor to Public Health Education and Promotion
 - College of Liberal Arts (Duluth campus)—Create new sub-plan in Literary Studies and discontinue the sub-plans in Liberal Arts and Pre-Graduate Studies within the B.A. degree in English
 - School of Fine Arts (Duluth campus)—Create new sub-plans in Costume Design, Lighting Design, Scene Design, and Technical Theater, and change the name of the sub-plan in Design and Technology to Design and Production within the Theater B.F.A.
- **Request for Approval of Discontinued Academic Programs**
 - College of Education and Human Development (Twin Cities campus)—Discontinue the M.Ed. degree in Recreation, Park, and Leisure Studies
 - Humphrey School of Public Affairs (Twin Cities campus)—Discontinue the graduate minor in Public Affairs
 - College of Liberal Arts (Duluth campus)—Discontinue the B.A. degree and minor in Women's Studies

The meeting adjourned at 3:22 p.m.



BRIAN R. STEEVES
Executive Director and
Corporate Secretary

Year 2013-14

**UNIVERSITY OF MINNESOTA
BOARD OF REGENTS**

**Finance Committee
June 12, 2014**

A meeting of the Finance Committee of the Board of Regents was held on Thursday, June 12, 2014 at 2:45 p.m. in the West Committee Room, 600 McNamara Alumni Center.

Regents present: David McMillan, presiding; Clyde Allen, Richard Beeson, Laura Brod, John Frobenius, and Dean Johnson.

Staff present: President Eric Kaler; Chancellor Jacqueline Johnson; Vice Presidents Kathryn Brown, Richard Pfutzenreuter, R. Scott Studham, and Pamela Wheelock; Executive Director Brian Steeves; and Associate Vice Presidents Stuart Mason, Julie Tonneson, and Michael Volna.

Student Representatives present: Hannah Keil and Kevin Lang.

PRESIDENT'S RECOMMENDED FY 2015 ANNUAL OPERATING BUDGET

Vice President Pfutzenreuter and Associate Vice President Tonneson presented for action the President's recommended FY 2015 Annual Operating Budget (Operating Budget), as detailed in the docket.

Tonneson reminded the committee of key components of the Operating Budget as presented in May. She detailed specific changes to the Operating Budget made in response to the outcome of the 2014 legislative session. Those changes include:

- Estimated increase in spending on need-based aid for University students of approximately \$3.8 million.
 - Federal Pell Grant award was increased for most recipients by \$85 and the maximum was increased to \$5,730.
 - Minnesota State Grant program increased living and miscellaneous expenses by \$590 giving many full-time students an award increase of \$210 - \$295 based on financial need.
- Indirect cost recovery revenue estimate \$45,000 higher than at time of budget review in May.
 - \$830,000 increase in estimate for University of Minnesota Extension due to SNAP-ED grant renewal.
 - \$785,000 decrease in estimate for School of Public Health.
- State special appropriations totaling \$8.9 million more than at time of budget review in May.
 - \$3.4 million one-time appropriation for the Invasive Terrestrial Plants & Pests Center.
 - \$1 million one-time appropriation for the Forever Green Initiative.

- \$4.35 million recurring appropriation and \$150,000 one-time appropriation for regenerative medicine research added to the health sciences appropriation.
- Legislative-Citizen Commission on Minnesota Resources one-time project appropriations totaling \$11.358 million.
 - \$490,000 for the Invasive Terrestrial Plants & Pests Center.
 - \$10.9 million for 28 projects across the University.
- State agency one-time transfers to the University totaling \$1.17 million.
 - \$970,000 for the Invasive Terrestrial Plants & Pests Center.
 - \$200,000 for porcine epidemic diarrhea virus research.

Tonneson reported that these changes are reflected in the state specials, indirect cost recovery, total net resources, and allocations to units budget line items. She noted that the projected ending balance for FY 2015 remains unchanged.

In response to a question from Regent Beeson, Tonneson reported that administrative position eliminations have mainly been through attrition. So far, 115 positions have been reduced.

A wide-ranging discussion covering trends in University recruitment commenced, focusing on specific recruitment targets, application targets, recruiting efforts in the northeast section of the United States, Big Ten Conference expansion, and the purchase of student information lists from private companies.

President Kaler highlighted the process for the increased state special appropriations. He explained that the Board did not make a supplemental budget request to the state. Some legislators were interested in giving the University special appropriations, primarily focused on regenerative medicine. Those legislators wanted to ensure that the Board supported the increased appropriations. Kaler described how he worked with the chair of the Board to convey support for the requests. He noted that while the process was a bit awkward, it did follow the intent of Board policy but will need further work to ensure better functioning if similar opportunities arise in the future.

A motion was made and seconded, and the committee voted unanimously to recommend approval of the President's Recommended FY 2015 Annual Operating Budget.

FINANCIAL COMPONENTS OF THE PRESIDENT'S RECOMMENDED FY 2015 ANNUAL CAPITAL IMPROVEMENT BUDGET

Vice President Pfutzenreuter presented for action the President's Recommended FY 2015 Annual Capital Improvement Budget (Capital Budget), as detailed in the docket.

Pfutzenreuter explained changes to the Capital Budget stemming from the outcome of the 2014 legislative session. The Capital Budget now authorizes projects totaling \$291,655,000, a decrease from the May Capital Budget total of \$376,845,000, to begin design or construction during the next fiscal year. Approximately 40 percent, or \$119,367,000, of the Capital Budget is State of Minnesota supported debt from the University's 2014 capital request. The remaining 60 percent of the Capital Budget is the University's share of the state bonding projects as well as University-funded capital improvements.

In response to a question from Regent Brod, Pfutzenreuter characterized the addition of the Bell Museum in the Capital Budget as unusual. The Bell Museum was included twice in previous capital requests made by the Board, but was not in this year's request. The University decided to shift focus away from the project after it had been repeatedly left out of the final bill. This year, the chair of the Minnesota House of Representatives Capital Investment Committee had interest in funding the project and an agreement was made that the University would issue the debt and the state would pay the debt service through an annual appropriation of \$3.5 million to the University.

President Kaler added that this was an extraordinary circumstance around a very unique project. He indicated that this would not be a normal way to fund capital projects in the future.

In response to a question from Regent McMillan, Vice President Wheelock explained that when the Capital Budget is reduced, a multitude of options are considered. Some projects do not fit well with a smaller appropriation and are put on hold, while others can be phased across years, allowing some work to start or continue. For example, the Mechanical Engineering building on the Twin Cities Campus will now be a phased project given the reduced Higher Education Asset Preservation and Renovations funds allocation by the state and higher priority projects across the University preventing full funding.

A motion was made and seconded, and the committee voted unanimously to recommend approval of the President's recommended FY 2015 Annual Capital Improvement Budget.

LONG-RANGE FINANCIAL PLANNING MODEL

Regent McMillan invited Lincoln Kallsen, director, Financial Analysis, to present the Long Range Financial Planning Model for discussion, as detailed in the docket.

Kallsen explained that this discussion would update the six-year operating budget forecast based on the FY 2015 operating budget and baseline assumptions. He presented how long-range financial planning interacts with annual operating budget recommendations, the biennial budget request to the state, trends in state funding, changes in student enrollment, changes in federal research funding, base revenue assumptions, and investment and expense assumptions.

Kallsen offered four revenue scenarios for consideration by the committee. Each scenario manipulates the annual change in all tuition rates and the annual change in state appropriation. All of the models create a budget that is in some level of deficit over the projected period.

A broad discussion ensued examining each of the scenarios, the assumptions for both revenues and expenses, internal University funding of Higher Education Asset Preservation and Renovations as a source of additional expense, the amount of funding needed for debt service, and the size of deficit each scenario projected and the need for further work to close that deficit.

ENTERPRISE SYSTEMS UPGRADE PROJECT: UPDATE

Regent McMillan introduced Vice Presidents Pfutzenreuter and Studham and Dennis Wenzel, executive program director, Enterprise Systems Upgrade Program, to present an update on the Enterprise Systems Upgrade Project (ESUP), as detailed in the docket.

Studham explained the three phases of the project: development, testing, and deployment transition. ESUP is in the development phase. Studham stressed that while the first two phases are important, the third phase is equally, if not more, important. The ESUP project does not end at the “go-live” date, but will continue for 60 days following to ensure a successful transition and correct any issues that may arise.

Wenzel reported that the project is currently on budget and on time with an expected go-live date in mid-February 2015. He presented a financial summary of the project, defined program metrics being used to track progress across ESUP development, and summarized how ESUP changes will be communicated to the University.

Wenzel identified five items that could impact the University:

1. A single go-live day for all systems across the University.
2. Post go-live defects that could cause issues for users.
3. The cultural change that will be required by users.
4. The need for an ongoing strategy to ensure full use of ESUP tools, including future improvements and enhancements for the long term.
5. The need for the ESUP team to maintain a high level of productivity.

In response to a question from Regent Allen, Studham explained that change management and communication across the University will help prevent common failures faced when bringing a large system like this online. He noted that it is key to recognize that the changes are significant and will cause disruption. Detailed communication around ESUP is needed to help users manage that change. This includes maintaining a high level of effort after the go-live date by the ESUP team. Wenzel added that using a pilot group to work through some of the common processes should help address issues.

In response to Regent Beeson, Studham explained that not all reports were available to use when the current Enterprise Financial System went live, which forced some users to create custom reports. ESUP will launch with all 52 needed reports ready to be used. This should eliminate any need by users to create their own reports.

UNIVERSITY TAX COMPLIANCE ACTIVITIES & PROGRAMS

Regent McMillan announced that due to time, the presentation on university tax compliance activities and programs would be delayed until a future committee meeting.

CONSENT REPORT

Vice President Pfutzenreuter presented the Consent Report, as detailed in the docket:

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

- To AudienceView Ticketing Corporation for an estimated \$1,200,000 for software, hosting, and support of the University ticketing system as needed for the period of July 1, 2014, through July 15, 2018, for all ticketing services for the University of Minnesota. AudienceView will be funded by two separate business units, Athletics and Non-athletics (Northrop and other units of the University). Athletics and multiple other units will fund the purchase through ticket revenue, fees, and O&M budget.

- To Life Technologies, Inc. for an estimated \$1,336,000 for the purchase of laboratory supplies and reagents as needed for the period of July 1, 2014, through June 30, 2015, for the Molecular Diagnostics section of the Veterinary Diagnostic Laboratory. The reagents and supplies will be purchased with departmental funds currently available for clinical testing of client samples. Diagnostic service fees charged to clients will generate additional revenue.

Purchase of Underwriting/Investment Banking Services:

- To RBC Capital Markets, LLC as senior manager, and Barclays Capital, Inc. and J.P. Morgan as co-managers, for underwriting and investment banking services for the issuance and sale of bonds to fund the construction of the Ambulatory Care Center (ACC). The vendors were chosen through a competitive bidding process.

A motion was made and seconded, and the committee voted unanimously to recommend approval of the Consent Report.

INFORMATION ITEMS

Vice President Pfutzenreuter referred the committee to the Information Items contained in the docket materials:

- Quarterly Investment Advisory Committee Update
- Quarterly Asset Management Report
- Debt Management Advisory Committee Update

The meeting adjourned at 4:39 p.m.



BRIAN R. STEEVES
Executive Director and
Corporate Secretary

UNIVERSITY OF MINNESOTA
BOARD OF REGENTS

Board of Regents
June 13, 2014

A meeting of the Board of Regents of the University of Minnesota was held on Friday, June 13, 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, Peggy Lucas, David McMillan, Abdul Omari, and Patricia Simmons.

Staff present: President Eric Kaler; Chancellor Stephen Lehmkuhle; Senior Vice President and Provost Karen Hanson; Vice Presidents Kathryn Brown, Richard Pfitzenreuter, Scott Studham, and Pamela Wheelock; General Counsel William Donohue; Executive Director Brian Steeves; and Associate Vice Presidents Gail Klatt, Julie Tonneson, and Michael Volna.

ANNUAL MEETING

Chair Beeson called the Annual Meeting to order at 9:00 a.m.

ESTABLISHMENT OF MEETING DATES

Chair Beeson proposed adjusting the tentative March 2015 meeting dates to March 26-27, 2015. A motion was made and seconded and the Board of Regents voted unanimously to approve the following meeting schedule for 2014-15:

July 9, 2014	One-Day Meeting
July 10-11, 2014	Board of Regents Retreat
August, 2014	No Meeting
September 11-12, 2014	
October 9-10, 2014	
November, 2014	No Meeting
December 11-12, 2014	
January, 2015	No Meeting
February 12-13, 2015	
March 26-27, 2015	
April, 2015	No Meeting
May 7-8, 2015	
June 11-12, 2015	

The annual meeting adjourned at 9:03 a.m.

The regular meeting of the Board of Regents was convened at 9:03 a.m.

MONTHLY MEETING

RECOGNITIONS

Student Representatives to the Board of Regents

Recognition was given to the 2013-14 Student Representatives to the Board of Regents of Regents:

Meghan Mason (Chair)
Twin Cities (GAPSA)

Joseph Daniewicz (Vice Chair)
Morris

Kevin Lang (Vice Chair)
Twin Cities (GAPSA)

Hannah Keil
Duluth

Ben Metcalf
Rochester

John Reichl
Twin Cities (MSA)

Joelle Stangler
Twin Cities (MSA)

Drew Underdahl
Crookston

Academic Professionals & Administrators Consultative Committee Outgoing Chair

Recognition was given to Cynthia Murdoch, Analyst in the Enterprise Portal Project, University of Minnesota Twin Cities Campus, and 2013-14 outgoing chair of the Academic Professionals & Administrators Consultative Committee.

Civil Service Consultative Committee Outgoing Chair

Recognition was given to Tom Sondreal, Senior Media Producer, Media Services, University of Minnesota Crookston, and 2013-14 outgoing chair of the Civil Service Consultative Committee. Sondreal was unable to be present.

APPROVAL OF MINUTES

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

Audit Committee - May 8, 2014
Special Committee on Academic Medicine - May 8, 2014
Facilities & Operations Committee - May 8, 2014

Faculty & Staff Affairs Committee - May 8, 2014
Academic & Student Affairs Committee - May 8, 2014
Finance Committee - May 8, 2014
Board of Regents Meeting - May 8, 2014
Board of Regents Meeting - May 9, 2014

REPORT OF THE PRESIDENT

President Kaler expressed gratitude to Governor Dayton, the legislature, and members of the Legislative Action Network for their support of the University. He cited the positive outcome of the recently concluded session as evidence of a continuing strong partnership and increased trust between this institution and legislative leaders.

Kaler announced that the University of Minnesota Morris was awarded a Climate Leadership Award by Second Nature, a national nonprofit that works to create a healthy and sustainable society by transforming higher education. He noted only 20 campuses across the country were honored for their exceptional work, and the Morris campus received the most votes among those institutions that award only bachelor's degrees.

Kaler reported on a recent trip to China with Professor David Pui, Mechanical Engineering, other University of Minnesota scientists and researchers, and several industry partners. The group met with Chinese scientific and government leaders on the issue of air pollution in China. He added that this institution is the only university in the world invited by Chinese officials to discuss the ideas Pui has developed to address China's air quality issues.

The President noted the opening of Green Line light rail transit on June 14, 2014, highlighted strong donor support for the University, and provided an update on the Twin Cities campus tobacco-free policy set to begin on July 1, 2014. He noted that the University recently initiated an external review of its human subjects research practices in response to a University Senate resolution, emphasizing the institution's strong commitment to maintaining the highest standards for excellence in this area. Kaler also acknowledged John Sill, a counselor in One Stop Student Services, present in the audience. Sill provided "above and beyond" assistance to a former student encountering online registration difficulties.

Finally, Kaler distributed his 2013-14 report of accomplishments.

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

REPORT OF THE CHAIR

Chair Beeson addressed a recent report issued by the Institute for Policy Studies, noting that it included misleading and erroneous information about University of Minnesota executive pay, student debt, administrative funding, and employment of adjunct faculty numbers. He added that this report, and much of the resulting national and local media coverage, was a disservice to the universities it singled out and did not add to the public discourse about higher education.

Beeson reported on a number of activities and events Regents participated in since the last Board meeting in May 2014: the Siehl Prize for Excellence in Agriculture, the President's Club Heritage Society dinner, the Puckett Scholarship Program dinner, and 29 commencement ceremonies across five campuses. Beeson also reported that he and Regents Brod, Devine, Johnson, Lucas, and Omari recently visited the Dairy Education Center, Southern Research and Outreach Center, and the Hormel Institute in southern Minnesota.

Beeson reported that the Presidential Performance Review Committee met in closed sessions on May 9 and May 27, 2014. The committee, which included Regents Beeson, Johnson, and McMillan, met with President Kaler on June 11, 2014 to discuss his performance. The committee's report was provided to the Board of Regents.

Beeson, Johnson, and McMillan highlighted items from the report, which speaks to the exceptional performance of President Kaler. The report notes he is passionate, energetic, and eager to transform the University of Minnesota to meet the grand challenges facing our society, while also addressing the need to evolve the institution's business model to one that can adapt with the rapidly transforming world of higher education. On behalf of the Board of Regents, Beeson expressed appreciation to President Kaler and Karen Kaler for their service and dedication to the University. Beeson noted his belief that President Kaler's strong performance warrants an extension of his contract and indicated he would bring his recommendations to the Board of Regents at a future meeting.

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 Report of the Academic Professionals and Administrators Consultative Committee and the Quarterly Report of Grant and Contract Activity.

CONSENT REPORT

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

- Regents Professor recommendation forwarded in a letter from President Kaler dated June 4, 2014;
- Report of the All-University Honors Committee recommendations forwarded in a letter from President Kaler dated June 4, 2014; and
- Summary of Gifts through April 30, 2014.

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

REPORT OF THE FACULTY CONSULTATIVE COMMITTEE

Professor William Durfee, Chair of the Faculty Consultative Committee (FCC), reported on the committee's recent activities. Topics included graduate education, the strategic planning process underway at the Twin Cities campus, and a new model for faculty governance. Durfee announced that Rebecca Ropers-Huilman, Professor and Chair of the Department of Organizational Leadership, Policy and Development, College of Education and Human Development, would serve as FCC chair for the 2014-15 academic year.

RECOGNITION OF FACULTY CONSULTATIVE COMMITTEE OUTGOING CHAIR

Professor Durfee was recognized for his service as chair of the Faculty Consultative Committee during the 2013-14 academic year.

REPORT OF THE STUDENT REPRESENTATIVES TO THE BOARD OF REGENTS

Meghan Mason, Chair, student representatives to the Board of Regents, presented a report from the group. It reflected student perspectives on issues and concerns and included items from each of six student government groups. Mason addressed the report's three main topics: financial literacy, system-ness, and sexual assault.

President Kaler commended the student representatives for an excellent report highlighting a number of critical issues system-wide.

A copy of the Report of the Student Representatives to the Board of Regents is on file in the Board Office.

BOARD OF REGENTS POLICY: CODE OF ETHICS FOR MEMBERS OF THE BOARD OF REGENTS - ANNUAL REVIEW

General Counsel Donohue reviewed Board of Regents Policy: *Code of Ethics for Members of the Board of Regents*. The Board, with the assistance of the general counsel, annually reviews the requirements and procedures set forth in the policy.

Donohue highlighted the guiding principles that Board members are obligated to follow: 1) Board members are responsible for the governance of the University and must be accountable in the areas of financial disclosure, gifts, expenses, and conflicts of interest; and 2) Board members are expected to put aside parochial interests, keeping the welfare of the entire University, not just a particular constituency, at all times paramount. He described when conflicts of interest exist, how to manage them, and what should be done if a Board member has a conflict of interest.

PRESIDENT'S RECOMMENDED FY 2015 ANNUAL CAPITAL IMPROVEMENT BUDGET

Chair Beeson introduced Vice Presidents Pfutzenreuter and Wheelock to present for action the President's Recommended FY 2015 Annual Capital Improvement Budget (Capital Budget), as presented in the docket materials.

President Kaler opened discussion of the Capital Budget by reaffirming the commitment to ensure students, faculty, and staff live, learn, and work in 21st century facilities and recognizing the importance of sustaining and improving facilities in support of teaching, research, and outreach. He noted that the Board of Regents reviewed the Capital Budget at its May 2014 meeting.

Chair Beeson called on Regent Allen, Chair of the Facilities & Operations Committee, to present the recommendation of the committee. Allen reported that the committee reviewed project components of the Capital Budget and voted unanimously to recommend approval of the Resolution Related to the FY 2015 Capital Improvement Budget. He moved its approval.

Chair Beeson called on Regent McMillan, Chair of the Finance Committee, to provide the recommendation of the committee. McMillan reported that the committee reviewed the financial components of the Capital Budget and also recommends approval of the resolution. He seconded the motion.

Wheelock stated that the Capital Budget represents the first year of the Six-Year Capital Improvement Plan and authorizes projects to begin design and construction during the

upcoming fiscal year. Each project in the Capital Budget has a value greater than \$500,000 and a completed predesign, and is fully funded.

Wheelock discussed the \$42.5 million included for Higher Education Asset Preservation and Renewal, which is intended to preserve and renew existing campus facilities. She also briefly described several projects included in the Capital Budget, and noted project and funding changes due to the outcome of the state bonding bill.

Pfutzenreuter summarized funding sources for the \$291.7 million Capital Budget. He reminded the Board that the legislature requested that the University issue debt for the Bell Museum project, and in turn increased the institution's base appropriation by \$3.5 million annually to cover debt service. Wheelock stated that, in addition to the University debt for the Bell Museum, there are additional funds on hand previously raised for the project. She added that the administration will work to increase fundraising to achieve the desired \$57.5 million total project cost, and will also hold off on the project design until there has been an opportunity to raise the required funds.

Regent Simmons requested a better understanding of the Bell Museum project's implications related to total University debt, plus the additional operating costs that will eventually be incurred once the facility is completed.

President Kaler stated that the previous day he had assured the Finance Committee that this funding arrangement is unique situation, a rare one, in which the administration was able to move the project forward by using the University's credit to do so. He added that the impact on University debt capacity is not viewed as a substantial and should not limit opportunities going forward. He indicated the College of Food, Agricultural and Natural Resource Sciences would manage operating costs associated with the new facility. Kaler noted that the project was approved twice previously by the Board of Regents and this was seen as a strategic opportunity to move the project forward in a responsible and creative way.

Regent Simmons added that the Board, along with the President, need to thoughtfully consider the impact of significant new projects like the Bell Museum because they often require additional operating and philanthropic funds, which in turn drives fundraising priorities. She noted that the Board of Regents approves acceptance of gifts, and expressed her belief that the Board should be involved in establishing, and perhaps approving, fundraising priorities for the University and not just accept donations on the backend. Fundraising can have a substantial impact on what the University does and does not do.

Regent Allen noted that the institution did receive additional funds to cover debt service for the Bell Museum and pointed out that it had been approved by the Board of Regents as a priority in previous years.

Regent Simmons stated that she is a supporter of the Bell Museum, but wants to make sure the Board is cognizant of the decisions it makes regarding things the University will do and not do from the philanthropic side because the focus will shift to raising money for one project over another project. She stressed that she wants to make sure that the Board is conscious of this decision upfront.

Regent Devine commented that this bonding bill was unique in several ways. The Bell Museum project has been a Board priority in the past, with fundraising starting and stopping. He pointed out that the state of Minnesota made a gift to the people of the state by providing a new facility to house the University's natural sciences collections. He added the Bell Museum is a teaching facility that attracts thousands of schoolchildren each year, which puts the facility in a different funding context than some of the other capital projects that are funded with the traditional one-third University match. Regent Devine also noted appreciation for the state's

investment in a new wellness center at University of Minnesota Crookston as well as the importance of the Tate Laboratory and aquatic invasive species projects.

Regent Brod expressed appreciation for the mission-focused language in the resolution. She explained that she looks at capital investments through the eyes of a student, with projects that are important for recruitment, the student experience, and the safety of staff and students. She indicated support for the resolution as the debt service falls within guidelines and costs can be covered in the operating budget.

Regent Frobenius stated that he does not want to be critical of the Bell Museum project as it is an important resource for the state and this institution needs to assume responsibility for maintaining the facility and its collections, but he expressed concern about uncovered additional operating costs related to the project and the impact on debt service. He noted that there are probably enough tradeoffs to make the funding arrangement appropriate, but worried that the institution may be asked to assume funding other projects in this manner in the future. He urged the administration to avoid setting a precedent with this project and stressed the need to be careful about diluting the University's efforts.

President Kaler expressed agreement with these points and indicated that he made it clear with leaders in St. Paul that the Bell Museum was a unique situation. He recognized that the project was not advanced in the usual way, but that Board leadership was consulted.

Chair Beeson emphasized that the Board has the autonomous right and responsibility to sometimes reject special legislative appropriation earmarks that have not been requested by the University, whether operating or capital in nature including campus specific. The Bell Museum project is different for all reasons stated, and he expressed his appreciation to the legislature for working with staff on this particular project and for their efforts on an outstanding capital budget.

Regent Lucas discussed what she called 'cascading opportunities' this project will present, such as the repurposing of the current facility.

Regent Simmons noted that the Bell Museum had been on the Board's approved capital request priorities in the past. President Kaler agreed that this was an extraordinary circumstance and unique situation. He indicated that this would not be a normal way to fund capital projects in the future.

The Board of Regents voted unanimously to approve the Resolution Related to the FY 2015 Capital Budget, as follows:

WHEREAS, the Board of Regents directed the administration to annually submit a capital improvement budget and a six-year capital improvement plan; and

WHEREAS, the Board has adopted principles to guide the formulation of the capital improvement budget and six-year capital improvement plan; and

WHEREAS, the Board recognizes the importance of sustaining and improving the University's facilities in support of teaching, research, and outreach; and

WHEREAS, the administration has developed a capital planning framework designed to focus its capital planning efforts toward projects that support the University's institutional priorities within a financial strategy that is realistic;

NOW, THEREFORE, BE IT RESOLVED, that the Board of Regents approves the FY 2015 Capital Improvement Budget and reaffirms its prior year capital expenditure authorizations.

PRESIDENT'S RECOMMENDED FY 2015 ANNUAL OPERATING BUDGET

President Kaler presented for action his Recommended FY 2015 Annual Operating Budget (Operating Budget) as detailed in the docket materials. He invited Vice President Pfutzenreuter to join the discussion.

Kaler pointed out that the Operating Budget is a statement of priorities and plans for the institution and clearly reflects three priorities:

- Access, affordability, and academic excellence;
- Operational excellence and accountability; and
- Restoring higher education's historical state support.

Specific funding decisions have been made to advance the University in a number of areas:

- Committing to no increase in tuition for resident undergraduate tuition for two years.
- Increasing the tuition differential between resident and non-resident undergraduate students.
- Keeping graduate and professional tuition as low as possible and aligned with market conditions and peer institutions.
- Capping campus/collegiate fees (no increases in this budget) and minimizing increases in student service fees, course and miscellaneous term fees, and room and board charges.
- Implementing a competitive compensation plan to retain and recruit world-class faculty and staff through a 2.5 percent increase.
- Maintaining critical technology and facility infrastructure.
- Advancing goals envisioned by the four Minnesota Discovery, Research and Innovation Economy (MnDRIVE) research initiatives through investments in faculty and staff, equipment, outreach, etc.
- Approving targeted, high-priority, innovate and strategic investment proposals brought forward by the system campuses, Twin Cities colleges, and support units.
- Taking action to reduce mission support/facilities/oversight costs where appropriate and redirect available resources to higher-priority strategic needs.

Kaler highlighted investments in merit-based scholarship aid and changes in federal and state grants. He indicated that the U Promise scholarship program, which provides need-based financial aid, remains fully funded for the coming year.

Kaler discussed new academic investments earmarked for faculty positions, college and campus support, classrooms, and research infrastructure across 30 units, colleges, campuses, and support units. He also reported briefly on operational excellence progress toward the goal of \$90 million in total reductions over six years.

Kaler reported that there would be no increase in tuition for resident undergraduate students, and noted that the difference between resident and non-resident tuition at this institution remains the smallest in the Big Ten. He noted a continuing focus on aligning graduate and professional tuition rates with market conditions and peer institutions, with minimal increases planned that vary by program. He also noted no increase in campus/collegiate fees for a

second year in a row, and minimal increases in course and miscellaneous fees. Kaler discussed proposed room and board costs and illustrated how those costs compare to peer institutions.

Kaler provided a summary of the \$3.6 billion Operating Budget. He discussed revenues, expenses, investments, and reallocations. He noted state appropriations are 17 percent of the Operating Budget, and presented details on state funding trends.

Chair Beeson called on Regent McMillan, Chair of the Finance Committee, to present the recommendation of the committee. McMillan reported that the committee voted unanimously to recommend approval of the Resolution Related to the FY 2015 Annual Operating Budget. He moved its approval. The motion was seconded.

Regent Devine expressed appreciation for efforts to hold down tuition costs, and indicated his support for the resolution. Regent Simmons commended the administration for efforts to reduce administrative costs and for being creative and open minded on how to achieve those goals. Regent Brod stated her belief that the budget is targeted, strategic, responsible, and demonstrates creative thinking and an aggressive approach to addressing difficult budget issues.

In response to questions from Regent Johnson, Pfutzenreuter indicated future challenges for the institution include tuition, facilities maintenance, federal funding for research, and staying competitive on financial aid and compensation.

The Board of Regents voted unanimously to approve the Resolution Related to the Fiscal Year 2015 Annual Operating Budget, as follows:

WHEREAS, the University of Minnesota as the state's public, land grant university is charged with the responsibility to pursue knowledge and to help apply that knowledge through research and discovery, teaching and learning, and outreach and public service; and

WHEREAS, the State of Minnesota, through its legislative and executive branches, has appropriated \$599,999,000 in state general fund monies for fiscal year 2014-15 to the University of Minnesota, which includes \$8,900,000 resulting from the 2014 legislative session, for the pursuit of its mission and in support of our goals and objectives; and

WHEREAS, the University's biennial request to the State of Minnesota proposed to stabilize the resident undergraduate tuition rate at the 2012-13 level for both 2013-14 and 2014-15; and

WHEREAS, the University of Minnesota is committed to achieving standards of national and international excellence; and

WHEREAS, the future of the University is premised on partnerships within the University community of faculty, staff and students, with the State of Minnesota, other educational institutions, business and industry, University alumni, local communities, and the citizens of Minnesota;

NOW, THEREFORE, BE IT RESOLVED that the Board of Regents hereby approves the University of Minnesota Fiscal Year 2014-15 Annual Operating Budget as follows:

Minnesota resident undergraduate tuition rates will be stabilized at the 2012-13 level for 2014-15, consistent with the request by the State of Minnesota.

The Fiscal Year 2014-15 Annual Operating Budget approved by the Board of Regents includes the following attachments from the President's Recommended FY15 Operating Budget:

- Attachment 1 – Resource and Expenditure Budget Plan (University Fiscal Page) - REVISED
- Attachment 4 - University of Minnesota 2014-15 Tuition Plan: Tuition Rates
- Attachment 6 - University of Minnesota 2014-15 Tuition Plan: Course Fees
- Attachment 7 - University of Minnesota 2014-15 Tuition Plan: Misc. Term Fees
- Attachment 8 - University of Minnesota 2014-15 Tuition Plan: Academic Fees
- Attachment 9 - Student Services Fees
- Attachment 12 - Fund Forecast - Centrally Distributed and Attributed Funds - REVISED

RESOLUTION RELATED TO STUDENT SEASON TICKET SALES FOR FOOTBALL

Chair Beeson called on Vice President Pfutzenreuter, Norwood Teague, Director of Intercollegiate Athletics, and Mike Ellis, Executive Associate Athletics Director, to discuss a resolution related to student season ticket sales for football as presented in the docket materials.

Ellis explained that the Department of Intercollegiate Athletics is proposing an amendment to the 2006 Board of Regents resolution related to timing of the sale of unsold student section football tickets to the general public. If approved, the resolution would give Gopher Athletics the authority to sell unsold student tickets in a timelier manner in an effort to ensure the student seating area of TCF Bank Stadium is as full as possible, and to maximize revenues. The new language would change the restriction on the sale of unsold student tickets to the general public from the Tuesday before the actual game date to the Monday following the first week of school in September. The student section seats would only be released for sale if all other tickets in the stadium bowl were sold out.

Ellis reported that since the opening of TCF Bank Stadium in 2009, student attendance has steadily declined. He noted that a half-full student section is undesirable and negatively impacts the game-day atmosphere, and there is a need to create a culture of urgency leading to stronger and earlier ticket purchases by students. Ellis reported on various marketing campaigns being implemented to promote early student ticket sales.

Chair Beeson noted that this item was only scheduled for review this month, but if no further discussion were required he would entertain a motion to approve the resolution.

A motion was made and seconded, and the Board of Regents voted unanimously to approve the Resolution Related to Student Season Ticket Sales for Football, as follows:

WHEREAS, the 2006 Minnesota State Legislature enacted Sections 137.51 to 137.60 of the Minnesota Statutes (Stadium Act), providing for annual appropriations of up to \$10,250,000 to reimburse the Regents of the University of Minnesota for principal and interest payments to service bonds in a total amount not to exceed \$137,250,000 (Stadium Bonds) in order to fund a portion of the cost of the TCF Bank Stadium and related infrastructure improvements (Stadium Project); and

WHEREAS, the Stadium Act provides that transfers of funds to service the Stadium Bonds are conditioned upon certain actions by the Board of Regents of the University of Minnesota (Board) and by the Minnesota Commissioner of Finance (Commissioner); and

WHEREAS, on November 10, 2006, the Board of Regents resolved to take certain actions to meet those conditions; and

WHEREAS, Section 137.54 (c) of the Minnesota Statutes required “Before the first payment is made under paragraph (a), the board must certify to the commissioner that a provision for affordable access for university students to the university sporting events held at the football stadium has been made.” To satisfy that requirement, one of the actions the Board of Regents took was to resolve that, *[T]he Board hereby certifies that, so long as any of the Stadium Bonds remain outstanding, affordable access for University students to University sporting events held at the Stadium shall be provided as follows: a number of tickets equal to 20 percent of the seating capacity for each football sporting event (Discounted Student Tickets) shall be made available to University students at prices equal to the lesser of (i) 40 percent of the respective season or single game public ticket prices and (ii) 110 percent of the previous year’s price for the same student season or single game ticket, adjusted to the nearest dollar. If any Discounted Student Tickets remain unsold four days before any game, they will also become available for sale to the public at Public Ticket prices; and*

WHEREAS, the Board of Regents has determined that revising the policy will promote sales of Discounted Student Tickets, provide a more active game-day atmosphere for students, result in more timely sales of unsold tickets, and enhance revenues, while meeting the requirement of providing affordable access for university students to the university sporting events held at the football stadium, pursuant to section 137.54(c) of the Minnesota Statutes.

NOW, THEREFORE, BE IT RESOLVED that pursuant to Section 137.54(c) of the Minnesota Statutes, the Board hereby certifies that, so long as any of the Stadium Bonds remain outstanding, affordable access for University students to University sporting events held at the Stadium shall be provided as follows: a number of tickets equal to 20 percent of the seating capacity for each football sporting event (Discounted Student Tickets) shall be made available to University students at prices equal to the lesser of (i) 40 percent of the respective season or single game public ticket prices and (ii) 110 percent of the previous year’s price for the same student season or single game ticket, adjusted to the nearest dollar. If all seats in the bowl of the stadium (i.e., all of the seats except those in the tower or premium seating portion of the stadium) are sold out and any Discounted Student Tickets in sections 220-223 and 227-229 remain unsold on the first Monday following the first week of classes in September, they will also become available for sale to the public at public ticket prices.

NEW APPROACHES TO NEIGHBORHOOD ENGAGEMENT - OVERVIEW & RESOLUTION

Chair Beeson invited Vice Presidents Pfutzenreuter and Wheelock and Monique MacKenzie, Director of Planning and Architecture, Capital Planning and Project Management, to discuss new approaches to neighborhood engagement as presented in the docket materials.

Kaler stated that, for over 160 years, the Minneapolis area of the Twin Cities campus has been inextricably linked to the its surrounding neighborhoods. As higher education rapidly evolves, the University’s place-based learning experience is, and is expected to be, one of the institution’s greatest competitive advantages. Given the size of the student body, historical decisions by both the University and private developers, and the location of the campus in a major metropolitan area, more University students than at any other point in history live near campus and walk, bike, or commute through the adjacent neighborhoods. Kaler noted that the University’s stature and role as an economic engine has a huge impact on neighborhoods around campus.

Wheelock posed a number of questions for consideration:

- Why is it important for the University to engage differently with the neighborhoods surrounding the Minneapolis campus?
- What do we hope to achieve by changing our approach?
- What processes do we currently use to guide our interactions and planning with the near-campus communities?
- What tools do we currently use to execute on these plans?
- What principles will guide us in developing our engagement strategy?
- How will we know when we've been successful?

Wheelock indicated that the area around the Minneapolis portion of the Twin Cities campus has seen an accelerated rate of change in recent years. For students living on the East and West Bank, there has been a blurring of edges between the campus proper and surrounding neighborhoods. She provided a brief history of the evolution of the campus and surrounding neighborhoods, and presented information on the number of students living on or near campus and the impact of those numbers on student housing.

Wheelock noted the University has two primary assets: its people and its places. The campus is in the heart of a vibrant metropolitan area surrounded by opportunities and partnerships for research and discovery. She discussed the importance of strengthening connections to the adjacent communities, and developing strategies that advance key interests of both the University and the surrounding community, including public safety, transportation, building code enforcement, housing, and other types of economic development activity.

MacKenzie discussed processes currently used to guide interactions and planning within near-campus communities. She provided background on the institution's *Twin Cities Campus Master Plan*, a tool used to align investments with the strategic academic vision; assist in determining plans for the best overall use of existing land, development sites and facilities; and promote positive relationships with adjacent neighborhoods, municipalities, and the region.

Pfutzenreuter reported that the University's planning and development activities historically have focused primarily within campus boundaries, with real estate transactions near campus targeted on direct mission activities. In addition, housing priorities have been intended to ensure first- and second-year students have opportunities to live on campus while allowing the private sector to meet the balance of student housing needs.

Pfutzenreuter outlined a number of principles guiding the University's engagement with the surrounding communities. He described community engagement through the University District Alliance and the Stadium Area Advisory Committee, and explained student involvement efforts. He stressed that the participation of all parties is critical.

Pfutzenreuter described desired outcomes and next steps, which include research on best practices at similar institutions, engaging in broader discussions with community partners, reviewing the relevance of current Master Plan principles, establishing outcome-based metrics, and identifying short-term and long-term strategies and supporting resource needs.

In response to comments from Regent Frobenius, Wheelock indicated that health care delivery is a key part of the University's mission, with significant investment of resources made to advance the institution's position in the health care industry. She stressed that uninterrupted access to University health care facilities is a crucially important element in traffic management and campus planning.

Regent Allen urged the administration to balance the need for new facilities with the desire to maintain open space and an attractive campus. He noted it would be useful for the administration to quantify how open and green space has changed historically.

Regent Lucas expressed concern about the maintenance of buildings and the thousands of privately constructed housing units that will be aging at the same pace. She urged the administration to work with appropriate city partners on code enforcement and other issues related to student housing.

REPORT OF THE FACILITIES & OPERATIONS COMMITTEE

Regent Allen, Chair of the committee, reported that the committee voted unanimously to recommend:

- a) Approval of the following real estate transactions as presented to the committee and described in the June 12, 2014 committee minutes:

- 1. Sale of 18.13 Acres, Carver County (Landscape Arboretum).

The Board of Regents voted unanimously to approve the recommendation of the Facilities & Operations Committee.

Allen reported that the committee also received a report on maximizing the University's physical assets (Part III): Facilities, Planning and Assumptions; received and discussed a report on student housing trends and strategies; discussed the role of information technology in research; and reviewed a number of information items included in the docket materials.

REPORT OF THE FACULTY & STAFF AFFAIRS COMMITTEE

Regent Frobenius, Chair of the committee, reported that the committee voted unanimously to recommend:

- a) Approval of the Consent Report for the Faculty & Staff Affairs Committee as presented to the committee and described in the June 12, 2014 committee minutes.

The Board of Regents voted unanimously to approve the recommendation of the Faculty & Staff Affairs Committee.

Frobenius reported that the committee also received an overview of benefits; received an annual UPlan health insurance update; discussed retirement program trends; and reviewed a number of information items outlined in the docket materials.

REPORT OF THE FINANCE COMMITTEE

Regent McMillan, Chair of the committee, reported that the committee voted unanimously to recommend:

- a) Approval of the Consent Report for the Finance Committee as presented to the committee and described in the June 12, 2014 committee minutes.

The Board of Regents voted unanimously to approve the recommendations of the Finance Committee.

McMillan reported that the committee also discussed a long-range financial planning model; received an update on the enterprise systems upgrade project; and discussed a number of information items included in the docket materials. An item on University tax compliance activities and programs was delayed due to time constraints.

REPORT OF THE ACADEMIC & STUDENT AFFAIRS COMMITTEE

Regent Cohen, Vice Chair of the committee, reported that the committee voted unanimously to recommend:

- a) Approval of the Consent Report for the Academic & Student Affairs Committee as presented to the committee and described in the June 12, 2014 committee minutes.

The Board of Regents voted unanimously to approve the recommendation of the Academic & Student Affairs Committee.

Cohen reported that the committee also received a strategic planning progress update and discussed a health and wellness services assessment.

REPORT OF THE AUDIT COMMITTEE

Regent Brod, Chair of the committee, reported that the committee voted unanimously to recommend:

- a) Approval of the Consent Report for the Audit Committee as presented to the committee and described in the June 12, 2014 committee minutes.

The Board of Regents voted unanimously to approve the recommendation of the Audit Committee.

Brod reported that the committee also discussed the internal audit plan; received an internal audit update; received and discussed an updated research risk profile; and reviewed the information items contained in the docket materials.

REPORT OF THE LITIGATION COMMITTEE

Chair Beeson reported that, pursuant to notice sent by the University, the Litigation Review Committee met on June 13, 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.

REPORT OF THE SPECIAL STUDY COMMITTEE ON ACADEMIC MEDICINE

Regent Cohen, Chair of the committee, reported that the committee did not meet this month.

The meeting adjourned at 12:10 p.m.

A handwritten signature in black ink that reads "Brian R. Steeves". The signature is written in a cursive style with a large initial 'B' and 'S'.

BRIAN R. STEEVES
Executive Director
and Corporate Secretary

**UNIVERSITY OF MINNESOTA
BOARD OF REGENTS**

Presidential Performance Review Committee

May 9, 2014

A meeting of the Presidential Performance Review Committee of the Board of Regents was held on Friday, May 9, 2014 at 1:40 p.m. in 600 McNamara Alumni Center.

Regents present: Richard Beeson, presiding; Dean Johnson, and David McMillan.

Staff present: Executive Director Brian Steeves.

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

A motion was made and seconded that the following resolution be approved:

RESOLVED, that as provided by Minnesota State Statute 13D.05, Subd. 3(a), a non-public meeting of the Presidential Performance Review Committee of the Board of Regents will be held on Friday, May 9, 2014 immediately following the Public Forum on the President's Recommended FY 2015 Annual Operating Budget in the W.R. Peterson Conference Room, 600 McNamara Alumni Center, 200 Oak Street, SE, Minneapolis, Minnesota, for the purpose of evaluating the performance of the President of the University of Minnesota.

The committee voted unanimously to approve the resolution. Beeson outlined the evaluation process and timeline.

The public portion of the meeting adjourned at 1:45 p.m.

The non-public portion of the meeting adjourned at 2:45 p.m.



BRIAN R. STEEVES
Executive Director and
Corporate Secretary

**UNIVERSITY OF MINNESOTA
BOARD OF REGENTS**

Presidential Performance Review Committee

May 27, 2014

A meeting of the Presidential Performance Review Committee of the Board of Regents was held on Tuesday, May 27, 2014 at 11:30 a.m. in 600 McNamara Alumni Center.

Regents present: Richard Beeson, presiding; Dean Johnson, and David McMillan.

Staff present: Executive Director Brian Steeves.

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

A motion was made and seconded that the following resolution be approved:

RESOLVED, that as provided by Minnesota State Statute 13D.05, Subd. 3(a), a non-public meeting of the Presidential Performance Review Committee of the Board of Regents will be held on Tuesday, May 27 at 11:30 a.m. in the W.R. Peterson Conference Room, 600 McNamara Alumni Center, 200 Oak Street, SE, Minneapolis, Minnesota, for the purpose of evaluating the performance of the President of the University of Minnesota.

The committee voted unanimously to approve the resolution.

The public portion of the meeting adjourned at 11:35 a.m.

The non-public portion of the meeting adjourned at 1:00 p.m.



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

**UNIVERSITY OF MINNESOTA
BOARD OF REGENTS**

Presidential Performance Review Committee

June 11, 2014

A meeting of the Presidential Performance Review Committee of the Board of Regents was held on Wednesday, June 11, 2014 at 6:00 p.m. in the Hearth Room of the Minneapolis Club, 729 - 2nd Avenue South, Minneapolis, Minnesota.

Regents present: Richard Beeson, presiding; Dean Johnson, and David McMillan.

Staff present: President Eric Kaler and Executive Director Brian Steeves.

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

A motion was made and seconded that the following resolution be approved:

RESOLVED, that as provided by Minnesota State Statute 13D.05, Subd. 3(a), a non-public meeting of the Presidential Performance Review Committee of the Board of Regents will be held on Wednesday, June 11, 2014 at 6:00 p.m. in the Hearth Room, Minneapolis Club, 729 Second Avenue South, Minneapolis, Minnesota for the purpose of evaluating the performance of the President of the University of Minnesota.

The committee voted unanimously to approve the resolution.

The public portion of the meeting adjourned at 6:40 p.m.

The non-public portion of the meeting adjourned at 8:35 p.m.



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



BOARD OF REGENTS DOCKET ITEM SUMMARY

Board of Regents

July 9, 2014

Agenda Item: Report of the President

Review

Review + Action

Action

Discussion

This is a report required by Board policy.

Presenters: President Eric W. Kaler

Purpose & Key Points

It is customary for the President to report on topical items of interest to the University community at each Board of Regents meeting.



BOARD OF REGENTS DOCKET ITEM SUMMARY

Board of Regents

July 9, 2014

Agenda Item: Report of the Chair

Review Review + Action Action Discussion

This is a report required by Board policy.

Presenters: Regent Richard Beeson

Purpose & Key Points

It is customary for the Board of Regents Chair to report on topical items of interest to the University community at each Board of Regents meeting.



BOARD OF REGENTS DOCKET ITEM SUMMARY

Board of Regents

July 9, 2014

Agenda Item: Receive & File Reports

Review

Review + Action

Action

Discussion

This is a report required by Board policy.

Presenters: Regent Richard Beeson

Purpose & Key Points

The following items are included for receipt and filing:

- A. Board of Regents Policy Report
- B. Report of the Civil Service Consultative Committee



Office of the Board of Regents 2013-14 Policy Report

2013-14 POLICY REVIEW SUMMARY

Over the past year, the Office of the Board of Regents has coordinated review of policies included in the 2013-14 Policy Review Work Plan. Additional policies have come forward upon recommendation of the President or at the request of the Board (marked with ^). The overarching goal of the policy review process is to ensure that policies remain current and relevant to University operations.

Policies Reviewed by Senior Leaders, No Revisions Recommended	3
Accessioning and Deaccessioning Museum Collections	
Intercollegiate Athletics - Twin Cities Campus	
Protection of Individual Health Information	

Policies Amended by the Board of Regents	Date Amended	4
Audit Committee Charter	February 2014	
Commercialization of Intellectual Property Rights^	February 2014	
Endowment Fund^	July 2012	
Student Representatives to the Board of Regents	March 2014	

Policies Repealed by the Board of Regents	Date Repealed	1
Death Benefits^	May 2014	

Policies Pending Action by the Board of Regents	Anticipated Action	3
Attorneys and Related Services	September 2014	
Gifts Received and Given by Regents and University Officials	September 2014	
Legal Claims and Settlements	September 2014	

Policies held over for review in 2014-2015	2
Appointments to Organizations and Boards	
Namings	

Board of Regents Policies at end of year	92
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Office of the Board of Regents 2014-15 Policy Review Work Plan

2014-15 POLICY REVIEW WORK PLAN

Board of Regents Policies included in the 2014-15 Policy Review Work Plan were selected based on the period of time since the policy was formally reviewed or because a request for inclusion was made by the Board or the administration. Policies not included on this list may come forward for review upon recommendation of the President or at the request of the Board. The overarching goal of the policy review process is to ensure that policies remain current and relevant to University operations.

Policies held over for review in 2014-15	Last Reviewed/ Amended	Policy Owner
Appointments to Organizations and Boards	June 2007	Office of the Board of Regents
Namings	June 2010	Office of the President/Office of the Board of Regents

Policies for Review in 2014-15	Last Reviewed/ Amended	Policy Owner
Awards, Honors, and Recognition	February 2013	Office of the President/Office of the Board of Regents
Code of Conduct	December 2006	Office of the President
Direct Sales of Goods and Services	October 2004	Budget and Finance
Employee Group Definitions	December 2005	Human Resources
Gift Solicitation and Acceptance	March 1994	General Counsel
Legal Defense and Indemnification of Employees	March 1985	General Counsel
Legal Review of Contracts and Transactions	February 2010	General Counsel
Outside Consulting and Other Commitments	July 2006	Academic Affairs
Postemployment	April 1980	Human Resources
Private Practice Plan – University of Minnesota Medical School Twin Cities	March 2005	Health Sciences
Private Practice Plan – University of Minnesota School of Nursing	March 2005	Health Sciences
Private Professional Practice – University of Minnesota Medical School Duluth	March 2005	Health Sciences
Professional Services Plan – University of Minnesota College of Pharmacy	November 2006	Health Sciences
Purchasing	July 2008	Budget and Finance
Student Services Fee	June 2005	Academic Affairs



Civil Service Senate

Civil Service Senate Civil Service Consultative Committee

Annual Report 2013 - 2014

University of Minnesota Board of Regents

Chair: Richard B. Beeson, Vice Chair: Dean E. Johnson & Members of the Board of Regents

University of Minnesota

President: Dr. Eric Kaler

A brief History of Civil Service Governance

History of the Civil Service Classification

The Civil Service employee group was one of the first employee groups created at the University. The University Civil Service classification was created in 1945 when the Board of Regents approved the Basic Law for Civil Service of the University of Minnesota. Currently, there are over 4500 employees in Civil Service classifications. Civil Service employees are professionals who perform a variety of non-teaching jobs in areas such as research, information technology, accounting, management, student services, and human resources.

1945 - 2005 Civil Service Committee

The Civil Service Committee was established by the Board of Regents in 1945. The Committee had five members appointed by the President and was charged with: 1} reviewing and conducting hearings on, and presenting recommendations to the President on the Civil Service Rules, and proposed changes in classification and compensation plans; 2} acting as a board of review on all cases involving an employee appeal of a director's decision; and 3} making investigations concerning personnel administration in the University Civil Service. Between 1945 and 1995 the Civil Service Committee (CSC) grew to 15 members. These members continued to be appointed by the President to 1) review and recommend rules and 2) advise the administration on any matters related to civil service conditions, benefits, compensation, and salary ranges.

2005 - Present Civil Service Senators to University Senate

In 2005 the University Senate took the groundbreaking step of including representatives from the Civil Service employee group. Twenty-three civil service employees were elected to serve in the University Senate. The CSC chair and vice chair were also

invited to serve on the Senate Consultative Committee which provides them with voting seats in the University Senate. The addition of the Civil Service senators gave Civil Service employees a greater voice in University governance, and led to opportunities for advancement and change.

2011 - Present Civil Service Senate

In the spring of 2010, the CSC voted to become a Civil Service Senate with a 13 member Civil Service Consultative Committee. The decision to become a Civil Service Senate is intended to align the CSC with the existing University Senate governance bodies, create greater opportunities for more Civil Service employees to participate in University governance, and increase the visibility of Civil Service employees. The change to a Civil Service Senate was effective July 1, 2011 following approval of the Board of Regents.

What is the Civil Service Senate?

On July 1, 2011, the governance model for Civil Service Employees transitioned from a Civil Service committee (CSC) appointed by the President to a Senate model, with elected civil service representatives from all branches of the University. The Civil Service Senate is part of the larger University governance system including the University Senate, Faculty Senate, P&A Senate, and Student Senate. It is a 50-member body that represents Civil Service employees at the University of Minnesota (U of MN). Members are elected by Civil Service employees throughout the University. The Civil Service Senate's responsibilities include, but are not limited to, matters concerning the employment conditions of Civil Service employees. The newly created Civil Service Consultative Committee (CSCC) is a 13 member group of civil service employees elected by the Civil Service Senate. It is the Executive Committee for the Civil Service Senate and, with the Civil Service Senate and subcommittees, the Civil Service Senate works in the areas of: employee advocacy, benefits and compensation, communications, staff development, legislative advocacy, and the Civil Service Employment Rules. Each year the Civil Service Senate will become more involved in University governance, and will continue to support the University's mission of teaching, research, and service.

CSCC Chair, Focus for 2013-2014

1. Benefit equity between P&A and CS employees.
2. Salary/pay compression issue, which results from new hires being brought in at a higher salary levels than incumbents.
3. Compensation equity - employees of system campuses receiving lower compensation than others for equal work.
4. Explore with OHR requiring all new supervisors to take supervisor training.

5. Request administration to reconsider raising the Regents Scholarship support above the current 75% of the tuition cost for those who already hold degrees.
6. Ask OHR to see that supervisors are aware that New Employee Orientation (NEO) is mandatory for new employees and encourage their attendance.
7. Investigate a discrepancy in the personal holiday benefit between Civil Service employees on all campuses.
8. Review and consider rewriting the definitions for flex time and comp time.
9. Examine the vacation donation program given that an increasing number of employees are losing their vacation time because they do not have the time to take it and/or because departments do not have the resources to pay them out.
10. Study and review the process for merit-based salary increases. The evaluation forms used by some colleges for merit-based increases are actually the same forms that were used for across the board increases, and are not conducive to the merit-based review process.
11. Examine all CSCC subcommittees, and consider changing the focus of the Advocacy Subcommittee or dissolving the subcommittee altogether. The amount of time spent on advocacy cases should be tracked as well as the type of cases and whether a referral was given.
12. Explore offering the Strengths Finder Assessment program again so all Civil Service employees who are interested can participate.

Chair Comments

This past year the CSCC has worked to keep Civil Service employees informed on important issues such as same-sex marriage benefits, UPlan health care changes, employee engagement, merit pay implementation, smoking policies, family leave, vacation donation and others. Our constituent's primary concerns have dealt with employment issues or compensation and benefit equability between Civil Service and P&A employee groups.

As we moved into our third year as part of the larger University governance system, there have been seats on the CSCC that go unfilled which leads to unrepresented areas during discussions. As CSCC members also serve as the chairs of the subcommittees, it has become difficult for many of these groups to function. Members noted that inconsistent supervisory support for University-wide involvement and professional development, as well as increased workloads are major factors. The Human Resources job family study has also increased the turnover rate on this committee, leading to many

new members with a lack of knowledge of the group and its processes. In years past, the CSCC chair and chair-elect have personally visited the system campuses for informational meetings and to encourage participation in the Civil Service Senate. In an attempt to save on committee travel expenses, the CSCC is looking into other options to improve these personal connections. Even with the University Senate office regularly sending out notices to our constituency on openings, we've had problems recruiting and retaining committee and Senate members. But what I have found is that once they have agreed to serve, most members are quite aware of the committee's purpose as well as why and whom we are serving, and do their best to attend meetings and contribute on a regular basis. The CSCC is reaching out to work with the Committee On Committees to assist with our recruitment efforts in filling vacant Civil Service seats on Senate committees.

The Committee On Committees reviewed the University Senate Consultative Committees and forwarded comments for improvement. Committee discussion has been held to determine what's needed to achieve recommendations. The CSCC chair and chair-elect meet with Patti Dion from OHR for a prep meeting the week before every CSCC meeting to be briefed on the progress of current OHR projects. I feel this has always been very open and informative. The CSCC also sees the benefit of additional monthly meetings with Vice President Brown and are encouraged at the opportunity for the chair and chair-elect to meet at least one time per semester with the President.

The CSCC has attempted to improve information and communication to our constituency through our Civil Service employee newsletter and have updated our presentation to new Civil Service employees at monthly New Employee Orientation sessions held on the TC campus. We provide welcome packets for new CSCC members that will be added to, and have produced presentations on the CSCC subcommittee structure, responsibilities, rules and history of the committee, that we use at beginning of the year CSCC retreats. At the recommendation of the Senate Consultative Committee's Chair and the University Senate Office, we have reviewed our committee's charge and by-laws and are currently in the process of updating. Due to various issues brought to CSCC over the past years, we continue to review the effectiveness of our current subcommittee structure. While our Compensation and Benefits subcommittee has been extremely productive, we are questioning the validity of others. Sometimes extra efforts by CSCC members go into addressing advocacy issues, which are in actuality Human Resource issues. So, for the most part, the committee has been referring constituents with concerns to Human Resources or to the Office of Conflict Resolution. The CSCC continues to direct constituents and new senators to the University Senate webpage for important information and orientation on University governance provided by University Senate Office staff members.

The incoming chair for 2014-2015 is Bill O'Neil, University of Minnesota Twin Cities, and the new chair-elect is Gordon Fisher, University of Minnesota Twin Cities. Both are experienced members of the committee and long term University employees. There's

no doubt that the new Civil Service Senate and Civil Service Consultative Committee will continue to develop and thrive under their leadership.

I would like to thank all members of the Civil Service Senate and Civil Service Consultative Committee for their hard work and dedication to serving Civil Service employees on all campuses of the University of Minnesota. You have truly made a difference in the work of the Civil Service Consultative Committee and the work life of Civil Service employees throughout the University of Minnesota. Even though we are continually faced with increasing workloads, you all did your best with the time you had to give to the CSS and CSCC and it is greatly appreciated.

Thank you to the Board of Regents and President Dr. Kaler for your continued support of the Civil Service Senate and Civil Service Consultative Committee.

Respectfully submitted,

Thomas Sondreal
Civil Service Senate and Civil Service Consultative Committee Chair 2013-2014
Senior Media Services Producer – Infrastructure Analyst II
University of Minnesota Crookston

2013- 2014 Civil Service Consultative Committee Meeting Schedule

August 29, 2013 - Retreat
September 26, 2013
October 24, 2013
November 22, 2013
January 30, 2014
February 27, 2014
March 13, 2014
April 24, 2014
May 29, 2014

CSCC Subcommittees

Advocacy
Compensation-Benefits
Communications
Employment Rules
Legislative Network
Staff Development

Civil Service Consultative Committee Members

Chair

Tom Sondreal
UMC Media Services
sondreal@crk.umn.edu
Term: 10-13

Chair-elect

Bill O'Neill
Facilities Management
oneil008@umn.edu
Term: 11-14

Vice Chair-elect

Gordon Fisher
Medical Education
rgfisher@umn.edu
Term: 13-16

Carolyn Davidson
Academic Support Resources
cdavi@umn.edu
Term: 09-15

Terri Wallace
Center for Writing
tlw@umn.edu
Term: 12-15

John Paton
Neuroscience
pato0006@umn.edu
Term: 12-15

Angie Kavaloski
Controller's Office
kaval002@umn.edu
Term: 13-16

Kevin Prigge
Supercomputing Institute
klp@umn.edu
Term: 13-16

Lynn Hegrenes
Education Administration - UM Duluth
lhegrene@d.umn.edu
Term: 13-16

Samantha Duke
UM Rochester
skduke@umn.edu
Term: 13-16

Don Cavalier
UM Crookston
cavalier@umn.edu
Term: Remainder of vacated 12-15

Patti Dion
Ex-officio w/o vote
Human Resources
dionx003@umn.edu
Term: 12-14



BOARD OF REGENTS DOCKET ITEM SUMMARY

Board of Regents

July 9, 2014

Agenda Item: Consent Report

Review

Review + Action

Action

Discussion

This is a report required by Board policy.

Presenters: Regent Richard Beeson

Purpose & Key Points

To seek Board of Regents approval of items in the Consent Report, as required in Board of Regents Policy: *Reservation and Delegation of Authority*.

Items for consideration:

- A. Report of the University Naming Committee
The President recommends approval of the Naming Committee recommendation forwarded to the Board of Regents in a letter dated July 2, 2014.
- B. Faculty and Staff Affairs Committee Consent Report
The President recommends approval of the Faculty and Staff Committee Consent items.
- C. Finance Committee Consent Report
The President recommends approval of the Finance Committee Consent items.
- D. Gifts
The President recommends approval of the Summary Report of Gifts to the University of Minnesota through May 31, 2014 (attached).

Faculty and Staff Affairs Committee Consent Report

In accordance with Board of Regents Policy: *Reservation and Delegation of Authority*, the following senior administrator appointment is brought for review and action:

- Dr. Joshua Hamilton as Dean, Swenson College of Science and Engineering, University of Minnesota Duluth.

Finance Committee Consent Report

General Contingency

Approval of the Board is required for allocations from General Contingency greater than \$250,000. There are no items in the current General Contingency report requiring approval.

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

The purpose of this item is to seek approval for purchases of goods and services of \$1,000,000 and over.

- To AT&T, a reseller of Aastra Clearspan for an estimated \$1,485,000 for a voicemail and auto attendant solution for the Twin Cities and Rochester campuses for the period July 15, 2014, through July 14, 2019, for the Office of Information Technology (OIT). OIT will make this purchase with O&M funds. Vendor was selected through a competitive process.
- To Dell Marketing, a Microsoft Education Large Account Reseller, for an estimated \$3,004,000 to provide software licensing for commonly used Microsoft products for all University of Minnesota faculty and staff for the period August 1, 2014, through July 31, 2017, for the Office of Information Technology (OIT). OIT will purchase this EES with O&M funds. Vendor was selected through a competitive process.
- To HigherOne for an estimated \$1,700,000 for CampusLabs, an assessment and student organization management solution, for the Twin Cities, Duluth, Morris and Crookston campuses for the period July 15, 2014, through July 14, 2019. The offices of Undergraduate Education and Student Affairs, under the Office of the Senior VP and Provost, will joint-fund this purchase for the Twin Cities campus, with each system campus funding their applicable share. Vendor was selected through a competitive process.
- To InterCall, for an estimated \$1,741,000 for an annual subscription to Cisco's Webex Enterprise Edition web conferencing solution for all faculty and staff for the period August 1, 2014, through July 31, 2019, for the Office of Information Technology (OIT). OIT will make this purchase with O&M funds. Vendor was selected through a competitive process.
- To Ortega y Gasset Foundation (Spain); University Paul-Valery (Montpellier, France); CAPA (Sydney & London); VENUSA & EntreAmericas Learn and Travel (Venezuela); Jose Suarez & Dolores Lopez (MSID-Ecuador); Fundacion Ortega y Gasset, Argentina (Buenos Aires, Argentina), Mohamud Jama (MSID-Kenya); Ousmane Sene (MSID Senegal); CIEE, Accent, and others for an estimated \$15,800,000 to provide services to support overseas study abroad programs for FY 2014-15 for the Learning Abroad Center. The program fees cover the costs of the academic program and the administrative costs for the Learning Abroad Center. See enclosed documentation for basis of vendor selections.
- To Quest Diagnostics for an estimated \$1,650,000 to provide referred testing services for the University of Minnesota Boynton Health Service Laboratory for the period of September 1, 2014, through August 31, 2016, with contract extensions through July 31, 2020. These services will be paid for by individual patient's insurance plans and by some Student Service Fees. Vendor was selected through a competitive process.

Purchase of Underwriting/Investment Banking Services

To approve the recommendation of Dougherty & Company LLC as an additional co-manager for the issuance and sale of bonds to fund the construction of the Ambulatory Care Center (the "ACC"). The additional co-manager will provide a supplementary sales force for the pricing and distribution of Minnesota tax-exempt bonds to Minnesota investors.

Background Information

Purchase of Underwriting/Investment Banking Services

In June 2014, the Board of Regents approved the recommendation of RBC Capital Markets, LLC as senior manager, and Barclays Capital, Inc. and J.P. Morgan as co-managers, for the issuance and sale of bonds to fund the construction of the ACC.

Approvals are sought in compliance with Board of Regents Policy as follows:

- General Contingency: Reservation and Delegation of Authority, Sec. VII, Subd. 1.
- Purchase of Goods and Services \$1,000,000 and Over: Reservation and Delegation of Authority, Sec.VII, Subd. 6

President's Recommendation

The President recommends approval of the Consent Report.

Faculty and Staff Affairs Committee
Consent Report
July 9, 2014

Personnel Appointment

Pending approval by the Board of Regents, **Dr. Joshua Hamilton** is appointed dean of the Swenson College of Science and Engineering at the University of Minnesota Duluth (UMD), effective June 16, 2014.

Position Overview

The dean is responsible for the academic leadership of the Swenson College of Science and Engineering, including administration of ongoing programs and resources, program development and assessment, promotion and maintenance of effective relations with the community, development of effective fundraising strategies, and maintenance of productive administration relations at UMD and with other units of the University of Minnesota system. The position reports directly to UMD's executive vice chancellor for academic affairs.

Appointees Background and Qualifications

Dr. Hamilton comes to the University of Minnesota Duluth from the Marine Biological Laboratory in Woods Hole, Massachusetts where he served from 2008-2013 as the Chief Academic and Scientific Officer. In this role he oversaw five research centers and programs and all educational and outreach programs. Dr. Hamilton received his Ph.D. in Toxicology and MS in Genetics from Cornell University and his BS in Biology from Bridgewater College in Massachusetts. He was a faculty member at the Dartmouth Medical School from 1990-2008, Senior Scientist with the Marine Biological Laboratory from 2008 to present, and held a Professor appointment at Brown University from 2010 to present. Dr. Hamilton has an extraordinary record of funded research along with well over 70 published journal articles. He has awards in both teaching and research. Dr. Hamilton brings an impressive combination of scholarship, experience, leadership and vision to his new position as Dean of the Swenson College of Science and Engineering and the University.

Recommended Salary and Appointment Type

Dr. Hamilton's annual salary for 2014-15 is \$210,000. His appointment as dean is a 100%-time, A-term (12-month), L-type (limited) appointment, reporting to and serving at the pleasure of UMD's executive vice chancellor for academic affairs. The full employment agreement between the University of Minnesota and Dr. Hamilton is attached as an exhibit.

Individually Negotiated Terms of Employment or Separation Agreements

To support his continued faculty research and scholarly activities, Dr. Hamilton will receive \$50,000 start-up funding to be awarded at 50% in the first year and 50% in the second year of his dean appointment. These funds will be transferred to an account in the Department of Biology at the University of Minnesota Duluth for his use (e.g., to purchase equipment, hire research assistants, travel to conferences).

Comparable Market Data

The 2013-14 College and University Professional Association for Human Resources (CUPA-HR) survey provides comparative salary data for the positions of dean of Engineering and for dean of Sciences. With respect to a broader set of all of the doctoral institutions (institutions that award at least 20 doctoral degrees per year), including public and private (both religious and non-religious) institutions, the median salary for the position of dean of Engineering is \$275,000 and for the position of dean of Science is \$220,000.

The salary of the former dean of the Swenson College of Science and Engineering at UMD was compared with the 2013 salaries of similar positions at specific peer institutions who shared data with the University of Minnesota last fall (Minnesota State University-Mankato and South Dakota State University), as follows:

Minimum – \$155,933
Mean – \$178,962
Median – \$175,812
Maximum – \$205,140

When determining comparable market data for dean of the Swenson College of Science and Engineering at UMD, there is some degree of variation across institutions of higher education in terms of the size and focus of the college and the size and location of the campus. These differences may impact the validity of this particular market comparison. Consequently, more attention was focused on internal salary equity based on the size and scope of the college, the current salaries of other deans and leaders at UMD, and the current salary of the person offered the position.

President's Recommendation

The president recommends the appointment of Dr. Joshua Hamilton to the position of dean of the Swenson College of Science and Engineering at UMD.

Dean of the Swenson College of Science and Engineering

University of Minnesota Duluth

The University of Minnesota Duluth (UMD) is seeking highly qualified candidates for the position of Dean of the Swenson College of Science and Engineering (SCSE) to commence on June 16, 2014.

We seek a dean who is a recognized scholar in science or engineering with the vision and collaborative skills to lead and promote the mission of SCSE in the next decade. The college is home to eleven science and engineering departments and has grown rapidly in students, departments, graduate programs, and research funding in recent decades. We would like the dean to promote and move SCSE forward as an outstanding center of STEM education and research that exemplifies the qualities of a research university while maintaining the collaborative and teaching atmosphere of a medium-sized campus.

UMD (<http://www.d.umn.edu/>) is a midsized, comprehensive land grant university with a small-campus feel and large-campus opportunities. We offer baccalaureate, masters, and selected doctoral degrees across a broad range of disciplinary and interdisciplinary fields. As the second largest research university in the state, we are dedicated to integrating liberal education, research, creative activity, and public engagement to prepare students to thrive as lifelong learners and globally engaged citizens.

The **Swenson College of Science and Engineering** (<http://www.d.umn.edu/scse/>) is the third largest college in the University of Minnesota system. SCSE has experienced steady enrollment growth reflecting student interest in science and engineering fields and curricula that educates students for current and emerging jobs. The college consists of eleven academic departments: Aerospace Studies, Biology, Chemistry and Biochemistry, Chemical Engineering, Civil Engineering, Computer Science, Electrical Engineering, Geological Sciences, Mathematics and Statistics, Mechanical and Industrial Engineering, and Physics and several research centers and institutes. Many faculty members have collaborative research programs with scientists at the Natural Resources Research Institute and regional industry partners. The College enrolled 3063 undergraduate and 212 graduate students in the fall 2013 semester. In the fall of 2013, the unionized faculty included 113 tenured/tenure-track faculty, 57 term faculty, and 73 bargaining unit, civil service, and professional staff.

The **Dean of SCSE** will have the unique opportunity to lead a multidisciplinary college with diverse faculty, staff, and students. The Dean is responsible for academic leadership of the College including the administration of ongoing academic, research and public outreach programs; budgetary and personnel management; program development and assessment; promotion and maintenance of productive relations with campus and system administrative units, external advisory boards, and local and regional communities; development of fund-raising strategies; and leadership in creating an inclusive campus environment for students, faculty and staff. The Dean reports directly to the Executive Vice Chancellor for Academic Affairs on the Duluth campus.

Situated at the western tip of Lake Superior, the city of Duluth is a springboard to the “Land of 10,000 Lakes.” We are perfectly positioned to offer an enticing selection of adventures for four season outdoor enthusiasts including the Boundary Waters Canoe Wilderness Area less than two hours to the north of Duluth. In addition, Duluth offers a rich variety of cultural opportunities including a symphony orchestra, theater, ballet, and numerous museums, lecture series, and

festivals. The major metropolitan area of Minneapolis/St. Paul is less than three hours south of Duluth.

Required qualifications:

- an earned doctorate from a regionally accredited university in a field within the Swenson College of Science and Engineering or closely related field
- a record of teaching, research, and service that meets the qualifications necessary to be tenured at the rank of Professor in one of the departments within the College.
- a minimum of three years of administrative experience as a department head or equivalent
- a record of administrative leadership and personnel and budgetary management
- effective written communication skills
- a record of developing external relations with public and private sectors
- a record of development and fund raising
- a record of commitment to enhancing and maintaining diversity

Preferred qualifications:

- a minimum of three years of academic administrative experience above the level of department head
- a record of supportive advocacy, and creative, consultative leadership
- a record of administrative support of creative learning, teaching, advising, research, and service
- a record of promoting and increasing diversity
- demonstrated leadership in curriculum and program development
- demonstrated record of effective problem solving
- a record of working effectively with a unionized faculty and staff
- excellent oral communication skills

EMPLOYMENT AGREEMENT

THIS EMPLOYMENT AGREEMENT is entered into as of this 30th day of June, 2014, by and between Regents of the University of Minnesota, a Minnesota constitutional educational corporation (the "University"), and Dr. Joshua Hamilton ("Dr. Hamilton," "you").

WHEREAS, the University wishes to employ Dr. Hamilton as the Dean of the Swenson College of Science and Engineering at the University of Minnesota Duluth and Dr. Hamilton wishes to accept employment as Dean of the Swenson College of Science & Engineering at the University of Minnesota Duluth;

WHEREAS, this Employment Agreement is subject to the approval of the Board of Regents of the University of Minnesota and the completion of a background check satisfactory to the University;

THEREFORE, the University and Dr. Hamilton agree as follows, subject to the approval of the Board of Regents:

I. EMPLOYMENT TERM AND DUTIES

Subject to the terms and conditions of this Agreement and University Policies and Procedures, the University appoints Dr. Joshua Hamilton as the Dean of the Swenson College of Science and Engineering at the University of Minnesota Duluth and he agrees to be so employed by the University for a term commencing on June 16, 2014. The Dean of the Swenson College of Science and Engineering at the University of Minnesota Duluth is a 100 percent time, 12-month L appointment in the professional and academic personnel classification who serves as an at will employee at the pleasure of the Executive Vice Chancellor for Academic Affairs at the University of Minnesota Duluth. As such, you report to and serve at the pleasure of the Executive Vice Chancellor for Academic Affairs at the University of Minnesota Duluth and your appointment may be terminated at any time without advance notification.

II. DUTIES

During the term of your employment as Dean of the Swenson College of Science and Engineering at the University of Minnesota Duluth you will diligently and consciously devote your full-time attention and best efforts in performing and discharging the duties of Dean of the Swenson College of Science and Engineering at the University of Minnesota Duluth as they are set forth in the job description for this

position (attached) including, but not limited to, the following duties:

A. Provide visionary leadership and administrative oversight of, and accountability for, the Swenson College of Science and Engineering at the University of Minnesota Duluth;

B. Oversee the responsible planning, stewardship, management and accountability of fiscal, capital and human resources of the Swenson College of Science and Engineering at the University of Minnesota Duluth;

C. Promote and represent the interest of the Swenson College of Science and Engineering at the University of Minnesota Duluth in a positive fashion in private and public forums;

D. Recruit and retain distinguished faculty and outstanding students in the Swenson College of Science and Engineering at the University of Minnesota Duluth;

E. Integrate the Swenson College of Science and Engineering at the University of Minnesota Duluth and its many vital resources into the broader community and surrounding regions;

F. Garnering support for the Swenson College of Science and Engineering at the University of Minnesota Duluth from both internal and external stakeholders; and

G. Perform such other duties as related to your employment position and assigned to you by your appointing authority.

III. PERFORMANCE

In accordance with University Policy, you will receive regular annual performance evaluations and, in accordance with University Policy, you will receive a broader systemic review of your performance no later than the end of your third year in the position.

IV. FACULTY APPOINTMENT

In addition to your appointment as Dean of the Swenson College of Science and Engineering at the University of Minnesota Duluth, you will hold the rank of professor with tenure in the Department of Biology in the UMD Swenson College of Science and Engineering. The policy on salary for faculty holding tenure who are also in a full-time senior administrative position is to have two salaries identified – one which is the paid administrative salary and a second the unpaid salary that is tracked for use should the

administrator return to the tenured faculty. Your bifurcated salary will start at \$100,000 for a 9-month appointment. In the event you no longer are employed as Dean of the Swenson College of Science and Engineering at the University of Minnesota Duluth, and you retain this faculty appointment, this will be your established faculty salary.

V. COMPENSATION

A. Subject to the terms of this Agreement for all services provided by you on behalf of the University, the University shall pay you an annual salary of Two Hundred and Ten Thousand Dollars and No Cents (\$210,000).

B. All base salary shall be paid in accordance with the University's regular payroll procedures for Professional and Administrative employees and shall be subject to withholding for applicable federal and state income taxes, federal social security taxes, and other applicable taxes and deductions.

C. In accordance with University Policies and Procedures, you shall be eligible for salary increases on an annual basis based upon the evaluation of the appointing authority or his/her designee.

D. The base salary is subject to furloughs, pay freezes, salary reductions or other adjustments to the same extent they are required of other employees of the University.

E. To support your continued faculty research and scholarly activities, you will receive \$50,000 start-up funding to be awarded at 50% in the first year and 50% in the second year of your dean appointment. These funds will be transferred to an account in the Department of Biology at the University of Minnesota Duluth for your use (e.g., to purchase equipment, hire research assistants, travel to conferences).

VI. BENEFITS

The University shall provide you with a benefits program as provided generally for its Professional and Administrative employees as described in its Policies and Procedures (<http://www.umn.edu/ohr/benefits/summary/>). These programs shall be subject to amendments and modifications by the University.

VII. RELOCATION BENEFITS

In accordance with University policy, the University will pay for actual and reasonable costs associated with your move. It is our expectation that your costs will not exceed one month salary.

VIII. SEPARATION

A. Your appointment as Dean of the Swenson College of Science and Engineering at the University of Minnesota Duluth is an L appointment, which means you serve at the pleasure of your appointing authority. Your appointment may be terminated without any required notice period.

B. In the event you are separated from your administrative position, you may be eligible for certain benefits provided by the University, in accordance with University policy. Any exception from or waiver of University policy related to your separation must be approved by the Board of Regents.

C. If you are a faculty member at the end of your administrative appointment, you may return to the faculty at your established faculty salary.

IX. UNIVERSITY POLICIES AND GENERAL CONDITIONS

A. Your appointment is subject to the University's policies and procedures that govern your position (<http://policy.umn.edu/>), which may be amended from time to time.

B. Amendment. Any amendment to this Agreement shall be in a writing executed and delivered by the parties.

C. Parties In Interest/Assignment. This Agreement shall be binding upon and the benefits and obligations provided for herein shall inure to the parties hereto and their respective heirs, legal representatives, successors, assigns, transferees or donees, as the case may be. No portion of this Agreement shall be assignable without the prior written consent of the other party.


D. Effect of Prior Agreements. This Agreement is intended by the parties as the final and binding expression of their contract and agreement and as the complete and exclusive statement of the terms thereof. This Agreement supersedes and revokes all prior negotiations, representations, and agreements, whether oral or written, relating to the subject matter hereof.

E. Enforceability. If any provision contained herein shall be deemed or declared unenforceable, invalid, or void, the same shall not impair any of the other

provisions contained herein, which shall be enforced in accordance with their respective terms.

F. Construction. The headings preceding and labeling the sections of this Agreement are for the purpose of identification only and shall not in any event be employed or used for the purpose of construction or interpretation of any portion of this Agreement. No waiver by any party of any default or nonperformance hereunder shall be deemed a waiver of any subsequent default or nonperformance. As used herein and where necessary, the singular shall include the plural and vice versa, and masculine, feminine and neuter expressions shall be interchangeable.


IN WITNESS WHEREOF, the undersigned have caused this Agreement to be executed as of the date first shown above.

By: 
Joshua Hamilton

REGENTS OF THE UNIVERSITY OF
MINNESOTA

By: 
Andrea Schokker
Executive Vice Chancellor for
Academic Affairs, University of
Minnesota Duluth

Approved as to Form and Execution

By: 
William Donohue
General Counsel

General Contingency

2013-14 General Contingency:

Recipient	Allocation	Balance	Purpose
FY2014 General Contingency		\$1,000,000	
Carryforward from FY2013 into FY2014	1,406,141	2,406,141	
1 Dean of the College of Liberal Arts	20,000	2,386,141	Consultant to negotiate Showboat management agreement
2 Vice President for University Services *	250,000	2,136,141	U Stores sprinkler upgrade
3 Ex Dir for the Office for Business & Community Economic Dev.	55,000	2,081,141	Awards Incentive & Recognition (AIR) program
4 Vice President for Research	225,000	1,856,141	Consultant for F&A rate development and negotiation
5 Director of the Department of Concerts and Lectures	200,000	1,656,141	Northrop grand opening celebration
6 General Counsel	235,745	1,420,396	Outside legal counsel fees
7 Vice President for University Services *	275,000	1,145,396	Increased student-related public safety operations
11 Chancellor, University of Minnesota-Crookston	245,000	900,396	Move Agricultural Utilization Research Institute to new space
12 Chancellor, University of Minnesota-Duluth	65,000	835,396	Inventory and appraisal of contents of Glensheen property
13 Director, Northrop Concerts and Lectures	50,000	\$785,396	Five tables for grand opening gala
8			
9 No new items this reporting period			
14			
15 FY 2013-14 Ending Balance	785,396		
16			
17			
18 * Subject to Board approval			
19			
20			
21			
22			
23			

Purchase of Goods and Services \$1,000,000 and over

To AT&T, a reseller of Aastra Clearspan, for an estimated \$1,485,000 for a voicemail and auto attendant solution for the Twin Cities and Rochester campuses for the period July 15, 2014 through July 14, 2019 for the Office of Information Technology (OIT).

This is a replacement of the current voicemail system for which support ends December 31, 2014. Aastra, as the current PBX phone system provider, is offering, as an incentive for this purchase, a credit for maintenance and support of the PBX of \$546,000 over the first three years of this contract.

In addition to providing voicemail support to 20,000 telephone users, this solution will provide 220 call center auto attendants. Auto attendants are calling trees with options for callers to choose the destination for their call. These are in use by many mission critical call centers, such as 1-HELP, One Stop Student Services, CUHCC Clinic and Athletics and event ticket offices. Typical traffic for this solution for both voicemail and auto attendants is up to 15,000 calls per hour during the busiest hour of the day.

This purchase ensures that voicemail and auto attendant services will continue to be available for University staff, faculty and students. Automating these services reduces administrative support and overhead costs by efficiently handling significant call volume with minimal staffing.

The vendor was selected as a result of a competitive bid process.

OIT will make this purchase with O&M funds.

Submitted by: Ron White
Purchasing, OIT Business Office
Phone: (612) 625-2333
Fax: (612) 625-3521

Approval of this Item is requested by:



Vice President and CIO

6.24.14

Date

Purchase of Goods and Services \$1,000,000 and over

To Dell Marketing, a Microsoft Education Large Account Reseller, for an estimated \$3,004,000 to provide software licensing for commonly used Microsoft products for all University of Minnesota faculty and staff for the period August 1, 2014 through July 31, 2017 for the Office of Information Technology (OIT).

This is a renewal of an Enrollment for Education Solutions (EES). This subscription program is an annual comprehensive licensing program specially created to address the needs of higher education institutions. Utilizing this Agreement ensures that Microsoft software will be available to University of Minnesota faculty, staff and students. This subscription is a benefit to faculty, staff and students supporting standardization of documents, analysis and reports.

Included in this purchase is a product, Windows Remote Desktop Services Device CALs that will provide part of the mechanism to deliver applications to any device. Students will now be able to download and use free of charge Microsoft Office 365 ProPlus desktop applications.

Faculty/Staff Benefits:

This Agreement includes current versions and upgrade as well as downgrade rights over the course of the contract for: Microsoft Office Pro Plus for Windows, Office Standard for Macintosh, Windows Enterprise Operating System upgrades, Software Assurance benefits, all versions of Windows Servers, SCCM Servers, SharePoint Servers, Exchange Servers, System Center Endpoint Protection, standard Client Access Licenses (CALs), SQL Server CALs, Microsoft Desktop Optimization Pack (MDOP) and Windows Remote Desktop Services Device CALs.

Student Benefits:

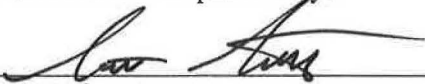
Students are allowed to use Microsoft Office in University-managed computer labs and take advantage of a new Microsoft program called Student Advantage enabling students to download and install Microsoft Office 365 ProPlus desktop applications on up to five devices, including mobile devices.

The vendor was selected as a result of a competitive bid process among Microsoft Education Large Account Resellers.

OIT will purchase this EES with O&M funds.

Submitted by: Ron White
Purchasing, OIT Business Office
Phone: (612) 625-2333

Approval of this Item is requested by:



Vice President and CIO

6.24.14

Date

Purchase of Goods and Services \$1,000,000 and over

To HigherOne for an estimated \$1,700,000 for CampusLabs, an assessment and student organization management solution, for the Twin Cities, Duluth, Morris and Crookston campuses for the period July 15, 2014 through July 14, 2019.

This is a purchase of the Baseline, Collegiate.Link, and Planning modules for Twin Cities, Crookston, and Duluth campuses. The Twin Cities campus is also adding the Accreditation module. The Morris campus will continue with their implementation of Collegiate Link, and will add Baseline and Planning beginning in year 2 (2015) as they conduct a needs analysis and address staffing responsibilities. This solution will provide management and reporting functions in several areas, including: 1) assessment of student learning and student development outcomes, 2) program review, 3) strategic planning, 4) student organizations, as well as 5) co-curricular transcripts for students. Each system campus may purchase additional modules that HigherOne offers on their own.

This system provides evidence of our compliance with the University's accreditor's (the Higher Learning Commission of the North Central Association of Colleges and School) standards, and also support the University's mission. It allows for the documentation of how and what students are learning, as well as provide evidence from academics and student affairs on how the University is continuously enhancing the student learning experience on campus, both inside and outside of the classroom. A variety of reports generated out of the system will be presented to both internal and external stakeholders.

This purchase ensures that collaborations within, as well as across the University system, are centralized in a single system (Rochester maintains its own system that meets their current needs). The transition to a single system enterprise-wide (excluding Rochester) reduces administrative support and costs; including eliminating the need for select programs/departments/colleges to purchase their own software solutions. Rochester was active in the RFP process, and has the option to join at any time.

The vendor was selected as a result of a competitive bid process.

The offices of Undergraduate Education and Student Affairs, under the Office of the Senior VP and Provost, will joint-fund this purchase for the Twin Cities campus, with each system campus funding their applicable share.

Submitted by: Dr. Robert McMaster
Vice Provost and Dean of Undergraduate Education
Phone: (612) 626-9425

Approval of this Item is requested by:



Senior Vice President and Provost

25 June 2014

Date

Purchase of Goods and Services \$1,000,000 and over

To InterCall, for an estimated \$1,741,000 for an annual subscription to Cisco's Webex Enterprise Edition web conferencing solution for all faculty and staff for the period August 1, 2014 through July 31, 2019 for the Office of Information Technology (OIT).

This solution is a replacement of the current web conferencing system, Adobe Connect, for which support ends July 31, 2015. Adobe Connect is not meeting the growing needs of the University. This Enterprise Edition is licensed for all University faculty and staff and includes four modules, Meeting Center, Event Center, Support Center and Training Center. Students are licensed for free use of Meeting Center Named Host Pro 8 that allows students to host meetings with up to 8 participants.

In addition to providing web conferencing support to all University users, this tool will aid our outreach mission by providing our departments and colleges with the ability to host large 3,000 person webinars to local, regional, national and global audiences. Cisco will also work with the University to provide secure access to the solution which will provide our healthcare professionals the ability to collaborate with other healthcare professionals around the world regarding patient care.

This purchase ensures that secure web conferencing services will continue to be available for University staff, faculty and students. The current Adobe Connect system is physically hosted by the University and moving these collaboration services to Cisco's cloud platform reduces administrative support, capital, energy and overhead costs by more than \$52,000 annually. The current system is limited to only faculty and staff. This new solution will allow all students at the University access to the same technology. OIT will work with departments and units to consolidate licensing and technology costs into this single enterprise solution and reduce duplicative services by more than \$260,000 over the life of the contract.

The vendor was selected as a result of a competitive bid process among web conferencing providers.

OIT will make this purchase with O&M funds.

Submitted by: Ron White
Purchasing, OIT Business Office
Phone: (612) 625-2333
Fax: (612) 625-3521

Approval of this Item is requested by:



Vice President and CIO

6.24.14

Date

Purchase of Goods and Services \$1,000,000 and over

To Ortega y Gasset Foundation (Spain); University Paul-Valery (Montpellier, France); CAPA (Sydney & London); VENUSA & EntreAmericas Learn and Travel (Venezuela); Jose Suarez & Dolores Lopez (MSID-Ecuador); Fundacion Ortega y Gasset, Argentina (Buenos Aires, Argentina), Mohamud Jama (MSID-Kenya); Ousmane Sene (MSID Senegal); CIEE, Accent, and others for an estimated \$15,800,000 to provide services to support overseas study abroad programs for FY 2014-15 for the Learning Abroad Center.

The Learning Abroad Center (LAC) at the University of Minnesota is one of the largest education abroad offices in the US and currently sends over 3000 students abroad annually, the 3rd highest number overall in the US. The LAC offers over 60 programs and 250 affiliated programs, including university partners around the world, language programs, internships, field research, and short-term faculty-led programs. The Learning Abroad Center is anticipating increased enrollments each year due to the University of Minnesota's initiative to have 50% of students participating in a study abroad experience during their academic career. As a result of the study abroad initiatives, there is a need for additional contracted services from existing and new providers each year.

The Learning Abroad Center contracts with international providers in order to provide services to support overseas study abroad programs. Services include, but are not limited to the following:


- Student Services – pre-departure and on-site orientation, airport transfers, room and board arrangements including home-stays, health and safety management, and in-country travel and liability insurance.*
- Academic programs and facilities – enrollment requirements, academic program design, delivery and procedures, course content, tutorial sessions, faculty hiring and support, transportation for course related travel, program evaluations, and administration and course assessment.*

Costs for students participating on study abroad programs are based on a per student fee which is very similar in most cases to the costs students would incur if they were paying tuition, fees, and room and board to attend classes on the U of M campus.

The program fees cover the costs of the academic program and the administrative costs for the Learning Abroad Center.

Submitted by: Martha Johnson, Assistant Dean
Learning Abroad Center
Global Programs and Strategy Alliance
Phone: 612-626-0984

Approval for this item requested by:



Senior Vice President

24 June 2014

Date

Purchase of Goods and Services \$1,000,000 and over

To Quest Diagnostics for an estimated \$1,650,000 to provide referred laboratory testing services for the University of Minnesota Boynton Health Service Laboratory for the period of September 1, 2014 through August 31, 2016 with contract extensions through July 31, 2020.

This estimate is based on a projection of approximately 31,000 tests to be sent to a reference laboratory for testing each year.

This contract is being issued to provide referred testing services as well as courier service, electronic interfacing for orders and results and electronic invoicing. It will provide Boynton Health Service with a reference laboratory partner that is a national leader in the industry and will be able to deliver service accurately and effiecently to the benefit of all Boynton patients.

Quest Diagnostics was chosen through a competitive bidding process. This contract is for coverage for 3 years from September 1, 2014, through August 31, 2016 with subsequent optional annual contract extensions through August 31, 2020.

These services will be paid for by individual patient's insurance plans and through Student Service Fees for eligible students. Patient self-payment applies for costs not covered by third party insurance or Student Service Fees.

Submitted by: Carl Anderson
Chief Operating Officer
Boynton Health Service; W224
Phone: 612-624-9485
Fax: 612-625-1434

Approval for this item requested by:


Danita Brown Young, Vice Provost, Office of Student Affairs

6-25-14
Date

**MEETING OF THE BOARD OF REGENTS
GIFTS TO BENEFIT THE UNIVERSITY OF MINNESOTA
SUMMARY REPORT***

July 2014 Regents Meeting

	May		Year-to-Date	
	2014	2013	07/01/13 05/31/14	07/01/12 05/31/13
U of M Gift Receiving	\$ 81,713	\$ 2,083,407	\$ 8,451,545	\$ 3,653,589
4-H Foundation	79,261	46,206	489,042	435,177
Arboretum Foundation	238,238	1,749,832	16,842,799	8,941,461
Univ of MN Foundation	14,197,950	36,256,089	218,218,389	201,319,922
Total Gift Activity	\$ 14,597,162	\$ 40,135,534	\$244,001,775	\$ 214,350,149

*Detail on gifts of \$5,000 and over is attached.

Pledges are recorded when the commitment is made. To avoid double reporting, any receipts which are payments on pledges are excluded from the report amount.

Gifts to benefit the University of Minnesota

Gifts received in May 2014

<u>Donor</u>	<u>Rec'd by</u>	<u>Gift/Pledge</u>	<u>Purpose of gift</u>
<u>\$1 Million and Over</u>			
Dale R. Olseth Estate	UMF	Gift	Scholarships, Intercollegiate Athletics
Target Corporation	UMF	Gift	College of Education and Human Development, Humphrey School of Public Affairs, Carlson School of Management
<u>\$500,000 - \$1,000,000</u>			
Hill's Pet Nutrition Incorporated	UMF	Pledge	College of Veterinary Medicine
<u>\$250,000 - \$500,000</u>			
Childrens Cancer Research Fund	UMF	Gift/Pledge	Medical School, Academic Health Center
Dr. Steven J. and Penny J. Sanderson	UMF	Pledge	Intercollegiate Athletics
<u>\$100,000 - \$250,000</u>			
Superior Beverages LLC	UMF	Pledge	University of Minnesota Duluth
Minnesota Crop Improvement Association	UMF	Gift	College of Food, Agricultural and Natural Resource Sciences
Anonymous	UMF	Gift	Medical School
CHS Incorporated	UMF	Gift/Pledge	College of Food, Agricultural and Natural Resource Sciences, 4H Foundation, Intercollegiate Athletics
Anonymous	UMF	Gift	College of Liberal Arts
Mary Anne Page	UMF	Gift	College of Liberal Arts
Dr. Prakash R. Keshaviah	UMF	Pledge	College of Science and Engineering
The McKnight Foundation	UMF	Gift	Humphrey School of Public Affairs, Bell Museum of Natural History
Minnesota Society of CPA's Education Fund	UMF	Gift	University of Minnesota Duluth, Carlson School of Management
Minnesota Turkey Research and Promotion Council	UMF	Gift	College of Veterinary Medicine
Hormel Foundation	UMF	Gift	Hormel Institute
Bruce C. Dayton	UMF	Gift	College of Veterinary Medicine
Allen W. and Susan K. Decker	UMF	Pledge	University of Minnesota Duluth
Christine H. Moen	UMF	Pledge	College of Food, Agricultural and Natural Resource Sciences
Judy W. Dayton	UMF	Pledge	College of Design
Rubicon Mortgage Advisors LLC	UMF	Pledge	Academic Health Center

\$50,000 - \$100,000

Starkey Hearing Technologies Incorporated	UMF	Gift	Medical School, College of Liberal Arts
Michael P. Wesp Estate	UMF	Gift	Medical School
Phileona Foundation	UMF	Gift	College of Veterinary Medicine
William H. Kelty Estate	UMF	Gift	College of Liberal Arts
Syngenta Crop Protection LLC	UMF	Gift	College of Food, Agricultural and Natural Resource Sciences
Mary Lee Dayton Estate	UMF	Gift	Bell Museum of Natural History
Minnesota Turf and Grounds Foundation	UMF	Gift	College of Food, Agricultural and Natural Resource Sciences
Anonymous	UMF	Pledge	Medical School
Carly May Foundation	UMF	Pledge	Academic Health Center
Dr. Mary M. Tjosvold	UMF	Pledge	College of Education and Human Development
Helen S. Henton Trust	UMF	Gift	Unrestricted
Armand E. Brachman	UM	Gift	Minnesota Landscape Arboretum
Cynthia A. Steinke	UMF	Pledge	College of Liberal Arts
Dr. Gail N. Anderson	UMF	Pledge	College of Education and Human Development
Dr. Robert P. Elde and Ms Bonita L Baskin	UMF	Pledge	College of Biological Sciences
Elisabeth E. and Andreas S. Rosenberg	UMF	Pledge	College of Liberal Arts
James H. and Lisa M. White	UMF	Pledge	Carlson School of Management
Kirsten A. Charlson	UMF	Pledge	College of Liberal Arts
Otto Bremer Foundation	UMF	Gift	Academic Health Center
Robin and Barbara Schaller Charitable Fund-Fidelity	UMF	Gift	College of Science and Engineering

\$25,000 - \$50,000

Patricia S. Kane	UMF	Gift	Medical School, School of Nursing
Robertet Flavors Incorporated	UMF	Gift	College of Food, Agricultural and Natural Resource Sciences
Cliff Viessman Incorporated	UMF	Gift	Intercollegiate Athletics
Cook Medical LLC	UMF	Gift	Medical School
Bender Family Charitable Fund-Tulsa	UMF	Gift	Law School
Community Foundation			
3M Company	UMF	Gift	College of Science and Engineering, Medical School, School of Public Health
General Mills Incorporated	UMF	Gift	Humphrey School of Public Affairs, College of Food, Agricultural and Natural Resource Sciences

\$25,000 - \$50,000

CHS Foundation	UMF	Gift	College of Food, Agricultural and Natural Resource Sciences, University of Minnesota Crookston
Diane Stebbins	UM	Gift	University of Minnesota Crookston
Kima Private Foundation	UM	Gift	Minnesota Landscape Arboretum
Anonymous	UMF	Gift	Institute on the Environment
Dr. Satoshi Otake	UMF	Gift	College of Veterinary Medicine
Frank G. Sullivan and Kathleen M. Duffy	UMF	Gift	Humphrey School of Public Affairs
Harold and Linda Haluptzok	UMF	Gift	Medical School, Carlson School of Management
Hawn Family Fund-Minneapolis Foundation	UMF	Gift	Medical School
Hubbard Broadcasting Incorporated	UMF	Gift	Academic Health Center
James H. Page	UMF	Gift	University of Minnesota Extension
Marcia L. Page	UMF	Gift	University of Minnesota Extension
Micro Control Company	UMF	Gift	Medical School, College of Veterinary Medicine
Minnesota Turf Seed Council Incorporated	UMF	Gift	College of Food, Agricultural and Natural Resource Sciences
UMMC Medical Staff Services	UMF	Gift	Medical School

\$10,000 - \$25,000

Gary J. and Patricia K. Ray	UMF	Gift	Hormel Institute
Hypertherm Incorporated	UMF	Gift	College of Science and Engineering
Medica	UMF	Gift	Medical School
Anonymous	UMF	Gift	Medical School
Peter A. Vorbrich	UMF	Gift	Medical School
Agrium Advanced Technologies (US) Incorporated	UMF	Gift	College of Food, Agricultural and Natural Resource Sciences
Ameriprise Financial Incorporated	UMF	Gift/Pledge	Various Colleges
Dr. Charles E. III and Ms. Laurie A. Crutchfield	UMF	Pledge	Medical School
St. Jude Medical Incorporated	UMF	Gift	Medical School
Swenson Family Foundation	UMF	Gift	University of Minnesota Duluth
The Carter Family Foundation	UMF	Gift	University of Minnesota Duluth
NCMA Education Research Foundation	UMF	Gift	College of Science and Engineering
Ben Peake	UMF	Gift	Medical School
Old Dutch Foods Incorporated	UMF	Gift	Medical School, Intercollegiate Athletics
Daniel D. Riley	UMF	Gift	Intercollegiate Athletics
Patrick D. Wenning	UMF	Gift	Intercollegiate Athletics
Syvilla M. Turbis Estate	UMF	Gift	Academic Health Center, Medical School

\$10,000 - \$25,000

Kent and Birgit Johnson Charitable Gift Fund	UMF	Gift	College of Pharmacy
International Union for Conservation of Nature and Natural Resources	UMF	Gift	College of Food, Agricultural and Natural Resource Sciences
Jeffrey and Nancy Berg	UMF	Gift	Intercollegiate Athletics
Leedstone	UMF	Gift	Intercollegiate Athletics
Boston Scientific Corporation	UMF	Gift	Medical School
William S. Henak	UMF	Gift	Medical School
Lurie Besikof Lapidus and Company LLP	UMF	Gift	Carlson School of Management
Agribank FCB	UMF	Gift	College of Food, Agricultural and Natural Resource Sciences
Dakota Salts, LLC	UMF	Gift	College of Food, Agricultural and Natural Resource Sciences
Jay and Rose Phillips Family Foundation	UMF	Gift	Humphrey School of Public Affairs
Martin and Brown Foundation	UM	Gift	Minnesota Landscape Arboretum
Richard K. and Theresa A. Davis	UMF	Gift	Scholarships
The Saint Paul Foundation	UMF	Gift	Venture Center
Walter H. Judd Fund-Minneapolis Foundation	UMF	Gift	Global Programs and Strategy Alliance
Washington State Wine Commission	UMF	Gift	Medical School
Dare to Care Fund-Arizona Community Foundation	UMF	Gift	University of Minnesota Duluth, Carlson School of Management
Bradley A. Hoyt	UMF	Gift	Intercollegiate Athletics
Cargill Incorporated	UMF	Gift/Pledge	College of Food, Agricultural and Natural Resource Sciences
Daniel Lister	UMF	Gift	Intercollegiate Athletics
MVM Foundation	UMF	Gift	College of Veterinary Medicine
James E. Barnard Estate	UMF	Gift	Carlson School of Management
NewPage Corporation	UMF	Gift	College of Science and Engineering
Merrill K. Cragun Jr. and Irma M. Cragun	UMF	Gift	Intercollegiate Athletics
Reפש Family Fund-Minnesota Community Foundation	UMF	Gift	Medical School
AVB Corporation	UMF	Gift	College of Food, Agricultural and Natural Resource Sciences
Cabot Corporation	UMF	Gift	College of Science and Engineering
H. B. Fuller Company	UMF	Gift	College of Science and Engineering
Maslon Edelman Borman and Brand LLP	UMF	Gift	Carlson School of Management
Mozo-Grau	UMF	Gift	School of Dentistry
Schlumberger Company	UMF	Gift	College of Science and Engineering
Shane W. Huether	UMF	Gift	Medical School

\$10,000 - \$25,000

Robert D. Baeumler	UM	Gift	University of Minnesota Duluth
The Sharon and Joel Labovitz Foundation	UMF	Gift	Weisman Art Museum
John S. Anderson	UMF	Gift	Intercollegiate Athletics
Brian J. Reagan	UMF	Gift	Medical School
Ames Construction Incorporated	UMF	Gift	Intercollegiate Athletics
Northshore Mining Company	UMF	Gift	University of Minnesota Duluth
Robins Kaplan Miller and Ciresi LLP	UMF	Gift	Medical School, Intercollegiate Athletics
Harlund G. Routhe Estate	UMF	Gift	University of Minnesota Extension, College of Food, Agricultural and Natural Resource Sciences, 4H Foundation
Lyle C. Fahning	UMF	Gift	Medical School
Land O' Lakes Incorporated	UMF	Gift	Carlson School of Management, College of Food, Agricultural and Natural Resource Sciences
Lois Jeannette Wiggs Estate	UMF	Gift	Intercollegiate Athletics
Jeannine M. Rivet	UM	Gift	Minnesota Landscape Arboretum
General Mills Foundation	UMF	Gift/Pledge	Various Colleges
Federated Insurance Company	UMF	Gift	Intercollegiate Athletics
Matthew J. Ginter	UMF	Gift	Carlson School of Management
Dr. Jacqueline S. Mithun	UMF	Gift	College of Education and Human Development
Lisa A. Peterson PhD	UMF	Gift	Academic Health Center
Mary F. Alshouse	UMF	Gift	Intercollegiate Athletics
Medtronic Foundation	UMF	Gift	Scholarships
Alfred Harrison	UMF	Gift	Medical School
Amgen Incorporated	UMF	Gift	College of Pharmacy
Andrew Cecere	UMF	Gift	Carlson School of Management
Antone Melton-Meaux	UMF	Gift	Northrop
Bodystat Limited	UMF	Gift	College of Food, Agricultural and Natural Resource Sciences
Data Recognition Corporation	UMF	Gift	Medical School
Dr. Michael D. R. Lougee	UMF	Gift	Medical School
E. Theodore and Lois M. Thompson Family Fund	UMF	Gift	Medical School
Edward Shallcross Estate	UM	Gift	Minnesota Landscape Arboretum
FDL Development	UMF	Gift	University of Minnesota Morris
George G. and Mary Dee J. Hicks	UMF	Gift	University of Minnesota Extension
Gordon and Betty Moore Foundation	UMF	Gift	College of Science and Engineering
Gray Plant Mooty	UMF	Gift	Carlson School of Management
John R. Frobenius	UMF	Pledge	School of Nursing
Kevin L. Roberg	UMF	Gift	Medical School

\$10,000 - \$25,000

Lisa M. Matula	UMF	Gift	University of Minnesota Duluth
Minneapolis Radiation Oncology PA	UMF	Gift	Medical School
Pearl and Daniel Berdass	UMF	Gift	Academic Health Center
PriceWaterhouseCoopers LLP	UMF	Gift	Medical School
Rosemary J. Graham	UMF	Gift	College of Food, Agricultural and Natural Resource Sciences
Steven and Ellen Shulman DAF	UMF	Gift	Academic Health Center
Terumo BCT Incorporated	UMF	Gift	Medical School
With One Breath	UMF	Gift	Medical School
WPX Energy Incorporated	UMF	Pledge	Law School

\$5,000 - \$10,000

Associates of the James Ford Bell Library	UMF	Gift	Libraries
Kristine K. and Gregg A. Teigen	UMF	Gift	Medical School
Southern Wine and Spirits of America Incorporated	UMF	Gift	Medical School
Richard C. Newman	UMF	Gift	College of Food, Agricultural and Natural Resource Sciences
Concord USA	UMF	Gift	Intercollegiate Athletics
Ronald J. Schutz	UMF	Gift	Medical School
TCF National Bank	UMF	Gift	Medical School, Intercollegiate Athletics
Deloitte Foundation	UMF	Pledge	Carlson School of Management, Medical School
Robert F. Crosby	UMF	Gift	Intercollegiate Athletics
Stoller Enterprises Incorporated	UMF	Gift	College of Food, Agricultural and Natural Resource Sciences
Robert A. Mulder	UMF	Gift	Intercollegiate Athletics
Clear Channel Outdoor Incorporated	UM	Gift	U of M SafeU Campaign
Wells Fargo Foundation	UMF	Pledge	Various Colleges
Anthony Oswald	UMF	Gift	Intercollegiate Athletics
Allen and Linda Saeks Family Foundation	UMF	Gift	Law School
The Dencker Trust	UMF	Gift	College of Science and Engineering
Willis and Dorothy Peterson Fund-Fidelity Charitable Fund	UMF	Gift	College of Food, Agricultural and Natural Resource Sciences
Comcast Spotlight	UMF	Gift	Intercollegiate Athletics
Arvid Olson Estate	UMF	Gift	Medical School
RBC Foundation - USA	UM	Gift	Minnesota Landscape Arboretum
Fred C. and Katherine B. Andersen Foundation	UM	Gift	Minnesota Landscape Arboretum
Teknapack Incorporated	UMF	Gift	College of Science and Engineering
DLR Group Architects and Engineers	UMF	Gift	Intercollegiate Athletics

\$5,000 - \$10,000

Dr. K. Craig Wildfang	UMF	Gift	Medical School
Dr. Marcia C. and Richard W. Carthaus	UM	Gift	Minnesota Landscape Arboretum, College of Education and Human Development
Microsoft Corporation	UMF	Gift/Pledge	College of Science and Engineering, Carlson School of Management
J. L. Buchanan Incorporated	UMF	Gift	Intercollegiate Athletics
Mark H. Wingerd	UMF	Gift	Intercollegiate Athletics
Haskell's Incorporated	UMF	Gift	Medical School
Berger Transfer and Storage Incorporated	UMF	Gift	Intercollegiate Athletics
Textron Incorporated	UMF	Pledge	Scholarships
Gregory S. Mitsch	UMF	Gift	Intercollegiate Athletics
Anonymous	UMF	Gift	Various Colleges
AMVAC Chemical Corporation	UMF	Gift	College of Food, Agricultural and Natural Resource Sciences
Andersen Corporation	UMF	Gift	College of Food, Agricultural and Natural Resource Sciences
Emily Anne Staples Tuttle Fund-MN Community Foundation	UMF	Gift	Libraries
Fairmont Veterinary Clinic LLP	UMF	Gift	College of Veterinary Medicine
Harvey B. Mackay	UMF	Gift	Intercollegiate Athletics
Leonore B. Baeumler	UM	Gift	University of Minnesota Duluth
Popp Communications	UMF	Gift	Medical School
Bremer Bank	UMF	Gift	Intercollegiate Athletics
Brett W. Rasmussen	UMF	Gift	Intercollegiate Athletics
James C. Melville	UMF	Gift	Intercollegiate Athletics
Gary A. Peterson	UMF	Gift	Medical School
3M Foundation Incorporated	UMF	Pledge	Carlson School of Management
Valent	UMF	Gift	College of Food, Agricultural and Natural Resource Sciences
Gary Finley	UMF	Gift	University of Minnesota Duluth
Todd A. Salava	UMF	Gift	Medical School
Eric and Karen Kaler	UMF	Gift	Medical School
Patrick Dombrovski	UMF	Gift	Intercollegiate Athletics
Hugh L. Miller	UMF	Gift	Medical School
Minnesota Soybean Growers Association	UMF	Gift	College of Food, Agricultural and Natural Resource Sciences
Norman J. Baer	UMF	Gift	Medical School
Youth Philanthropy Fund-Minneapolis Foundation	UMF	Gift	Bell Museum of Natural History
Brian Posey	UMF	Gift	Intercollegiate Athletics
Columbia Winery	UMF	Gift	Medical School

\$5,000 - \$10,000

Fluid Fertilizer Foundation	UMF	Gift	College of Food, Agricultural and Natural Resource Sciences
Barbara L. Forster	UMF	Gift	Law School
Dr. Dennis E. Jennings	UMF	Gift	College of Liberal Arts
Artspace Projects Incorporated	UMF	Gift	Northrop
AbbVie Incorporated	UMF	Gift	Academic Health Center
Alan J. Spaulding	UMF	Gift	Medical School
Ann B. Waltner	UMF	Gift	Institute for Advanced Study
Anonymous	UM	Gift	University of Minnesota Duluth
Bill Antisdell Memorial Fund	UMF	Gift	Medical School
Boehringer Ingelheim Vetmedica Incorporated	UMF	Gift	College of Veterinary Medicine
Candi Fisher	UMF	Gift	Medical School
Chad R. and Judy C. Hynes	UMF	Gift	College of Education and Human Development
College Art Association	UMF	Gift	Graduate School
Cornerstone Parking Group Incorporated	UMF	Gift	Medical School
CSM Corporation	UMF	Gift	Medical School
Darigold Incorporated	UMF	Gift	College of Food, Agricultural and Natural Resource Sciences
Dougherty and Company LLC	UMF	Gift	Medical School
Dr. Brian J. Kobienia	UMF	Pledge	Medical School
Dr. Ganesh Raveendran	UMF	Gift	Medical School
Dr. Mark R. Migliori	UMF	Pledge	Medical School
Ecolab Incorporated	UMF	Gift	Carlson School of Management
Ernst and Young LLP	UMF	Gift	Medical School
George L. Polley	UM	Gift	Minnesota Landscape Arboretum
Great Clips Incorporated	UMF	Gift	Medical School
Jan Conlin and Gene Goetz Fund-Minneapolis Foundation	UMF	Gift	Law School
Janet L. Fitzakerley	UMF	Gift	Medical School
John Deere Foundation	UMF	Gift	College of Science and Engineering
John E. Geisler	UMF	Gift	Medical School
Joseph J. Mulvehill	UMF	Gift	Medical School
Justin Wilson	UMF	Gift	Medical School
Kaplan Strangis and Kaplan PA	UMF	Gift	Law School
Lindsay/Williams Family Fund - St. Paul Foundation	UMF	Gift	Venture Center
Mary Jane Weaver	UMF	Gift	Law School
Megan Diamond	UMF	Gift	Medical School
NCFC Education Foundation	UMF	Gift	College of Food, Agricultural and Natural Resource Sciences
Oppidan Investment Company	UMF	Gift	Medical School

\$5,000 - \$10,000

P. S. Poehler and W. E. Stremel Charitable Trust	UM	Gift	Minnesota Landscape Arboretum
Pamela A. Wheelock	UMF	Gift	Intercollegiate Athletics
Patricia S. Simmons	UMF	Gift	Northrop
Paul F. Werler	UM	Gift	Minnesota Landscape Arboretum
Peyton Family Foundation Fund-Community Foundation of New Jersey	UMF	Gift	Scholarships
Roger P. Parkinson	UMF	Gift	Humphrey School of Public Affairs
Ronald E. and Julie Meiss	UMF	Pledge	University of Minnesota Morris
Rosemount Incorporated	UM	Gift	Minnesota Landscape Arboretum
Ryan Fam Donor Advised Fund-Morgan Stanley GIFT	UMF	Gift	College of Food, Agricultural and Natural Resource Sciences
Schwegman Lundberg and Woessner PA	UMF	Gift	College of Biological Sciences
Sheet Metal Connectors Incorporated	UMF	Gift	Medical School
The Wallin Foundation	UMF	Gift	Medical School
Thomas J. Mielke	UMF	Gift	Law School
Williams Companies Incorporated	UMF	Pledge	Law School
Winfield Solutions LLC	UMF	Gift	College of Food, Agricultural and Natural Resource Sciences
Zinpro Corporation	UMF	Gift	College of Veterinary Medicine



BOARD OF REGENTS DOCKET ITEM SUMMARY

Board of Regents

July 9, 2014

Agenda Item: Resolution Related to New Approaches to Neighborhood Engagement

Review Review + Action Action Discussion

This is a report required by Board policy.

Presenters: Vice President and Chief Financial Officer Richard Pfitzenreuter
Vice President Pamela Wheelock
Monique MacKenzie, Director of Planning and Architecture

Purpose & Key Points

For over 160 years, the University of Minnesota's Twin Cities/Minneapolis campus has been inextricably linked to the neighborhoods in which it is situated. As higher education rapidly evolves, the University's place-based learning experience is, and is expected to be, one of our greatest competitive advantages. Our urban location means that the perceived boundaries between campus and city are fluid, and impacts in one area can spill over to the other. Given the size of the student body, historical decisions by both the University and private developers, and our location in a major metropolitan area, more of our students than at any other point in history live near campus and walk, bike, or commute through the adjacent neighborhoods to attend class, conduct research, or participate in other on-campus activities.

In this dynamic environment with its challenges and opportunities, ensuring a great place-based experience for our students, faculty and staff will require the University to be more deliberately engaged in the processes that influence the quality and livability of the Minneapolis East and West Bank campus area communities.

The following policy questions will be posed for the Board of Regents to discuss:

- Why is it important for the University to engage differently with the neighborhoods surrounding the Twin Cities/Minneapolis campus?
- What do we hope to achieve by changing our approach?
- What processes do we currently use to guide our interactions and planning with the near-campus communities?
- What tools do we currently use to execute on these plans?
- What principles will guide us in developing our engagement strategy?
- How will we know when we've been successful?

Why is it important for the University to engage differently with the neighborhoods surrounding the Twin Cities/Minneapolis campus?

The campus experience and “place” is a key asset that the University has to offer prospective students and faculty. The quality and brand of the Twin Cities campus is closely linked with the urban neighborhoods of which it is a part. With eighty-nine percent of first-year students now living on campus, the majority choose to remain close to campus when they make their first move during sophomore or junior year into private housing. Many graduate students also choose to live near campus. In the last 15 years, many single-family homes have been purchased by investor-owners and converted to rentals. The current building boom in higher density private rental housing is further changing the demographics and character and economics of the campus area neighborhoods and the Dinkytown and Stadium Village commercial districts. For students, their parents, and the general public, campus and neighborhood edges are blurred, and an entire district of the city is identified with as the University.

What do we hope to achieve by changing our approach?

Our students, faculty, and staff that live near campus, and visitors to our campus, need and expect safe, livable neighborhoods in which to live, work and recreate. By expanding our external engagement and cooperation with the City of Minneapolis, Hennepin County, and other public and private partners, the University wants to ensure a vibrant, welcoming, safe and attractive environment in and around the Minneapolis portions of the Twin Cities campus. Developing strategies that advance key interests of both the University and the surrounding community, including public safety, transportation, building code enforcement, housing, other types of economic development activity and creating community amenities will enrich the standard of living on and around the Minneapolis portions of the Twin Cities campus.

What processes do we currently use to guide our interactions and planning with the near-campus communities?

The second guiding principle of the 2009 Twin Cities Campus Master Plan is to “strengthen connections to adjacent communities.” The plan projects growth over a ten year period to promote an understanding of the University’s plans for the future and identifies conditions under which the University would acquire properties outside the current campus boundaries. The plan also identifies “Areas of Influence” and “Joint Planning Areas,” both of which are intended to provide guidance as to how the University will engage with landowners, neighborhoods, and the respective municipalities.

What tools do we currently use to execute on these plans?

Historically, the University has chosen to focus its planning and development activity primarily within our campus boundaries. University real estate transactions near campus have been targeted and focused on meeting direct mission activities and/or on parcels directly adjacent to campus. The University has limited its engagement with the communities through more formal structures, including the University District Alliance and the Stadium Area Advisory Group. Coordination with the City and County generally has been focused on small area planning efforts or specific safety, transportation, or regulatory issues and not on particular developments that impact campus.

In addition, the University has strengthened our efforts with our students to support neighborhood livability, including enhanced student civic engagement and education of students about the rights and responsibilities of living in the community and extending the Student Code of Conduct off campus.

What principles will guide us in developing our engagement strategy?

The following principles will guide our engagement strategy for the areas near the Minneapolis portion of the Twin Cities campus. Although the principles generally could apply to other campuses in the system, given the rapidly changing environment and the safety and transportation needs of

the Twin Cities/Minneapolis campus, the University will focus our initial efforts here. As we learn from these efforts, we can expand our scope, if desired.

- The University's quality and brand are inextricably linked with that of the surrounding community. The University has an interest in the outcome of private development and "public realm" amenities in the surrounding community.
- The University is not the only entity with a role to play in ensuring that the adjacent communities are vibrant, safe, and sustainable, but as a very long-term citizen with a great deal at stake, the University has an important role to play.
- Planning and investment in public infrastructure, and planning and regulation for private development in the campus area neighborhoods is the jurisdiction of the City of Minneapolis. The ability to achieve the outcomes proposed here depends on the City of Minneapolis as a strong, proactive, and responsive partner.
- A mix of residents and types of housing create stronger, safer, and more livable neighborhoods in the campus area.
- The University will proactively establish partnerships, seek collaborations, and use its influence to support an attractive, vibrant, and diverse University District.
- The University will work in collaboration, when possible, with local government, community members, affiliated institutions, and private sector investors and developers and establish regular communication to learn from each other and from the shared experience.
- The University will strive to create meaningful, sustained internal institutional engagement with its leaders taking a leading, long-term and active role to reach desired goals.
- University initiatives to address quality of life in the University District will position the University to be competitive, creating a foundation to ultimately serve our primary mission of teaching, research, and public engagement for the betterment of Minnesota.

How will we know when we've been successful?

Our efforts will focus on the following outcomes.

- Residential and commercial communities surrounding the University's Twin Cities/Minneapolis campus will attract students, staff, researchers, and faculty to learn, live, play, and work in the area; the University will work in collaboration with its partners to build a more full and diverse community that draws people to live here from across the age spectrum.
- Students, staff, and faculty work, live and engage the community in a safe environment surrounding the Twin Cities/Minneapolis campus.
- The University will have focused and effective community partnerships to help ensure the University District is a preferred place to live, work, and recreate.

Background Information

Over the past decade, the Board of Regents has taken the following actions to guide and implement the University's engagement strategy with the near campus community:

Twin Cities Campus Master Plan.

As noted above, in March 2009, the Board of Regents adopted the updated Twin Cities Campus Master Plan.

University District Alliance, 2007

The University District Alliance was established in 2007 after an impact study commissioned by the Minnesota legislature found that neighborhoods in the U district were losing balance as owner-occupied homes were nudged out in favor of rental properties. The University District

Alliance is made up of interested and committed people from the U District neighborhoods of Marcy-Holmes, Prospect Park, Southeast Como, and West Bank/ Cedar-Riverside, business associations, University student government, the City of Minneapolis, Augsburg College, and the University of Minnesota Minneapolis campus and neighborhood.

Stadium Area Advisory Group, 2004

The Stadium Area Advisory Group was established in 2004 as part of the TCF Bank Stadium Environmental Impact Statement (EIS) process to invite representatives of adjacent municipalities, neighborhoods and business districts to advise the University on the planning, development and operation of an on-campus Gopher football stadium. The Board took formal action approving the adequacy of the EIS in March 2006.

Real Estate Transactions

The Board of Regents periodically approves real estate transactions that implement the University's strategy to acquire real estate to support direct mission activities or take advantage of opportunities on the edges of campus. Occasionally, the Board of Regents has sold property to support private developments that serve the University community.

President's Recommendation

The President recommends approval of the Board of Regents Resolution to expand the University's external engagement efforts in the communities around the Twin Cities/Minneapolis campus.



REGENTS OF THE UNIVERSITY OF MINNESOTA

RESOLUTION RELATED TO

NEW APPROACHES TO NEIGHBORHOOD ENGAGEMENT

WHEREAS, the quality and brand of the University of Minnesota's Twin Cities campus are inextricably linked with that of the community around it; and

WHEREAS, the University has a vital interest in ensuring the well-being of University students living in the neighborhoods around campus; and

WHEREAS, to attract and retain students, faculty and staff it is important that the community around campus is vibrant, welcoming, safe and attractive for all who live, visit or work there; and

WHEREAS, the University can make a meaningful difference in advancing shared goals and objectives related to the neighborhoods surrounding the Minneapolis portion of the Twin Cities campus by collaborating and engaging directly with local units of government, community members, other institutions, businesses, private sector investors and developers; and

WHEREAS, the University benefits from private investment in the neighborhoods surrounding campus in uses such as residential, retail and office space, that support and complement the University activity and recognizes that private investment in such uses enables the University to focus its limited institutional resources on mission-related and unique University needs; and

WHEREAS, the University and the neighborhoods surrounding the campus collectively benefit from a mix of residents and housing stock, vibrant business and economic activity, and commercial enterprises necessary to create a stronger, safer, and more livable campus and communities; and

WHEREAS, the complex and rapidly changing concerns, issues and needs of the neighborhoods surrounding campus require strong and lasting external partnerships and an institutional commitment to play a prominent, long-term and active role; and

WHEREAS, the University will benefit by articulating shared goals and strategies and clarifying roles and responsibilities to achieve a vibrant, welcoming, safe and attractive environment to ensure its Twin Cities/Minneapolis campus is attractive and competitive and fulfills its teaching, research and public engagement mission;

NOW, THEREFORE, BE IT RESOLVED that the Board of Regents supports University of Minnesota strategies and actions to increase external engagement and cooperation with the City of Minneapolis, Hennepin County, and other public and private partners to achieve a vibrant, welcoming, safe and attractive environment in and around the Twin Cities/Minneapolis campus. Furthermore, the Board supports strategies that advance key interests of both the University and the surrounding community, including public safety, transportation, building code enforcement, housing, public-private partnerships, and creating community amenities that will enrich the livability of the neighborhoods around the Minneapolis portion of the Twin Cities campus.

New Approaches to Neighborhood Engagement

Overview and Resolution

Board of Regents
July 9, 2014



UNIVERSITY OF MINNESOTA

Driven to DiscoverSM



Strengthening Neighborhood Livability

- Unique identity
- Human scale density
- Mixed use
- Housing choices
- Safe and healthy
- Natural amenities
- Pedestrian-sensitive
- Sustainable





Neighborhood Engagement

Historical Considerations and Constraints

- Primary focus has been inside campus boundaries due to need and resource limitations
- Housing priority has been to provide first year experience in an on campus setting
- Allow private for-profit market to meet other student housing needs
- Targeted real estate acquisition on meeting direct mission activities
- Opportunistic real estate acquisition focused exclusively at the edges of campus
- Periodically reach out to private land owners on willingness to sell
- Use of eminent domain limited, and only if necessary to meet clear public purpose
- Limited real estate acquisitions to 'average' of appraised values



Guiding Principles

- U linked to surrounding community – have an interest in development and amenities
- U plays an important role, but not the only role
- City of Minneapolis is a key partner
- Mix of housing types is key to neighborhood livability
- U will proactively establish partnerships
- U will collaborate with local governments, community members, institutions, and private sector



Outcomes

- Residential and commercial communities surrounding the University's Minneapolis campus will attract students, staff, researchers, and faculty to learn, live, play, and work in the area; the University will work in collaboration with its partners to build a more full and diverse community that draws people to live here from across the age spectrum.
- Students, staff, and faculty work, live, and engage the community in a safe environment surrounding the Minneapolis campus.
- The University will have focused and effective community partnerships to help ensure the University District is a preferred place to live, work, and recreate.



Next Steps

- Research best practices and articulate associated benefits and risks
- Engage in broader discussion with partners/neighbors
- Review relevance of current Master Plan principles and identify action steps
- Establish outcome-based metrics
- Identify short-term and long-term strategies and supporting resource needs



Resolution

Whereas, the quality and brand of the University of Minnesota's Twin Cities campus are inextricably linked with that of the community around it; and

Whereas, the University has a vital interest in ensuring the well-being of University students living in the neighborhoods around campus; and

Whereas, to attract and retain students, faculty and staff it is important that the community around campus is vibrant, welcoming, safe and attractive for all who live, visit or work there; and

Whereas, the University can make a meaningful difference in advancing shared goals and objectives related to the neighborhoods surrounding the Minneapolis portion of the Twin Cities campus by collaborating and engaging directly with local units of government, community members, other institutions, businesses, private sector investors and developers; and

Whereas, the University benefits from private investment in the neighborhoods surrounding campus in uses such as residential, retail and office space, that support and complement the University activity and recognizes that private investment in such uses enables the University to focus its limited institutional resources on mission-related and unique University needs; and

Whereas, the University and the neighborhoods surrounding the campus collectively benefit from a mix of residents and housing stock, vibrant business and economic activity, and commercial enterprises necessary to create a stronger, safer, and more livable campus and communities; and

Whereas, the complex and rapidly changing concerns, issues and needs of the neighborhoods surrounding campus require strong and lasting external partnerships and an institutional commitment to play a prominent, long-term and active role; and

Whereas, the University will benefit by articulating shared goals and strategies and clarifying roles and responsibilities to achieve a vibrant, welcoming, safe and attractive environment to ensure its Twin Cities/Minneapolis campus is attractive and competitive and fulfills its teaching, research and public engagement mission;

Now, therefore, be it resolved that the Board of Regents supports University of Minnesota strategies and actions to increase external engagement and cooperation with the City of Minneapolis, Hennepin County, and other public and private partners to achieve a vibrant, welcoming, safe and attractive environment in and around the Twin Cities/Minneapolis campus. Furthermore, the Board supports strategies that advance key interests of both the University and the surrounding community, including public safety, transportation, building code enforcement, housing, public-private partnerships, and creating community amenities that will enrich the livability of the neighborhoods around the Minneapolis portion of the Twin Cities campus.



UNIVERSITY OF MINNESOTA
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UniversityofMinn



UMNews



UofMN



BOARD OF REGENTS DOCKET ITEM SUMMARY

Board of Regents

July 9, 2014

Agenda Item: Board of Regents Policy: *Attorneys and Related Services*

Review

Review + Action

Action

Discussion

This is a report required by Board policy.

Presenters: William P. Donohue, General Counsel

Purpose & Key Points

The general counsel will review the principal elements of the policy, focusing on the delegation of authority to the general counsel to hire outside counsel, who is responsible in fact in virtually all cases for appropriate retention of outside legal counsel for the University. Only a minor language change in the policy is recommended.

Background Information

Board of Regents Policy: *Attorneys and Related Services* was first adopted on May 13, 1988 and last amended on July 8, 2009.



UNIVERSITY OF MINNESOTA
BOARD OF REGENTS POLICY

Page 1 of 1

Delegation of Authority

ATTORNEYS AND RELATED SERVICES

Adopted: May 13, 1988

Amended: October 13, 1995; March 11, 2005; July 8, 2009

DRAFT for review July 9, 2014

ATTORNEYS AND RELATED SERVICES

Subd. 1. Delegation of Authority. The Board of Regents (Board) of the University of Minnesota (University) delegates to the president and to the general counsel authority to hire attorneys from outside the Office of the General Counsel (OGC) and to enter into related contracts for services in any legal matter involving the University.

Subd. 2. Hiring Factors. The following factors shall be considered in the decision to hire outside attorneys and to contract for related services:

- (a) the existence of insurance coverage for the legal matter;
- (b) special expertise or experience in the subject area;
- (c) actual or perceived conflict of interest;
- (d) the need for additional resources beyond those available in the OGC to handle a particular matter because of its scope or time demands;
- (e) special need for independent counsel or a second opinion; and
- (f) the need for legal services outside the State of Minnesota.

Subd. 3. Exemption from Competitive Bidding. When the University retains outside attorneys ~~on a case-by-case basis, it may do so without competitive bidding~~ it may do so without competitive bidding.

Subd. 4. Report. The general counsel shall report annually to the Board on the activities of the OGC. The Board's Litigation Review Committee may require from the OGC additional reports regarding legal matters.



BOARD OF REGENTS DOCKET ITEM SUMMARY

Board of Regents

July 9, 2014

Agenda Item: Board of Regents Policy: *Gifts Received and Given by Regents and University Officials*

Review

Review + Action

Action

Discussion

This is a report required by Board policy.

Presenters: William P. Donohue, General Counsel

Purpose & Key Points

The general counsel will review the principal elements of the policy, focusing on adding assistant vice provosts to the definition of "University Official" to make the policy consistent with Board of Regents Policy: *Institutional Conflict of Interest*.

Background Information

Board of Regents Policy: *Gifts Received and Given by Regents and University Officials* was first adopted on October 10, 1997 and last amended on March 11, 2005.



UNIVERSITY OF MINNESOTA
BOARD OF REGENTS POLICY

Page 1 of 3

Administrative

**GIFTS RECEIVED AND GIVEN BY
REGENTS AND UNIVERSITY
OFFICIALS**

Adopted: October 10, 1997

Amended: March 11, 2005

DRAFT for review July 9, 2014

**GIFTS RECEIVED AND GIVEN
BY REGENTS AND UNIVERSITY OFFICIALS**

This policy regulates gifts received and given by members of the Board of Regents (Board) and University of Minnesota (University) officials. Such regulation is essential in order to ensure that:

- (1) Regents and University officials do not influence inappropriately, or appear to influence inappropriately, decisions by federal, state, and local government officials; and
- (2) Regents and University officials are not influenced inappropriately, or do not appear to be influenced inappropriately, in performing their duties.

This policy is not intended to prohibit Regents or University officials from soliciting gifts on behalf of the University for University purposes.

SECTION I. SCOPE.

Subd. 1. Constitutional Authority. The Board has considered analogous federal and state laws and policies and has concluded that the University should have its own policy governing gifts, consistent with the Board's exclusive constitutional authority to establish rules for the governance and management of the University.

Subd. 2. Application. This policy shall be interpreted and applied with sound practical judgment in a manner that best serves the overall interests of the University, not any individual.

SECTION II. DEFINITIONS.

Subd. 1. Gift. *Gift* shall mean any gratuity, favor, discount, entertainment, hospitality, loan, forbearance, services, training, transportation, lodging, meals, or other item that constitutes a personal benefit to the recipient. It does not include any gift made to the University or its foundations for University purposes.

Gift also shall mean a gift to a family member of a Regent or University official or a gift to any other individual based on that individual's relationship with a Regent or University official (1) if it is given with the knowledge and acquiescence of the Regent or University official and (2) if the Regent or University official has reason to believe the gift was given because of the recipient's University status.

The term *gift* shall not include the following:

- (a) anything for which the individual recipient pays the market value;
- (b) anything the individual receives but returns or gives to the University without substantial personal use or benefit;
- (c) food or refreshments of reasonable value in the normal course of University business;
- (d) plaques, trophies, mementos, hats, or similar items of reasonable value;



UNIVERSITY OF MINNESOTA

BOARD OF REGENTS POLICY

Page 2 of 3

Administrative

GIFTS RECEIVED AND GIVEN BY
REGENTS AND UNIVERSITY
OFFICIALS

Adopted: October 10, 1997

Amended: March 11, 2005

DRAFT for review July 9, 2014

- (e) any gift from a relative, provided that the Regent or University official has no reason to believe that the gift was provided because of the recipient's official University position;
- (f) informational materials in the form of books, articles, other written materials, audio/video media, and other similar materials;
- (g) anything received because a Regent or University official participated in a group, a majority of whose members are not Regents or University officials and who customarily may receive an equivalent item;
- (h) anything paid for or reimbursed by the University pursuant to University policy;
- (i) tickets to University athletic or cultural events;
- (j) local transportation; and
- (k) political contributions to any candidate, political committee, organization, or party as permitted by state and federal law, provided that no such contributions may be made from University funds or resources.

Subd. 2. Financial Interest. *Financial interest* shall mean an actual or foreseeable nontrivial financial benefit resulting from a decision.

Subd. 3. University Official. *University official* shall mean:

- (a) chancellors and vice chancellors;
- (b) deans;
- (c) division I athletic directors;
- (d) general counsel;
- (e) president and president's chief of staff;
- (f) provosts, vice provosts, ~~and~~ associate vice provosts, and assistant vice provosts;
- (g) senior vice president and provost;
- (h) senior vice presidents, vice presidents, associate vice presidents, and assistant vice presidents;
- (i) University directors and campus-wide directors; and
- (j) University employees officially engaged in legislative lobbying on behalf of the University.

SECTION III. GIFTS TO AND FROM REGENTS.

Subd. 1. Government Officials. No Regent shall give a gift or solicit another to give a gift to any federal, state, or local government officials or to any member of their staff.

Subd. 2. Financial or Personal Interests. No Regent shall solicit or accept a gift from any person or organization having a financial or other direct personal interest in a decision before the Board, provided, however, that a Regent may receive food, lodging, or other benefits resulting from the Regent's outside business or employment activities or other outside activities not connected to their duties as a Regent if (a) such food, lodging, or other benefits have not been offered or enhanced because of the Regent's official status and (b) such benefits customarily are provided to others in similar circumstances.



UNIVERSITY OF MINNESOTA
BOARD OF REGENTS POLICY

Page 3 of 3

Administrative

**GIFTS RECEIVED AND GIVEN BY
REGENTS AND UNIVERSITY
OFFICIALS**

Adopted: October 10, 1997

Amended: March 11, 2005

DRAFT for review July 9, 2014

SECTION IV. GIFTS TO AND FROM UNIVERSITY OFFICIALS.

Subd. 1. Government Officials. No University official shall give a gift or solicit another to give a gift to any federal, state, or local government official or to any member of their staff.

Subd. 2. Financial or Personal Interests. No University official or other University employee authorized to make a decision involving the purchase of goods or services on behalf of the University shall solicit or accept a gift from any person or organization having a financial or other direct personal interest in such decision.



BOARD OF REGENTS DOCKET ITEM SUMMARY

Board of Regents

July 9, 2014

Agenda Item: Board of Regents Policy: *Legal Claims and Settlements*

Review

Review + Action

Action

Discussion

This is a report required by Board policy.

Presenters: William P. Donohue, General Counsel

Purpose & Key Points

The general counsel will review the principal elements of the policy, focusing on a suggested increase in the cap for settlements that must be presented to the Litigation Review Committee from \$250,000 to \$500,000.

Background Information

Board of Regents Policy: *Legal Claims and Settlements* was first adopted on December 14, 1984 and last amended on December 10, 2004.



UNIVERSITY OF MINNESOTA
BOARD OF REGENTS POLICY

Page 1 of 1

Delegation of Authority

LEGAL CLAIMS AND SETTLEMENTS

Adopted: December 14, 1984

Amended: January 12, 1990; October 13, 1995;
December 10, 2004

DRAFT for review July 9, 2014

LEGAL CLAIMS AND SETTLEMENTS

Subd. 1. Scope. This policy applies to all legal claims asserted by the Regents of the University of Minnesota (University), legal claims asserted against the University, legal claims asserted against the Board of Regents (Board) as a corporate body or Board members in their official capacity, and legal claims asserted against Board members, employees of the University, and other individuals when the University has agreed to provide legal defense and indemnification to them, consistent with Board and administrative policy.

Subd. 2. Delegation of Authority. Except as provided in subds. 3 and 4, the president is authorized to initiate, appeal, or settle any claim after consultation with the general counsel. The president may delegate such authority, provided that any initiation, appeal, or settlement decision by a delegate of the president must be approved by the general counsel.

Subd. 3. Reservation of Authority. The Board reserves to itself authority to initiate, appeal, or settle a claim involving a specific decision of the Board or a claim against Board members in their individual capacity.

Subd. 4. Board of Regents Litigation Review Committee. Any settlement of a claim involving payment by the University in excess of ~~\$250,000~~ \$500,000 shall be presented to the Litigation Review Committee (LRC) for approval. The president shall determine, in consultation with the general counsel, those other claims that shall be presented to the LRC for review prior to a decision to initiate, appeal, or settle, taking into account whether the claim involves one or more of the following factors:

- (a) a significant change in University-wide policy;
- (b) a serious conflict with University-wide policy;
- (c) an unusually significant financial impact;
- (d) a matter of special public interest; or
- (e) Board members as named defendants in their official capacity.

The LRC is authorized to determine which claims shall be referred to the Board for review or approval.



BOARD OF REGENTS DOCKET ITEM SUMMARY

Board of Regents

July 9, 2014

Agenda Item: University of Minnesota Alumni Association Annual Report

Review

Review + Action

Action

Discussion

This is a report required by Board policy.

Presenters: Lisa R. Lewis, President and CEO, University of Minnesota Alumni Association
Jim du Bois, FY15 Board Chair, University of Minnesota Alumni Association
Susan Adams Loyd, Past (FY14) Board Chair, University of Minnesota Alumni Association

Purpose & Key Points

To provide an update on the status of alumni relations at the University of Minnesota-Twin Cities.

Background Information

The report of the University of Minnesota Alumni Association is delivered annually to the Board of Regents and was last presented in June 2013.



UNIVERSITY OF MINNESOTA ALUMNI ASSOCIATION[®]

Report to the Board of Regents

Wednesday, July 9, 2014

ALUMNI IMPACT

**Alumni represent one of the
largest constituencies of the U.**

445,000 alumni worldwide



ALUMNI IMPACT

Alumni success brings honor to the U.



Nobel Laureate Lars Peter Hansen ('78 Ph.D.)



ALUMNI IMPACT

Alumni
contribute to
the state's
economy.



ALUMNI IMPACT

Alumni are critical to the U's future.



ALUMNI IMPACT



Alumni talent, networks and experience can be valuable assets to students.



ALUMNI IMPACT

Alumni provide leadership, an independent voice and a long-term perspective.



445,000 ALUMNI WORLDWIDE

62% in MN

36% across US

2% abroad



*Percentages based on available alumni addresses.

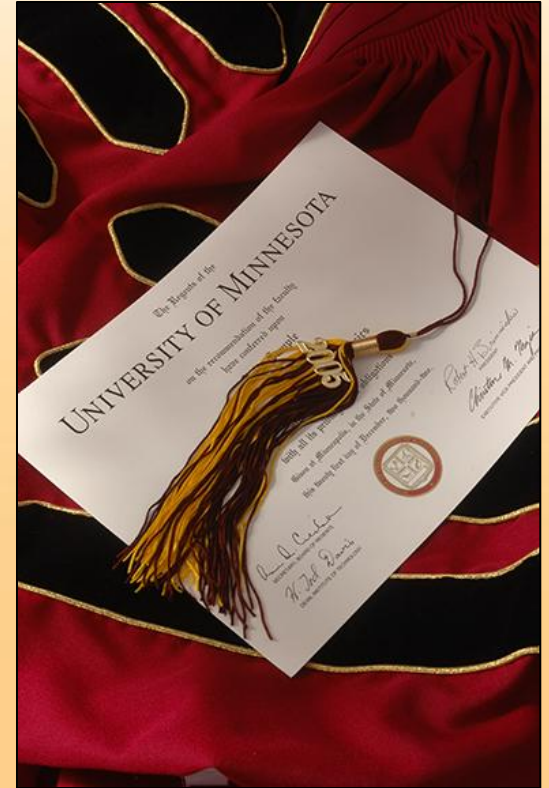


TYPE OF DEGREE:

60% of alumni have
undergraduate
degrees only

37% hold graduate degrees
*(may also have an
undergrad degree)*

3% have certificates/other



UMAA KEY PRINCIPLES

- 1. Serve all 445,000 alumni.**
- 2. Become more “alumni centric”.**
- 3. Build partnerships across campus to expand alumni engagement.**
- 4. Advocate for the U in the legislature and in our communities.**



UMAA GOALS

- Enrich the lives of alumni
- Support student success
- Advance the University of Minnesota



Increased alumni engagement leads to a stronger University.





BOARD OF REGENTS DOCKET ITEM SUMMARY

Board of Regents

July 9, 2014

Agenda Item: Annual Intercollegiate Athletics Report

Review

Review + Action

Action

Discussion

This is a report required by Board policy.

Presenters: Norwood Teague, Director of Intercollegiate Athletics

Purpose & Key Points

To fulfill an annual reporting of accountability and provide an opportunity for the Director of Intercollegiate Athletics to brief members of the Board of Regents about the state of the University of Minnesota Twin Cities intercollegiate athletics program.

Student-athlete academic progress

Student-athlete academic progress continues to improve steadily. 2012-2013 Academic Progress Rate (APR) numbers build on the success from the previous year. Eighteen teams posted perfect APR scores for the single year, which is the highest number of single-year perfect scores the University has ever had. Nine teams posted perfect multi-year scores, which is also the highest number for the University ever achieved. Twelve teams received the NCAA Public Recognition Award.

The University of Minnesota ranked fourth among all football bowl series institutions with the highest percentage of teams earning APR awards. The University of Minnesota ranked behind only Northwestern, Notre Dame, and Duke and was the highest ranking public institution in the country.

After the spring 2014 term, the average cumulative grade point average for all Gopher student-athletes is a 3.22. This is up from last semester and last year. In addition, 23 Gopher teams have cumulative grade point averages over a 3.00 following the spring 2014 semester, and 20 teams recorded a spring term GPA over a 3.00.

Athletic accomplishment

Due to the combined efforts and hard work of our student-athletes, coaches, academic counselors, training staff and administrators, the University of Minnesota finished the 2013-14 school year 21st nationally in Learfield Director's Cup standings, the measure of the success of an entire school's athletics programs. The department finished fourth in the Big Ten

Conference. Some of the key performances leading to this high rating include NCAA runner-up finishes in wrestling and men's and women's ice hockey, the men's basketball NIT Championship, football bowl appearance, volleyball NCAA tournament run, and the women's softball team qualifying for the Super Regionals of the NCAA tournament.

Department Budget

The department completed FY2014 with a balanced budget. The budget for FY2015 will be \$95.7 million.

Facilities

The department continues to leverage current facilities for athletic and training needs as well as opening them up to the community. TCF Bank Stadium, Williams Arena, Mariucci Arena, Siebert Field and Baseline Tennis Center are just five examples of venues that are being used by student, campus and community organizations on a daily basis for meetings, entertainment, competitions and other events.

Repairs and improvements are made to older facilities as warranted. The department is replacing the Williams Arena roof this summer and is in the pre-design phase for improvements to Mariucci Arena and a men's and women's golf training facility. Gopher Athletics has completed a fundraising campaign feasibility study and will begin the public phase of our \$190 million fundraising campaign soon. This campaign and the academic and training facilities it funds will deliver on a long-term vision for the student-athlete experience that includes nutrition, training and academic resources designed to provide the support and experience Gopher student-athletes deserve and that Big Ten athletic programs require to remain competitive.

Background Information

Board of Regents Policy: *Intercollegiate Athletics – Twin Cities Campus* states, "The president or delegate shall submit a report annually to the Board on matters related to student-athlete academic progress, athletic accomplishment, department budget and facilities."

The annual report was last presented in July 2013.

Annual Intercollegiate Athletics Report

**Presentation to the Board of Regents
July 9, 2014**



UNIVERSITY OF MINNESOTA

Driven to DiscoverSM

Vision

A continued tradition of Excellence for Minnesota:

- Student-athlete centered
- Passionately serve our fans, alumni and the state of Minnesota
- Drive innovation and embrace bold ideas
- Establish a culture of teamwork, creating an environment of mutual respect

Key Facts

- Twenty-five programs
- More than 750 student-athletes
- Department budget of \$95.7 MM

Student-Athlete Academic Progress

- Ranked fourth among all Football Bowl Series (FBS) institutions with highest percentage of teams earning APR awards
- Highest ranking public institution in the country behind only privates Northwestern, Notre Dame and Duke
- Eighteen Gopher programs posted perfect APR scores for the single year; highest number of single year perfect scores the University has ever posted
- Nine teams posted perfect multi-year scores, also the highest number the University ever achieved

Student-Athlete Academic Progress

- Twelve teams received the NCAA Public Recognition Award
- Average cumulative grade point average for all Gopher student-athletes is a 3.22
- Twenty-three Gopher teams have cumulative grade point averages over a 3.00 following the spring 2014 semester; 20 teams recorded a spring term GPA over a 3.00

Athletic Accomplishments

- 21st nationally in Learfield Director's Cup standings; fourth in Big Ten Conference
- Eight programs won Big Ten Championships
- NCAA runner-up finishes in Wrestling and Men's and Women's Ice Hockey
- Men's Basketball NIT Championship
- Football Texas Bowl appearance; first four-game Big Ten win streak in more than 40 years; wins over Nebraska and Penn State
- Volleyball NCAA tournament run
- Softball team qualified for NCAA tournament Super Regionals

Financial Update

- FY 2014 Expenses/Revenues (Projected)
 - \$ 96 Million
 - Major Expenses:
 - Grant in Aid - \$10 Million
 - Sport Operations - \$13 Million
 - Support Unit Operations - \$9 Million
 - Facility Operation - \$8 Million
 - Major Revenues
 - Ticket Sales - \$22 Million
 - NCAA and Conference Distributions - \$28 Million
 - Licensing and Sponsorship - \$9 Million

Financial Update

- **FY2015 Budget**
 - \$95.7 Million
- **Contributing Factors**
 - Compensation costs
 - Continued transportation cost increases impacting team and recruiting travel
 - Williams Arena roof repair
 - Budgeted increase in post-season/championship expenses
- **B1G Rankings**
 - Fourth highest number of sports programs
 - Fourth most student-athletes
 - Fourth place in Learfield Directors Cup finish within the conference
 - Sixth highest budgeted revenue

B1G Sports and Revenue

Institution	Sports	Rank	FY 13 Total Rev.	Rank
Wisconsin	23	8	149,141,405	1
Michigan	29	3	143,814,125	2
Ohio State	36	1	139,639,307	3
Iowa	24	6	107,153,782	4
Penn State	31	2	104,751,454	5
Minnesota	25	4	98,286,669	6
Michigan St.	25	4	97,942,726	7
Nebraska	23	8	86,916,001	8
Illinois	21	10	81,247,851	9
Indiana	24	6	76,660,265	10
Purdue	20	11	72,379,392	11
Northwestern	19	12	71,574,602	12

B1G Football Compensation

Institution	FB Coach Compensation
Ohio State	4,608,000
Michigan	4,154,000
Iowa	3,985,000
Penn State	3,282,779
Nebraska	2,975,000
Northwestern	2,221,153
Purdue	2,160,833
Wisconsin	2,120,823
Michigan State	1,959,744
Illinois	1,700,000
Indiana	1,291,220
Minnesota	1,200,000

Notes:

- Data from the 2013-14 Academic Year.
- Coach Kill's compensation increased to 2,100,000 for 2014-15.

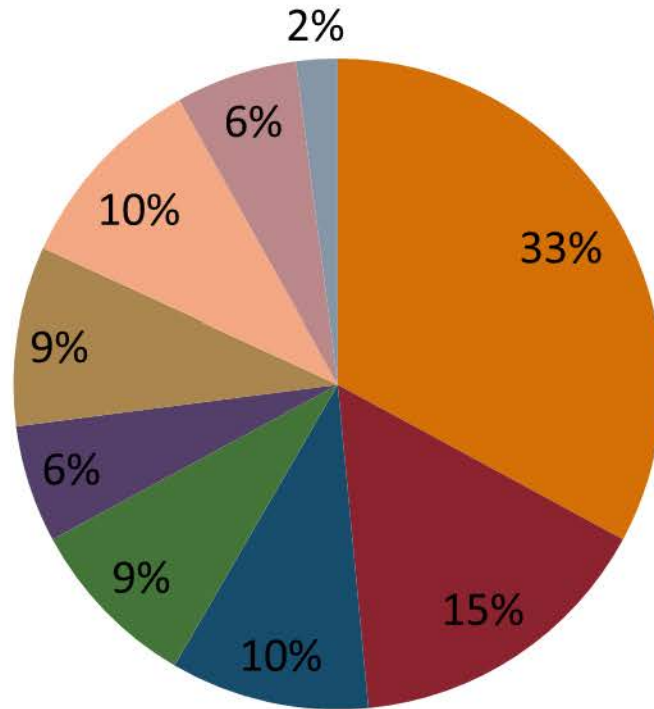
B1G MBB Compensation

Institution	MBB Coach Compensation
Michigan State	3,740,000
Ohio State	3,150,000
Indiana	2,960,000
Michigan	2,490,000
Purdue	2,390,000
Wisconsin	1,790,000
Nebraska	1,520,000
Iowa	1,500,000
Illinois	1,400,000
Northwestern	1,280,000
Minnesota	1,200,000
Penn State	890,000

Notes:

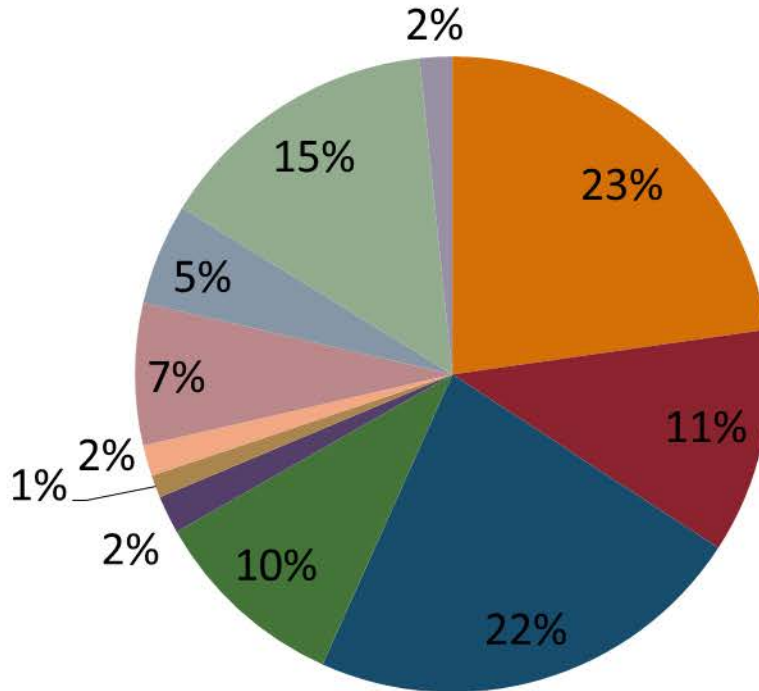
- Data from the 2013-14 Academic Year.

FY 15 Expenses-\$95.6 M



- Personnel-33%
- Sport Operations-16%
- Grant-in-Aid-10%
- Administration General Operations-9%
- Central Cost Pool-6%
- Support Unit Operations-9%
- Facility Operations-10%
- Debt Service-6%
- Football Guarentees-2%

FY 15 Revenues-\$95.7 M



- Ticket Sales-23%
- Big Ten/NCAA Allocations-11%
- Television-22%
- Sponsorships-10%
- Concessions-2%
- Parking-1%
- Apparel/Licensing-2%
- O&M Allocation-7%
- Facility Rentals-5%
- Development-15%
- Other Revenues-2%

Facilities Overview





- Current Facilities
 - TCF Bank Stadium, Williams Arena, Mariucci Arena, Siebert Field and Baseline Tennis Center, Aquatic Center used by student, campus and community organizations
 - Williams Arena roof repair
 - Pre-design phase for improvements to Mariucci Arena and Men's and Women's Golf training facility

Facilities Overview

- Athletics Training Complex Campaign
 - Fundraising campaign feasibility study
 - Long-term vision for the student-athlete experience
 - Nutrition, training and academic resources designed to provide the support and experience Gopher student-athletes deserve and that Big Ten athletic programs require to remain competitive
 - Lagging well behind peers and conference rivals in student-athlete support
 - Outreach to private and corporate donors
 - Public phase of \$190 million fundraising campaign

Facilities Overview

ACADEMIC CENTER COMPARISON

 Minnesota	 Nebraska	 Michigan	 Wisconsin
11,700 sq. ft. 1985	50,000 sq. ft. 2010	38,000 sq. ft. 2006	30,000 sq. ft. 2014

Facilities Overview

TRAINING FACILITY COMPARISON



Minnesota



Nebraska



Iowa



Michigan State

1985

shared with eight
other sports,
225,000 sq. ft.

2005

football only,
240,000 sq. ft.

2014





football only,
342,000 sq. ft.

2008

football only
255,000 sq. ft.

Facilities Overview

BASKETBALL DEVELOPMENT CENTER COMPARISON

 Minnesota	 Iowa	 Michigan State	 Michigan
0 sq. ft.	27,000 sq. ft. (2011)	42,000 sq. ft. (2002)	57,000 sq. ft. (2012)

Annual Intercollegiate Athletics Report

**Presentation to the Board of Regents
July 9, 2014**



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BOARD OF REGENTS DOCKET ITEM SUMMARY

Board of Regents

July 9, 2014

Agenda Item: Update & Discussion on the Evolving National Landscape of Intercollegiate Athletics

Review

Review + Action

Action

Discussion

This is a report required by Board policy.

Presenters: William Donohue, General Counsel
Norwood Teague, Director of Intercollegiate Athletics

Purpose & Key Points

To provide a review and analysis of the current landscape of Division I college athletics. Over the past several years, there has been considerable discussion throughout higher education, the NCAA, and the media about the future of the amateur model and college athletics, especially at the Division I level. Numerous changes have been suggested, lawsuits have been filed, and college presidents, faculty, the NCAA, student-athletes, coaches and many others have engaged in countless conversations and debate on what needs to change. This presentation will provide the following to the Board:

- A brief description of how the NCAA is currently organized/governed and where the Big Ten and Gopher athletics fits in it
- A description of the proposed NCAA reform package, including governance structure and autonomy changes and the Big Ten's and University of Minnesota's view of these proposed reforms
- Elements and status of student-athlete unionization efforts
- Status and potential impact of numerous lawsuits involving college athletics including O'Bannon, Jenkins, and concussion lawsuits

Background Information

The following link is an article from the NCAA published in late April. It provides a good summary of the governance reform efforts taking place within the NCAA including a timeline for decisions.

<http://www.ncaa.org/about/resources/media-center/news/di-board-endorses-restructuring-seeks-feedback-schools>

The Evolving National Landscape of Intercollegiate Athletics

Norwood Teague, Director of Intercollegiate Athletics
William P. Donohue, General Counsel



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Major Issues in Intercollegiate Athletics

- 1) NCAA reform and Big 5 autonomy
- 2) Student-athlete welfare
- 3) Unionization
- 4) Lawsuits
- 5) Concussions

NCAA

- NCAA is composed of more than 1,200 colleges and universities in a three-division structure
- Division I includes the largest schools, typically with extensive athletic programs
 - 350 colleges and universities
 - 6,000 athletic teams
 - 170,000 student-athletes

NCAA

- Division I is sub-divided based on football sponsorship
 - Football Bowl Subdivision (FBS)
 - Football Championship Subdivision (FCS)
- Minnesota is a Division I FBS school, the highest classification

NCAA Governance

- NCAA Executive Committee
 - Highest governance body of NCAA
 - Composed of 16 university presidents from all divisions (12 from Division I)
 - Addresses association-wide issues

NCAA Governance

- Division I Board of Directors
 - Governs the operation of all programs in Division I
 - Composed of 18 university presidents from Division I (11 FBS)
 - Several committees report to the Division I Board of Directors:
 - Infractions Committee
 - Infractions Appeals Committee
 - Presidential Advisory Group
 - Committee on Academic Performance
 - Leadership Council
 - Legislative Council

Governance Changes

Restructured Division I Board of Directors

- **Role** – Responsibility for strategy, policy, legislative oversight and management oversight
- **Composition** – Twenty-one voting members
 - Seventeen presidents/chancellors, one AD, one SWA, one faculty athletics representative, and one student-athlete
- **Standing Committees** – Will exist for major areas of accountability in the functioning of Division I (e.g., finance, governance, public relations/communications, nominations)

Autonomy: The Big Five

- **Autonomy System**

- Institutions in five conferences (ACC, Big Ten, Big 12, PAC-12, SEC) would be afforded independent decision-making authority on specified issues
- Decision-making process intended to ensure full institutional participation among the 65-member institutions with an opportunity for input from the broader Division I membership

Areas of Autonomy

- Examples of legislation that would fall into the category:
 - Increasing the maximum value of grant-in-aid to the full cost of attendance
 - Rules that have a direct impact on expenses incurred by a student-athlete and his/her family that are associated with the competitive experience

Student-Athlete Unionization

- January 28, 2014: Northwestern scholarship football student-athletes filed petition with the NLRB
- February 1-2 & 18-21, 2014: Evidentiary hearing on petition to unionize
- March 26, 2014: Regional Director rules that football student-athletes are employees
- April 9, 2014: Northwestern appeals to full NLRB in Washington, D.C. which grants review (April 24, 2014)
- April 25, 2014: Football student-athletes vote – votes are sealed until after NLRB decision on appeal
- The National Labor Relations Act does not apply to public employees. Any such determination in Minnesota would have to be determined under state law.

Northwestern Student-Athletes Stated Unionization Goals

- 1) Guaranteed coverage for sports-related medical expenses for current and former players
- 2) Educational trust fund to help former players complete their degrees
- 3) Placement of independent concussion experts on the sidelines during games
- 4) Increase in athletic scholarships
- 5) Allow players to receive compensation for commercial sponsorships
- 6) Due process rights

O'Bannon & Keller Lawsuits

Image and Likeness

- Keller Plaintiffs v. EA Sports and NCAA
 - Issue: Use of student-athletes likeness in video games. (Video games no longer produced)
 - Settled 2013-14
 - EA Sports \$40 Million
 - NCAA \$20 Million

O'Bannon

- O'Bannon Plaintiffs v. NCAA
 - Issue: Use of Name, Image and Likeness (NIL)
 - » Sale of gear with numbers
 - » Photos
 - » Highlight videos
 - » TV revenues

O'Bannon

- Legal Theory: Right of Publicity
 - Individual right to exploit their own name, image and likeness
 - How far does it go?
- Legal Theory: Antitrust
 - Do the NCAA rules unreasonably restrain the economic interests of student-athletes?
 - Is the practice justified by the need for amateurism in college athletics?

O'Bannon

- Judge Claudia Wilken, Federal District Court San Francisco
- Bench trial completed on June 27
- Ruling expected within the next few months

Jenkins v. NCAA, Big Ten, Big Twelve, Pac-12, SEC and ACC (Big 5)

- Originally filed in Federal Court in New Jersey but transferred to Federal Court in California before Judge Claudia Wilken
- Alleged class action on behalf of 4 current student-athletes against NCAA and Big 5 conferences
- Alleges price fixing conspiracy to restrict the market value of college players athletic services in violation of Section 1 of the Sherman Antitrust Act

Jenkins v. NCAA, Big Ten, Big Twelve, Pac-12, SEC and ACC (Big 5)

- This case is an attempt to invalidate all restrictions and allow student-athletes to be compensated at market value beyond a traditional scholarship
- The case is in the early stages of organization
- There are several other cases making similar claims that have all been transferred to Judge Wilken
 - Alston
 - Gregory McGhee
 - Kindler
- In *Re: National Collegiate Athletic Association Athletic Grant-in-Aid Cap Antitrust Litigation*, Docket No. 4:14-md-02541 (N.D.Cal. June 13, 2014)

Concussion Lawsuits

- There are 16 concussion cases pending against the NCAA, including 12 consolidated cases that make up *In Re: National Collegiate Athletic Association Student-Athlete Concussion Injury Litigation* in the Northern District of Illinois
- The lawsuits allege injuries in several different sports, though primarily football, and in different divisions of the NCAA
- The claim is that the NCAA was negligent in failing to adopt a formal policy regarding recognition and treatment of concussions
- In 2010 the NCAA adopted a rule requiring schools to have in place a concussion management plan. The U of M has such a plan in place and actively provides monitoring and treatment through physicians and athletic trainers

Final Thoughts

- The NCAA/Big 5 reforms will be decided in August 2014 and then implemented in 2014-15.
- This will likely include several student-athlete welfare proposals that will improve and enhance the treatment of them with attendant cost.
- University of Minnesota's protocol and practice with respect to concussions meets NCAA standards and is thorough and well executed.
- *O'Bannon* will be decided within the next several months. The result is not predictable but it is safe to say there will be an appeal.
- A decision will be handed down by the NLRB within the next few months. Any finality in the case is a long way off.
- More lawsuits, including *Jenkins*, will continue to challenge the NCAA and college athletic programs.
- Student-athletes will continue to compete, go to school, graduate, and go on to great careers.



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BOARD OF REGENTS DOCKET ITEM SUMMARY

Board of Regents

July 9, 2014

Agenda Item: Report of the Committees

Review Review + Action Action Discussion

This is a report required by Board policy.

Presenters: Regent Richard Beeson

Purpose & Key Points

Pursuant to Board of Regents Policy: *Board Operations and Agenda Guidelines*, "The Board conducts business through meetings of the Board and its committees.... [and] Committees provide recommendations for action by the Board. Typically, standing committees have the following responsibilities:

- Recommend action on matters where the Board has reserved authority to itself as outlined in Board of Regents Policy: *Reservation and Delegation of Authority* and other Board policies;
- Provide governance oversight on topics within the committee's purview;
- Review and make recommendations on relevant new and existing Board policies;
- Receive reports on policy-related issues affecting University departments and units;
- Receive information items (e.g., status reports on current issues of concern and administrative searches); and
- Review other items placed on the agenda by the Board chair in consultation with the president and Board vice chair."

The Board chair will call on the chair of each committee to present recommended actions and provide a brief report.

Background Information

The 2013-15 committee chairs are:

- Academic & Student Affairs Committee - P. Simmons
- Audit Committee - L. Brod
- Facilities & Operations Committee - C. Allen
- Faculty & Staff Affairs Committee - J. Frobenius
- Finance Committee - D. McMillan
- Litigation Review Committee - D. Larson
- Special Committee on Academic Medicine - L. Cohen



BOARD OF REGENTS DOCKET ITEM SUMMARY

Board of Regents

July 9, 2014

Agenda Item: Real Estate Transaction

Review

Review + Action

Action

Discussion

This is a report required by Board policy.

Presenters: Vice President Pamela Wheelock
Susan Carlson Weinberg, Director of Real Estate

Purpose & Key Points

In accordance with Board of Regents Policy: *Reservation and Delegation of Authority*, review and approve the following Real Estate Transaction:

- A. Purchase of 650 - 25th Avenue SE and 501 - 29th Avenue SE, Minneapolis (Twin Cities campus)

The subject properties are both fenced vacant parcels. The properties will be purchased for future development of the Minneapolis campus, with surface parking as an interim use.

Additional details of this transaction and its financial impact are described in the transaction information pages following this page.

Background Information

Board of Regents Policy: *Reservation and Delegation of Authority* states that “The Board reserves to itself authority to approve the purchase or sale of real property with a value greater than \$1,250,000, or larger than ten (10) acres,” and “leases of real property, easements, and other interests in real property if the initial term amount to be paid by or to the University exceeds \$1,250,000, consistent with Board policies.”

President’s Recommendation

The President recommends approval of the following Real Estate Transaction:

- A. Purchase of 650 - 25th Avenue SE and 501 - 29th Avenue SE, Minneapolis (Twin Cities campus)

PURCHASE OF 650-25TH AVENUE SE AND 501-29TH AVENUE SE, MINNEAPOLIS (TWIN CITIES CAMPUS)

1. Recommended Action

The President recommends that the appropriate administrative officers receive authorization to execute the appropriate documents providing for the purchase of 650-25th Avenue SE and 501-29th Avenue SE, Minneapolis.

2. Location and Description of the Properties

The subject properties, which total 3.89 acres, are located north of the University's Intercampus Transitway and LRT Green Line, and adjacent to the University's East Gateway District which includes TCF Bank Stadium as well as the Bio Medical Discovery District.

The legal description of the properties:

Part of Lot 9, Auditor's Subdivision Number Eighty-Eight; and

Part of Lot 7, Auditor's Subdivision Number Twenty-One; and Part of Lot 4, Auditor's Subdivision Number Eighty-Eight;

All in City of Minneapolis, Hennepin County, Minnesota.

3. Basis for Request and Use of Properties

The subject properties are both fenced vacant parcels. The properties will be purchased for future development of the Minneapolis campus, with surface parking as an interim use.

4. Details of Transaction

The owner of 650-25th Avenue SE is DEV-I, LLC, a Delaware limited liability company. The owner of 501-29th Avenue SE is JIN-L, LLC, a Delaware limited liability company.

Both owners are subsidiaries of Alexandria Real Estate Equities, Inc., a REIT headquartered in Pasadena, California.

The purchase price for both properties will be \$7.9 million. Closing is scheduled to occur on or before July 15, 2014. The University will pay cash at closing.

5. Environmental

The University has completed Phase I and Phase II environmental site assessments to fully characterize the environmental condition of the properties and estimate the costs related to future development.

6. Source of Funding

The purchase of the subject properties will be funded with University debt.

7. Recommendations

The above-described real estate transaction is appropriate:

 7/2/14

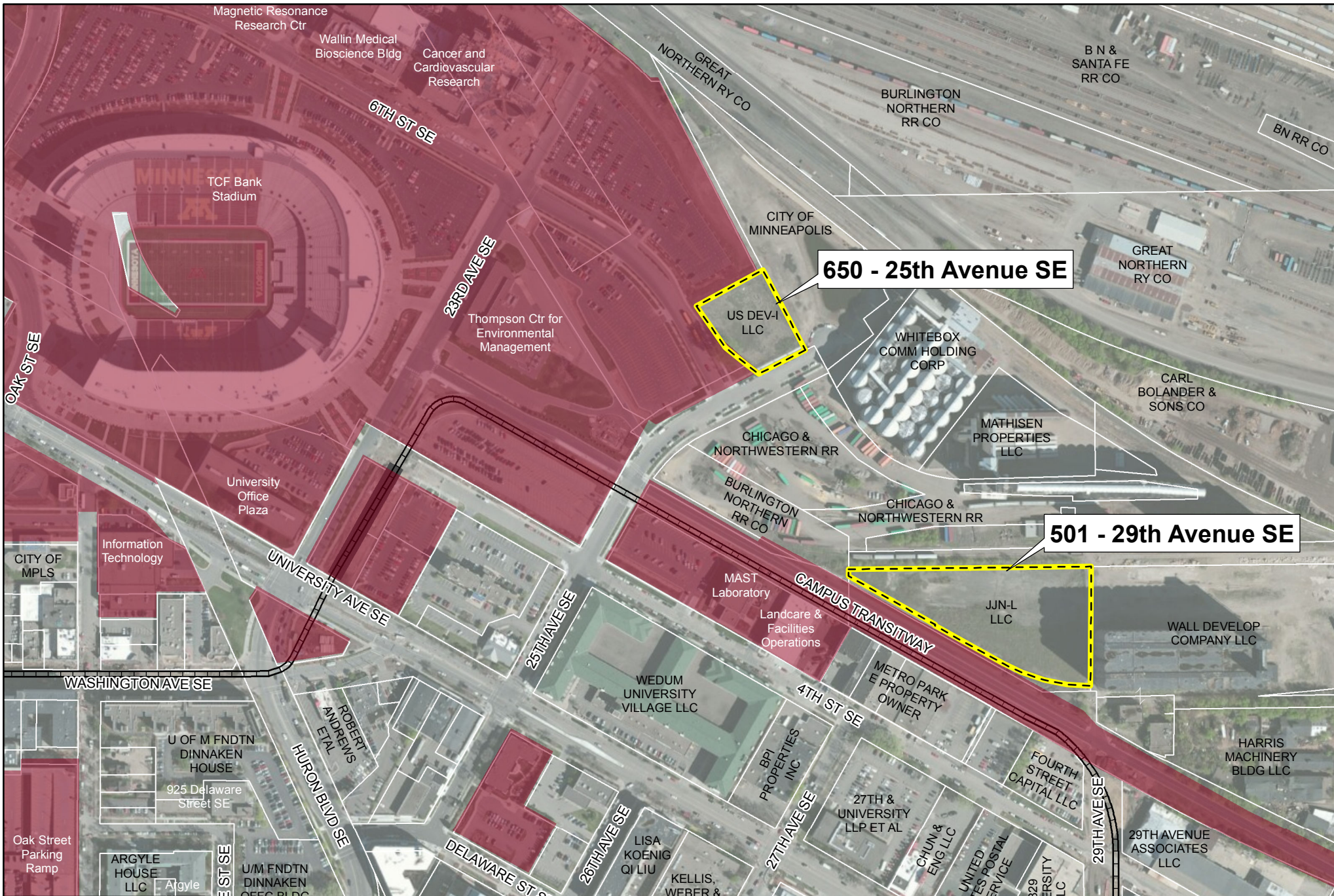
Karen Hanson, Senior Vice President for Academic Affairs and Provost

 7/2/14




Richard H. Pfitzenreuter III, Vice President and CFO

 7/2/14

Pamela Wheelock, Vice President for University Services



Purchase of Two Properties Minneapolis East Bank Campus

-  Properties to be Acquired
-  University Property
-  CCLRT Green Line

