

UNIVERSITY OF MINNESOTA

BOARD OF REGENTS

Friday, March 9, 2012

9:00 a.m. - 12:00 p.m.

600 McNamara Alumni Center, Boardroom

Board Members

Linda Cohen, Chair
David Larson, Vice Chair
Clyde Allen
Richard Beeson
Laura Brod
John Frobenius
Venora Hung
Dean Johnson
David McMillan
Maureen Ramirez
Patricia Simmons
Steve Sviggum

AGENDA

1. Introductions & Recognitions - E. Kaler /T. Mulcahy (pp. 3-4)
 - A. Vice President & Chief Information Officer
 - B. McKnight Land-Grant Professors
2. Approval of Minutes - Action - L. Cohen
3. Report of the President - E. Kaler
4. Report of the Chair - L. Cohen
5. Receive and File Reports (pp. 5-27)
 - A. Quarterly Report of Grant & Contract Activity
 - B. Annual Capital Financing & Debt Management Report
6. Consent Report - Review/Action - L. Cohen (pp. 28-51)
 - A. Report of the All-University Honors Committee
 - B. Gifts
 - C. Educational Planning & Policy Committee Consent Report
 - D. Facilities Committee Consent Report
 - E. Finance & Operations Committee Consent Report
 - F. Faculty, Staff & Student Affairs Committee Consent Report
7. Annual Review of Board of Regents Calendar - L. Cohen (pp. 52-63)
8. 2012 Six-Year Capital Plan - Action - E. Kaler/R. Jones/K. O'Brien/R. Pfitzenreuter (pp. 64-81)
9. The University's Land Grant Mission - K. Hanson/R. Jones (pp. 82-89)
10. Report of the Educational Planning & Policy Committee - M. Ramirez
11. Report of the Facilities Committee - D. Johnson
12. Report of the Faculty, Staff & Student Affairs Committee - P. Simmons
13. Report of the Finance & Operations Committee - J. Frobenius

14. Report of the Audit Committee - R. Beeson
15. Report of the Litigation Review Committee - V. Hung
16. Old Business
17. New Business
18. Adjournment



**UNIVERSITY OF MINNESOTA
BOARD OF REGENTS**

Board of Regents

March 9, 2012

Agenda Item: Introduction of Vice President and Chief Information Officer

review review/action action discussion

Presenters: President Eric W. Kaler

Purpose:

policy background/context oversight strategic positioning

To introduce Scott Studham as Vice President and Chief Information Officer.

Outline of Key Points/Policy Issues:

Background Information:

Scott Studham's appointment as Vice President and Chief Information Officer was approved by the Board of Regents on February 10, 2012 and his appointment began on February 13, 2012.

Mr. Studham most recently served as the chief information officer at the University of Tennessee, where he was responsible for the strategic direction and management of the university's information resources. He has published and advocates in the areas of IT staffing and strategy, and is an internationally recognized researcher in the area of high performance computing. Mr. Studham received his undergraduate degree from Washington State University in 1997 and a master's degree in business administration from the University of Tennessee in 2008.

The Vice President and Chief Information Officer is responsible for ensuring the strategic and operational excellence of both academic and administrative information technology to support and advance all aspects of the University's mission. The Vice President and Chief Information Officer collaborates with senior leadership, chancellors, deans, faculty, staff, students, and other key campus stakeholders to identify opportunities to leverage IT in ways that support the goals of a large, comprehensive public land grant research university. The Vice President and Chief Information Officer has a dual reporting relationship to President Eric W. Kaler and to Robert J. Jones, Senior Vice President for System Academic Administration.



**UNIVERSITY OF MINNESOTA
BOARD OF REGENTS**

Board of Regents

March 9, 2012

Agenda Item: Recognition of McKnight Land-Grant Professors

review review/action action discussion

Presenters: President Eric W. Kaler
R. Timothy Mulcahy, Vice President for Research

Purpose:

policy background/context oversight strategic positioning

To recognize the 2012-14 McKnight Land-Grant Professors:

Professor Yingling Fan, Public Affairs
Professor Joshua Feinberg, Earth Sciences
Professor Melissa Gardner, Genetics, Cell Biology & Development
Professor Jason Hill, Bioproducts & Biosystems Engineering
Professor Daniel Keefe, Computer Science & Engineering
Professor Dominique Tobbell, Surgery

Outline of Key Points/Policy Issues:

Background Information:

The McKnight Land-Grant Professors are junior scholars chosen for their potential for important contribution to their field; the degree to which their past achievements and current ideas demonstrate originality, imagination, and innovation; the significance of their research; and the potential for attracting outstanding students. Recipients are honored with the title McKnight Land-Grant Professor, a special award that they will hold for two years. The award consists of a research grant in each of two years, summer support, and a research leave in the second year.



**UNIVERSITY OF MINNESOTA
BOARD OF REGENTS**

Board of Regents

March 9, 2012

Agenda Item: Receive and File Reports

review review/action action discussion

Presenters: Regent Linda Cohen

Purpose:

policy background/context oversight strategic positioning

Outline of Key Points/Policy Issues:

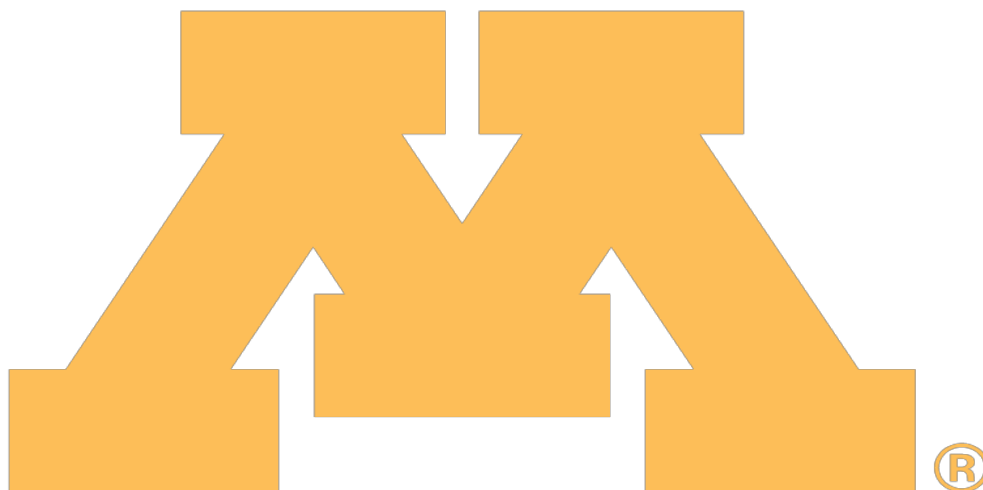
Background Information:

The following items are included for receipt and filing:

- A) Quarterly Report of Grant \$ Contract Activity
- B) Annual Capital Financing & Debt Management Report



Meeting of the Board of Regents



Quarterly Report of Grant/Contract Activity

Fiscal Year 2012

Second Quarter Data: October - December, 2011

University of Minnesota
Quarterly Report of Grant and Contract Activity
 Fiscal Year 2012 Second Quarter: October thru December, 2011

Award Summary by Sponsor - Award Counts

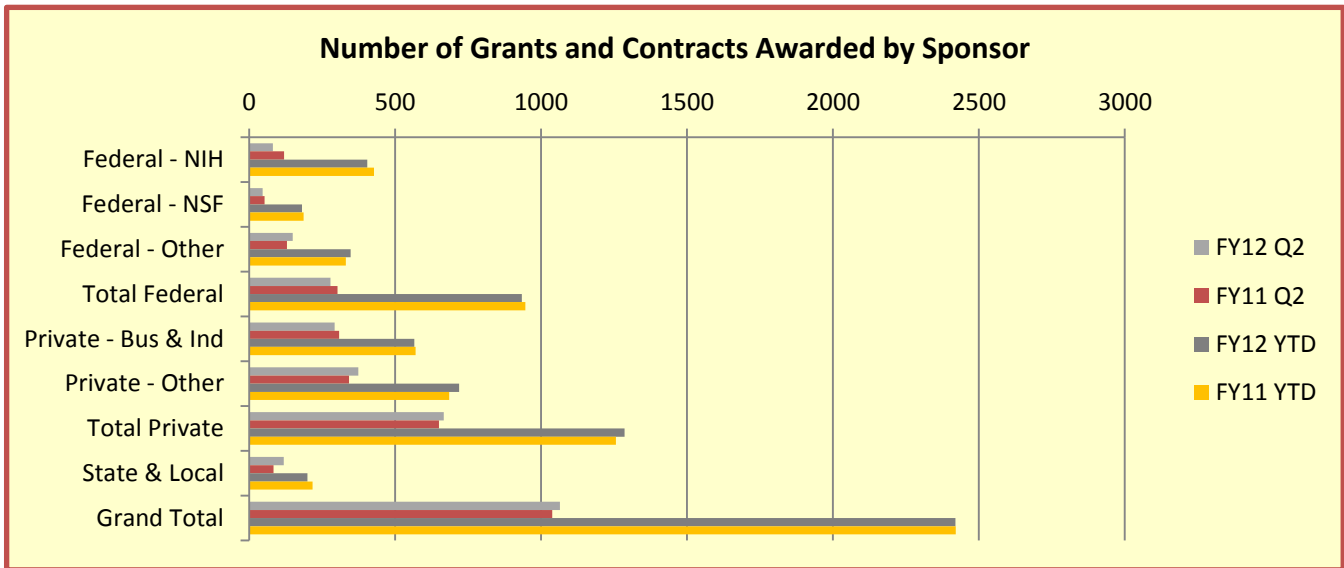


Figure 1: Number of Awards by Sponsor.

Comparison of Fiscal Year 2012 versus Fiscal Year 2011. (For numerical data, see Table 1 below.)

| Agency | Quarter 2 | | YTD | |
|--------------------------|-------------|-------------|-------------|-------------|
| | FY11 | FY12 | FY11 (Q1-2) | FY12 (Q1-2) |
| NIH | 120 | 82 | 428 | 405 |
| NSF | 53 | 47 | 187 | 181 |
| Other Federal | 130 | 150 | 332 | 348 |
| Total Federal | 303 | 279 | 947 | 934 |
| Business & Industry | 308 | 293 | 571 | 566 |
| Other Private | 343 | 374 | 686 | 720 |
| Total Private | 651 | 667 | 1257 | 1286 |
| State & Local | 84 | 119 | 217 | 200 |
| Grand Total | 1038 | 1065 | 2421 | 2420 |

Table 1: Qtr 2 and Fiscal Year comparisons.

University of Minnesota
Quarterly Report of Grant and Contract Activity
 Fiscal Year 2012 Second Quarter: October thru December, 2011

Award Summary by Sponsor - Awarded Amounts

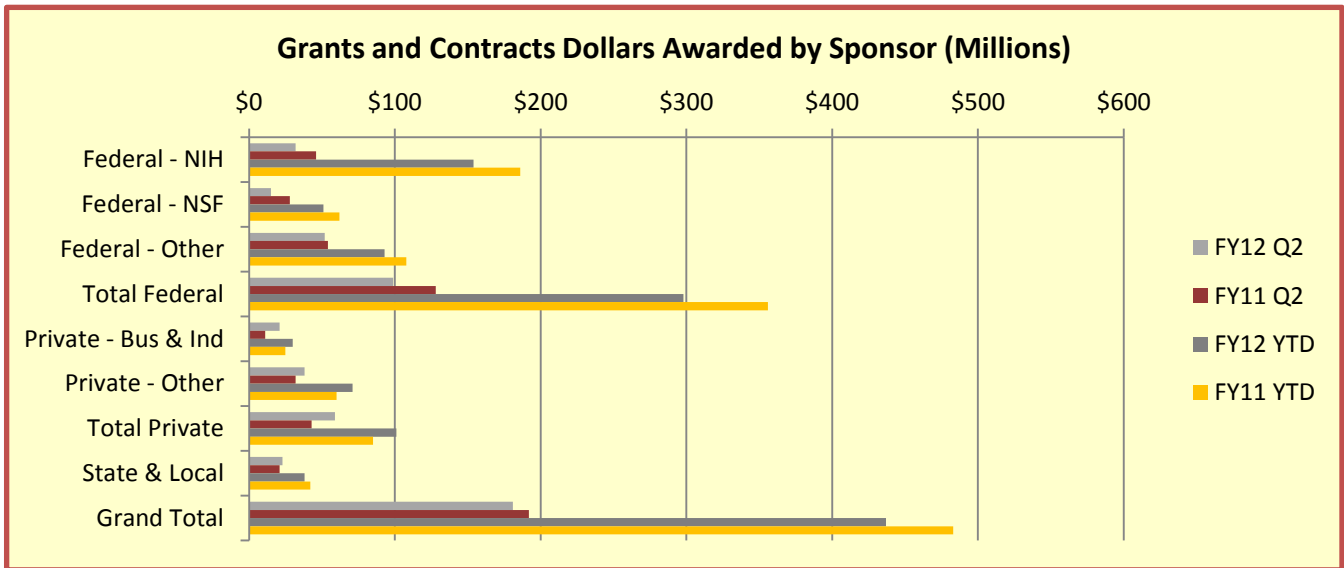


Figure 2: Award Totals by Sponsor.

Comparison of Fiscal Year 2012 versus Fiscal Year 2011. (For numerical data, see Table 2 below.)

| Agency | Quarter 2 | | YTD | |
|--------------------------|------------|------------|-------------|-------------|
| | FY11 | FY12 | FY11 (Q1-2) | FY12 (Q1-2) |
| NIH | 46 | 32 | 186 | 154 |
| NSF | 28 | 15 | 62 | 51 |
| Other Federal | 54 | 52 | 108 | 93 |
| Total Federal | 128 | 99 | 356 | 298 |
| Business & Industry | 11 | 21 | 25 | 30 |
| Other Private | 32 | 38 | 60 | 71 |
| Total Private | 43 | 59 | 85 | 101 |
| State & Local | 21 | 23 | 42 | 38 |
| Grand Total | 192 | 181 | 483 | 437 |

Table 2: Qtr 2 and Fiscal Year comparisons.

University of Minnesota
Quarterly Report of Grant and Contract Activity
Fiscal Year 2012 Second Quarter: October thru December, 2011

Annual Progress

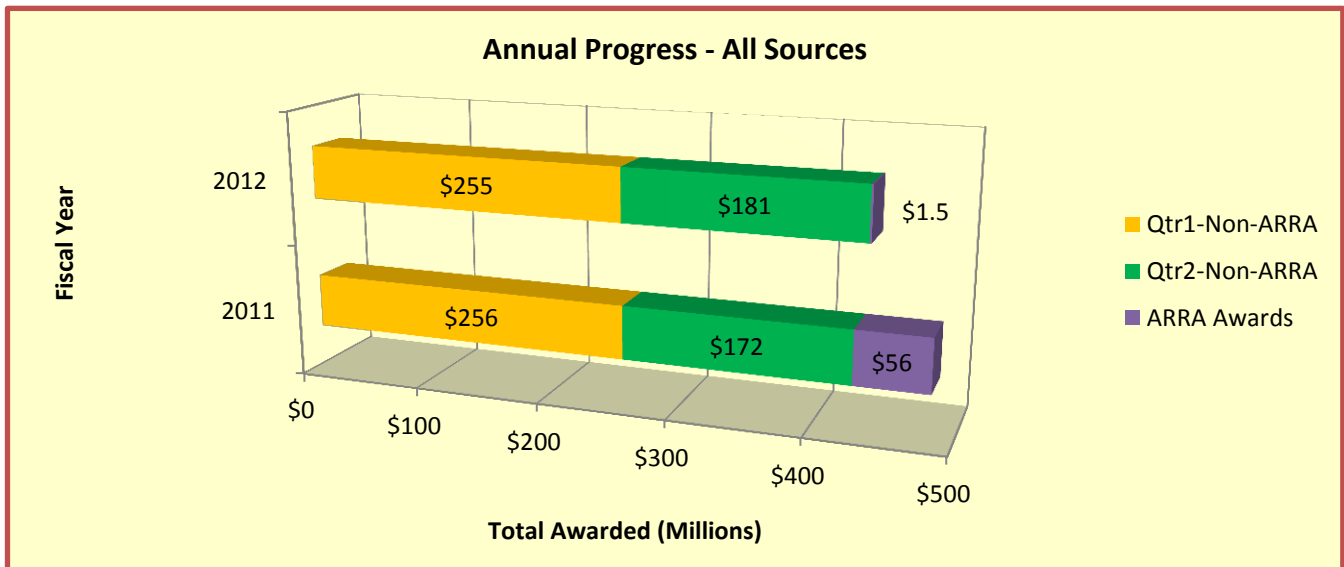


Figure 3: Quarter Comparison - All Sources.

University of Minnesota
Quarterly Report of Grant and Contract Activity
 Fiscal Year 2012 Second Quarter: October thru December, 2011

Award Summary by College

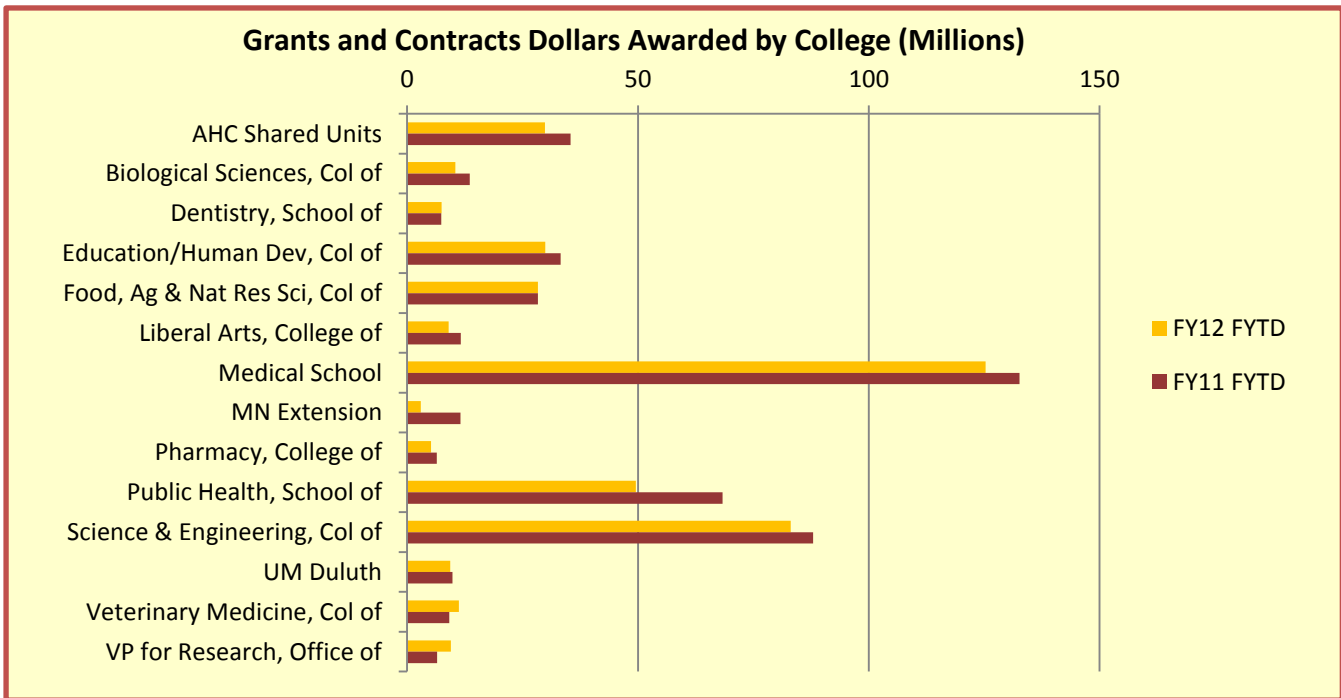


Figure 4: Grants and Contracts Awarded by Colleges: Units with Greater than \$10 Million Awarded Annually.

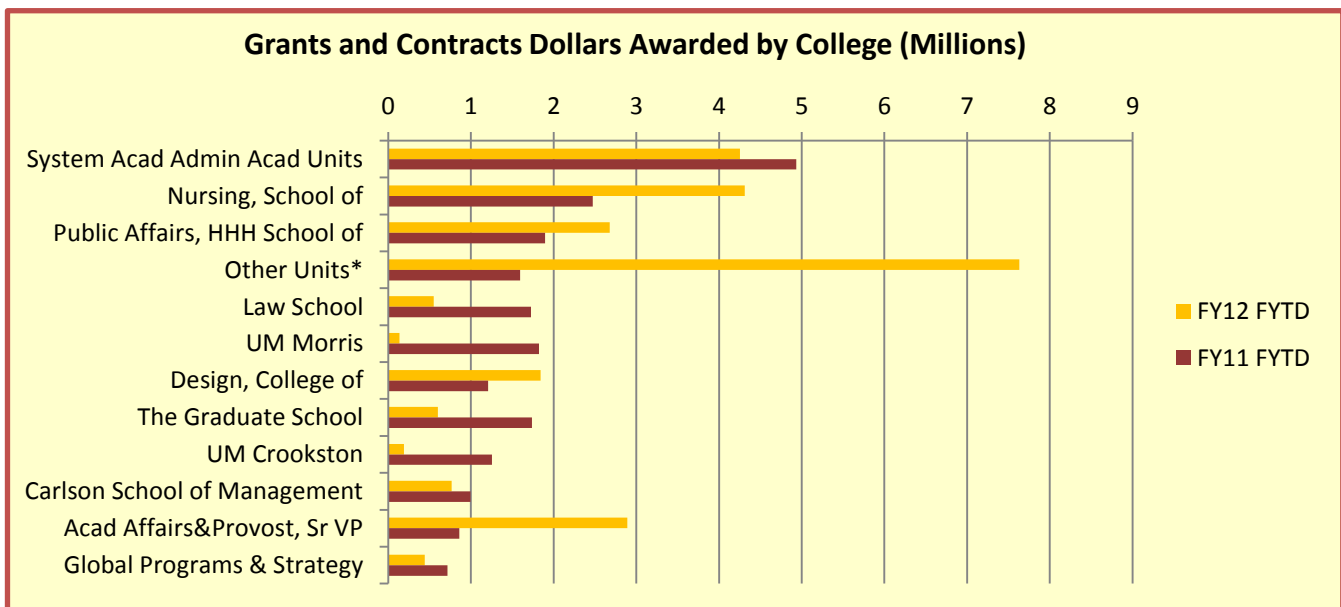


Figure 5: Grants and Contracts Awarded by Colleges: Units with Less than \$10 Million Awarded Annually.

*Other Units includes: Sr VP for System Acad Admin, Scholarly & Cultural Affairs, University Libraries, Public Safety, Student Affairs, Health Sciences Admin, Ag Experiment Station, UM Rochester, Equity & Diversity, College of Continuing Ed, and Ofc of Information Technology.

Annual Capital Financing and Debt
Management Report
FY2011



University of Minnesota
Finance & Operations Committee
February 9, 2012

Outline of Presentation

- *Guiding Principles of Debt Issuance*
- *University's Capital Structure*
- *Credit Rating*
- *Key Financial Indicators*
- *Peer Group Analysis*

Issuance of Debt – Guiding Principles

- **Core Debt**
 - Preserve core long-term debt ratings at Aa/AA category and short-term core debt rating of A-1/P-1
 - Ensure access to variable and fixed-rate bonds
 - Minimize borrowing costs at acceptable levels of risk over life of the issue
- **Special Purpose Debt**
 - Receive an investment grade credit rating
 - Ensure acceptable cost of capital
 - Identify a revenue stream to support debt service
 - Consider unique marketing timing or opportunities

Long-Term Debt As of June 30, 2011 (in millions)

| | Interest Rate | Due at various dates through fiscal year | Beginning Balance | Additions | Reductions | Ending Balance |
|--|---------------------|--|-------------------|-------------------|-------------------|--------------------|
| * General Obligation Series 2011A | 2.00%-5.50% | 2037 | | \$ 368,675 | \$ 602 | \$ 368,073 |
| General Obligation Series 2010B | .74%-5.02% | 2036 | | 41,720 | | 41,720 |
| * General Obligation Series 2010C&D | 2.00%-5.77% | 2016; 2030 | \$ 36,155 | | 1,385 | 34,770 |
| * General Obligation Series 2009C&D | 1.50%-6.30% | 2022; 2029 | 83,264 | | 3,061 | 80,203 |
| * General Obligation Series 2009A&B | 2.50%-6.00% | 2029; 2034 | 58,339 | | 1,662 | 56,677 |
| * General Obligation Series 2004A | 4.00%-5.00% | 2011 | 3,915 | | 3,915 | 0 |
| General Obligation Series 2001B | 0.24% | 2012 | 850 | | 415 | 435 |
| General Obligation Series 1999A, 2001C, 2003A | 3.55%; 3.56%; 3.81% | 2034; 2037; 2032 | 301,150 | | 301,150 | 0 |
| Commercial paper notes, Series A, B, C and D | .10%- .32% | 2012 | 273,850 | | 9,250 | 264,600 |
| Obligations to the State of Minnesota pursuant to infrastructure development bonds (IDB) | 3.55%-6.90% | 2025 | 40,466 | | 4,955 | 35,511 |
| Auxiliary revenue bonds | 3.0% | 2014 | 3,310 | | 1,095 | 2,215 |
| * Special purpose revenue bonds – Series 2010A | 3.00%-5.00% | 2036 | 0 | 124,227 | 387 | 123,840 |
| * Special purpose revenue bonds – Series 2006 | 4.00%-5.00% | 2030 | 135,927 | | 4,574 | 131,353 |
| Capital leases and other | 1.72%-8.0% | 2018 | 6,211 | 1,769 | 1,958 | 6,022 |
| TOTAL BEFORE GASB 53 IMPLICATIONS | | | 943,437 | 536,391 | 334,409 | 1,145,419 |
| ** Interest rate swaps borrowing | 4.05% | 2011 | 12,927 | | 12,927 | 0 |
| TOTAL PER FINANCIALS | | | \$ 956,364 | \$ 536,391 | \$ 347,336 | \$1,145,419 |

* Net unamortized premium/discount is included in beginning and ending balances

** Interest rate swaps borrowing was reduced in its entirety due to termination of swaps in FY2011

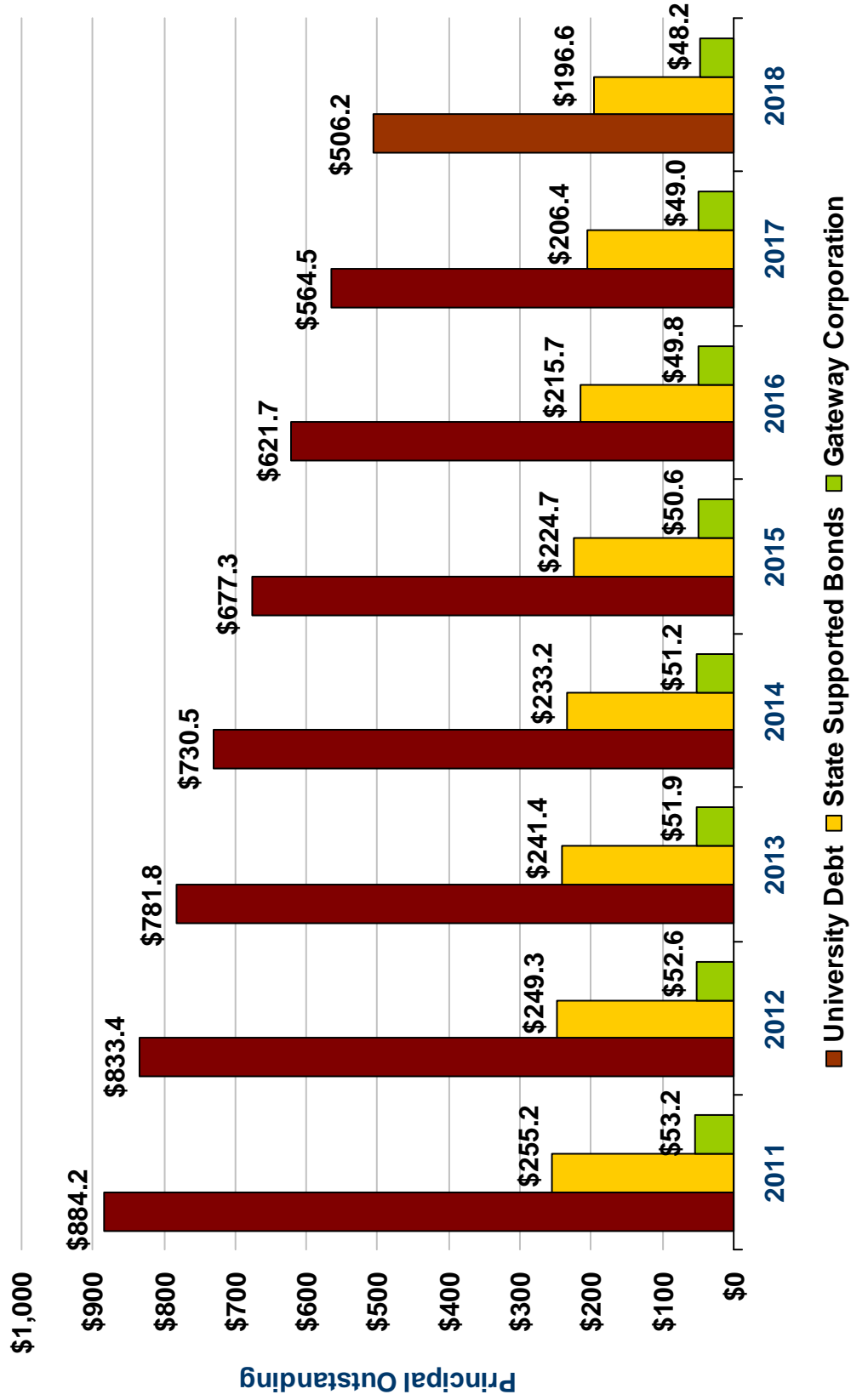
Long Term Debt Analysis

| | <u>6/30/2010</u> | <u>6/30/2011</u> |
|---|--------------------------------------|--------------------------------------|
| Total Outstanding per financials | \$ 956.3 million | \$1,145.4 million |
| Less: Interest rate swaps borrowing | (12.9) million | 0.0 |
| Less: Capital leases and other | (6.2) million | (6.0) million |
| University Bonds | \$ 937.2 million | \$1,139.4 million |
| University Supported State Supported Bonds | \$ 801.3 million \$ 135.9 million | \$ 884.2 million \$ 255.2 million |
| Fixed Rate* / Variable Rate | 86% / 14% | 89% / 11% |
| University Issued* / State Issued | 96% / 4% | 97% / 3% |
| Weighted Average Fixed Rate* | 4.55% | 3.97% |
| Weighted Average Variable Rate | 0.26% | 0.24% |
| Weighted Average University Issued * | 3.61% | 3.59% |
| State Issued Fixed Rate | 5.06% | 4.66% |
| Total Weighted Average University Debt | 3.67% | 3.63% |
| Gateway Corporation | \$ 53.8 million | \$ 53.2 million |

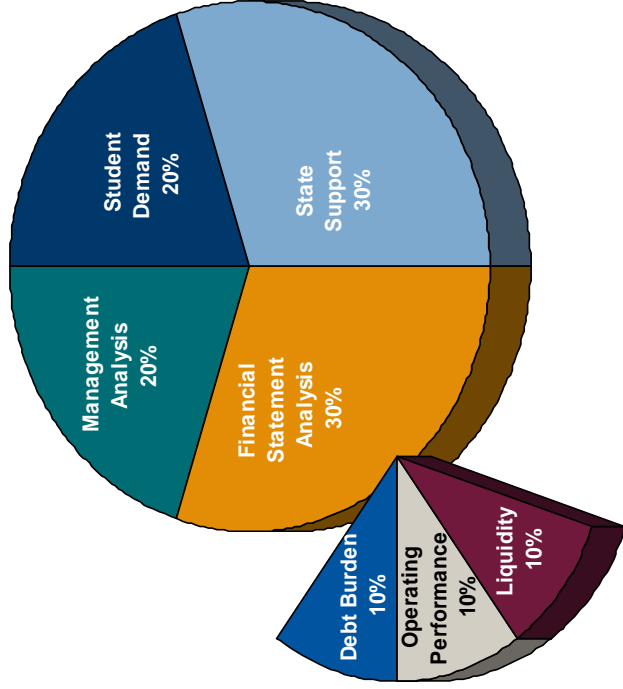
* Includes State Supported Special Purpose Revenue Bonds – Series 2006 and 2010A

Current Amortization Structure (in millions)

6/30/11 Direct Debt (Outstanding University Debt Plus Gateway Debt)



Credit Rating and Debt Capacity Determinants



Student Demand - Strong "Aa"

- Solid student market position

Financial Statement Analysis - Strong "Aa"

- Strength of General Obligation pledge
- Solid financial resources— particularly relative to debt and enrollment
- Debt per student in line with peers
- Debt service as a percentage of budget is moderate

State Support - State of Minnesota "Aa1/AA+"

- History of strong appropriations, but budget pressures continue

Management Analysis - Strong "Aa"

- Analyst's assessment of University management strength
- Research position and strategy

An analysis of student demand, market position and financial indicators places the University of Minnesota solidly in the strong "Aa" category. Debt capacity and credit ratings are not a function of ratios alone, but are highly dependent on other factors such as debt strategy, essentiality of debt, future fundraising, revenue producing capability and debt structure.

Letter Ratings to Designate University Credit Quality

| Moody's Investors Service Rating |
|----------------------------------|
| Aaa |
| Aa1 , Aa2, Aa3 |
| A1, A2, A3 |
| Baa1, Baa2, Baa3 |
| Ba1, Ba2, Ba3 |
| B1, B2, B3 |
| Caa to C |

| Financial Security Evaluation |
|-------------------------------|
| Exceptional |
| Excellent |
| Good |
| Adequate |
| Moderate |
| Weak |
| Default |

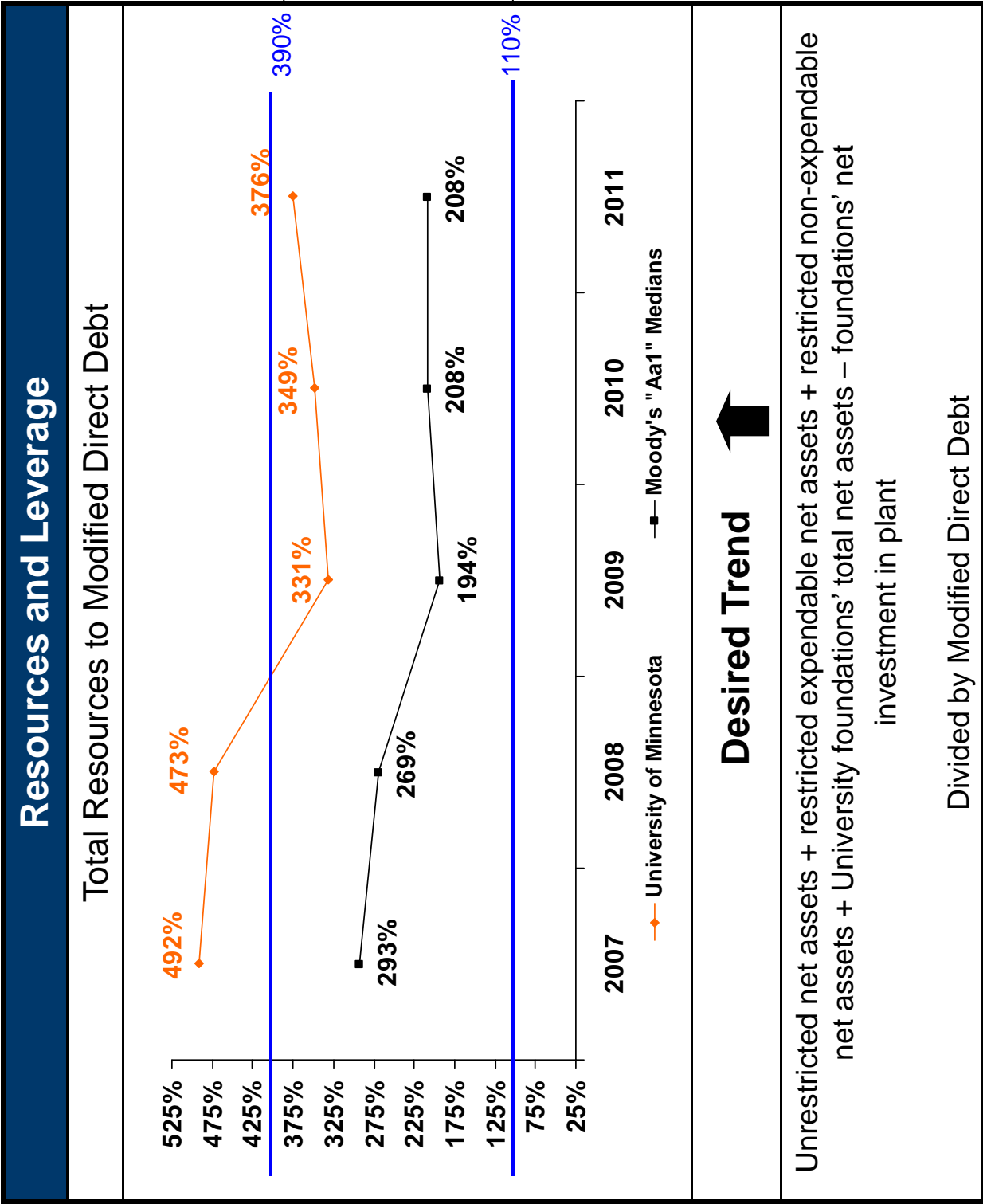
| Standard and Poor's Rating |
|----------------------------|
| AAA |
| AA+, AA , AA- |
| A+, A, A- |
| BBB+, BBB, BBB- |
| BB+, BB, BB- |
| B+, B, B- |
| CCC to D |

The University of Minnesota is currently rated Aa1 by Moody's, and AA by Standard and Poor's.

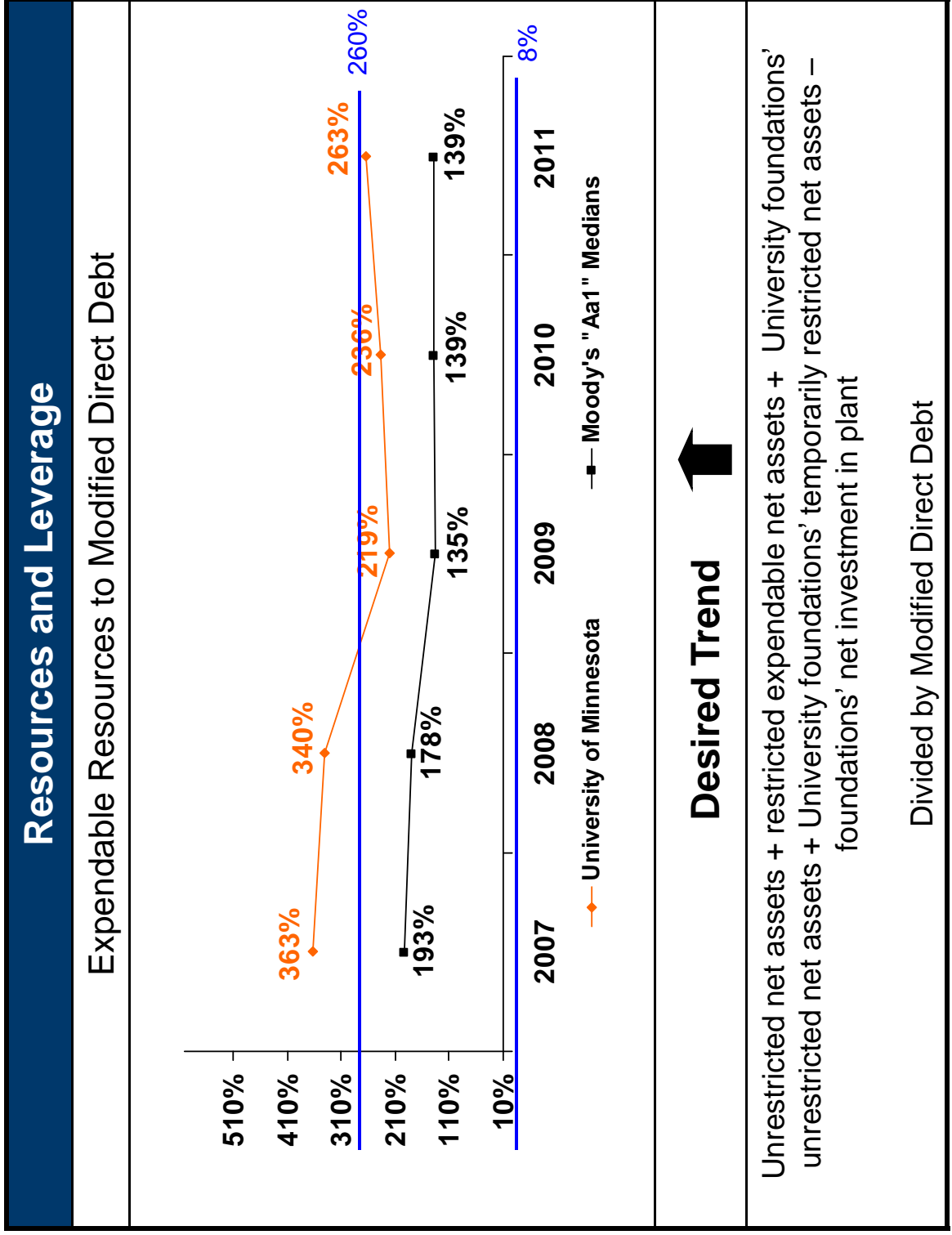
Key Financial Metrics

| RATIO | KEY COMPONENT | DEFINITION |
|---|--|---|
| A - Total Financial Resources to Modified Direct Debt | Total financial resources <i>Measure of the total financial wealth of the institution</i> | Unrestricted net assets + restricted expendable net assets + restricted nonexpendable net assets + University foundations' total net assets less foundations' net investment in plant |
| B - Expendable Resources to Modified Direct Debt | Expendable resources <i>Measure of financial resources that are ultimately expendable</i> | Unrestricted net assets + restricted expendable net assets + University foundations' unrestricted/temporarily restricted net assets less foundations' net investment in plant |
| C - Debt Service to Operations | Modified direct debt <i>Measure of the direct obligations of the institution</i> | The sum of the University's outstanding debt including capital leases, plus Gateway debt, less the special purpose debt (i.e., state-supported stadium debt and 75% of the biomedical facilities bonds) |
| | Debt service <i>Actual principal & interest paid</i> | Sum of the principal and interest paid on capital debt by the University excluding principal and interest on the special purpose debt |
| | Operations <i>Measures size of operating budget</i> | University operating expense less scholarships & fellowships, plus interest on capital asset-related debt, excluding the interest on the special purpose debt |

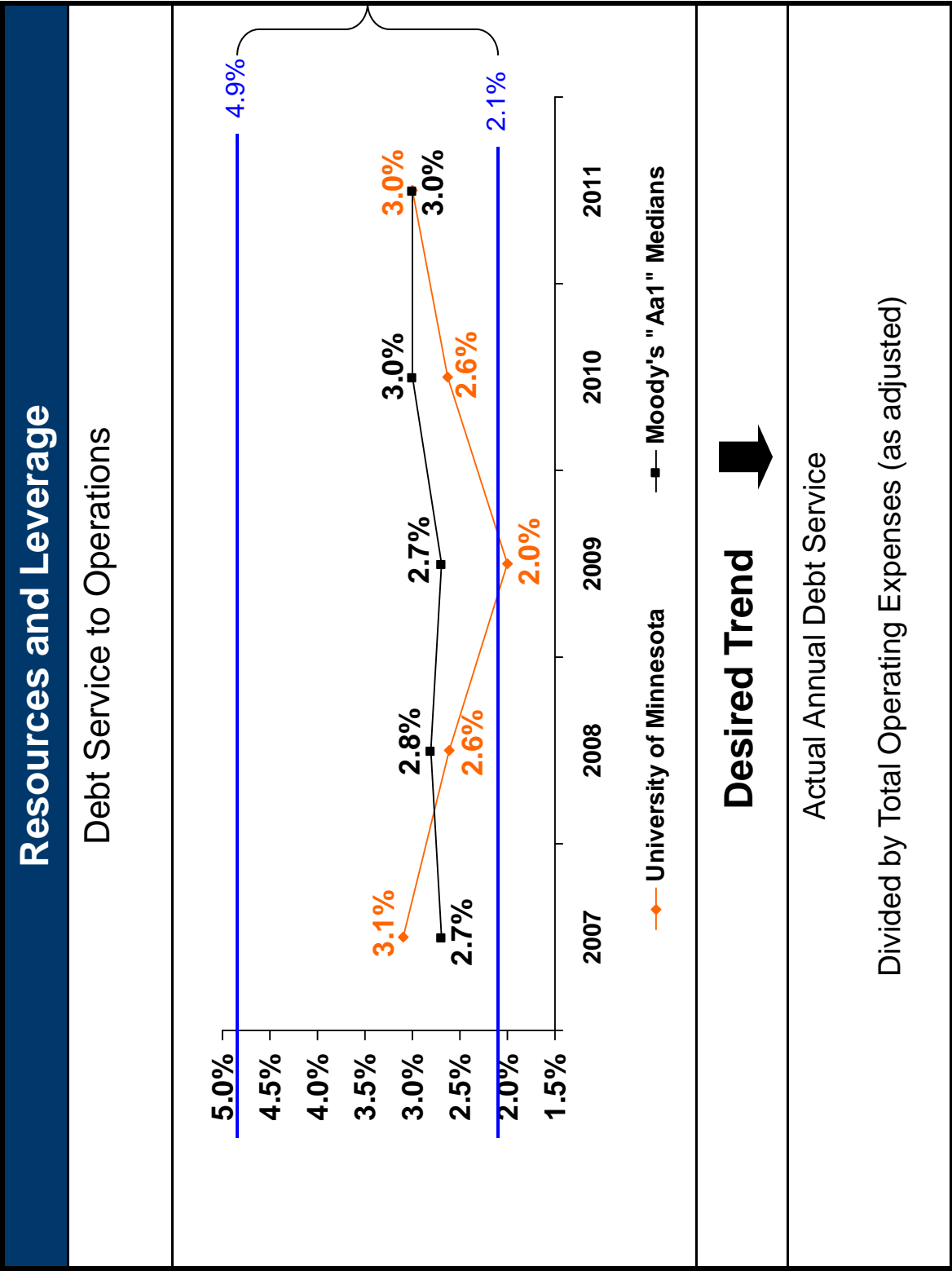
University of Minnesota: Analysis of Key Credit Ratios



University of Minnesota: Analysis of Key Credit Ratios



University of Minnesota: Analysis of Key Credit Ratios



Projected Long Term Debt as of June 30, 2012 (in millions)

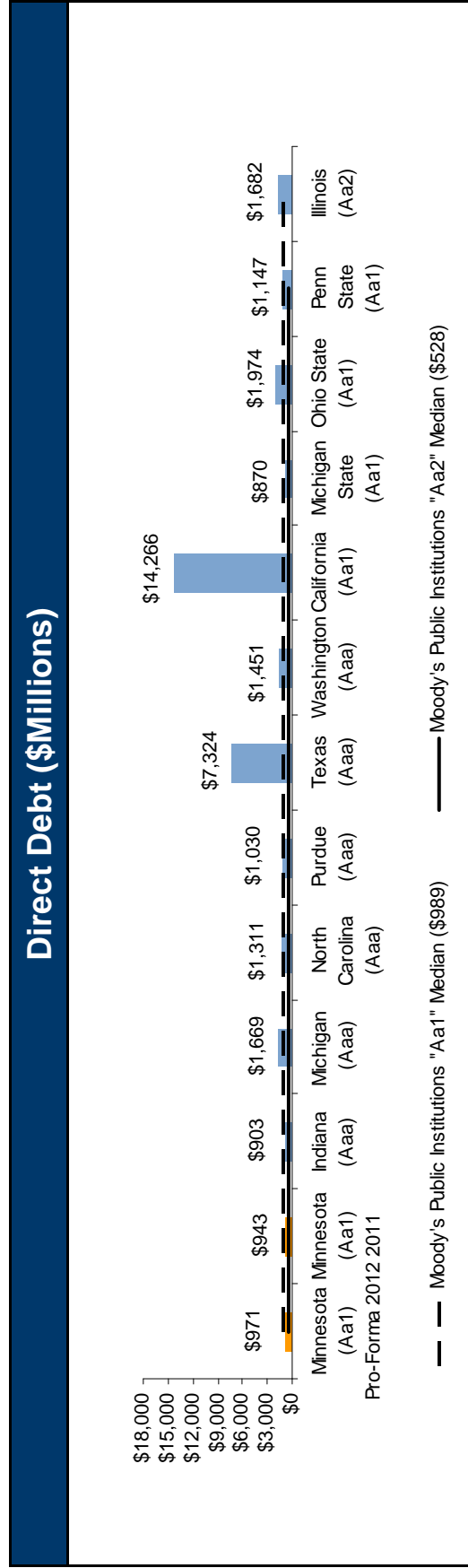
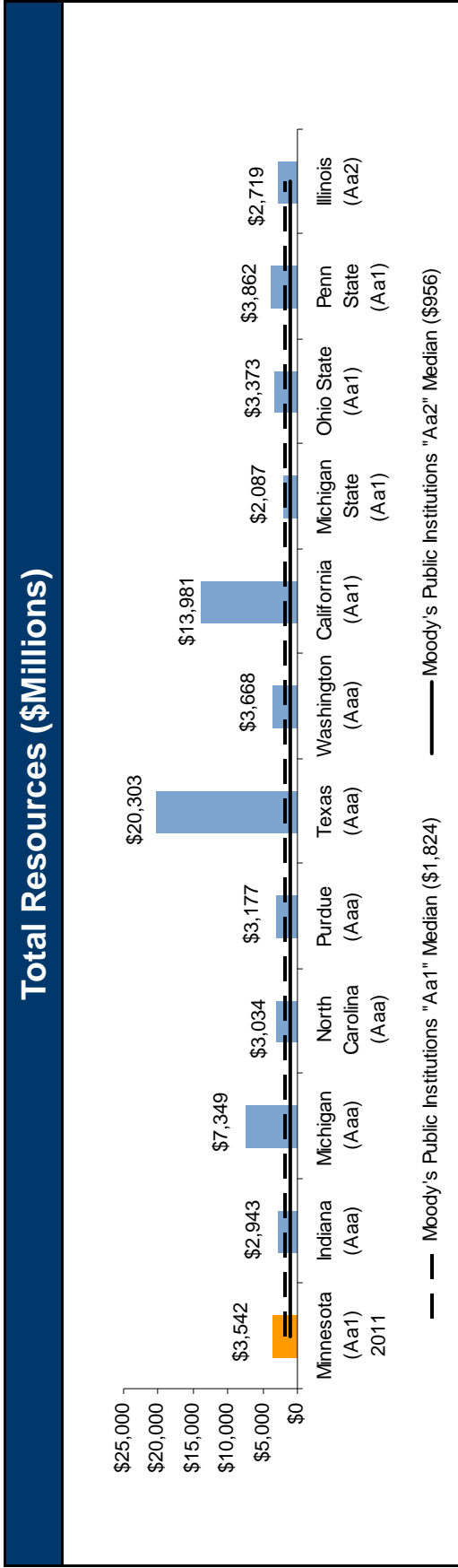
| | University Supported | Special Purpose* | Total |
|---|-------------------------|---------------------|---------------|
| Balance June 30, 2011 | \$ 890.2 | \$ 255.2 | \$ 1,145.4 |
| New issuances (par plus net premium/discount): | | | |
| Series 2011B – Biomed | 19.3 | 57.9 | 57.9 |
| Series 2011C – Biomed (Taxable) | 61.0 | | 19.3 |
| Series 2011D | | | 61.0 |
| Subtotal | 970.5 | 313.1 | 1,283.6 |
| Scheduled reductions (principal payments and net premium amortization) | <u>(53.1)</u> | <u>(6.0)</u> | <u>(59.1)</u> |
| Projected balance June 30, 2012 | \$ 917.4 | \$ 307.1 | \$ 1,224.5 |

* Special Purpose Revenue Bonds are excluded for debt capacity calculations and consist of debt issued for TCF Bank Stadium and Biomedical Sciences Research Facilities for which annual state appropriations are received to reimburse the University for the annual debt service on these bonds.

Peer Group Analysis

- *Total Resources*
- *Direct Debt*
- *Total Resources to Direct Debt*
- *Expendable Resources to Direct Debt*
- *Debt Service as a % of Operations*
- *Expendable Resources to Operations*

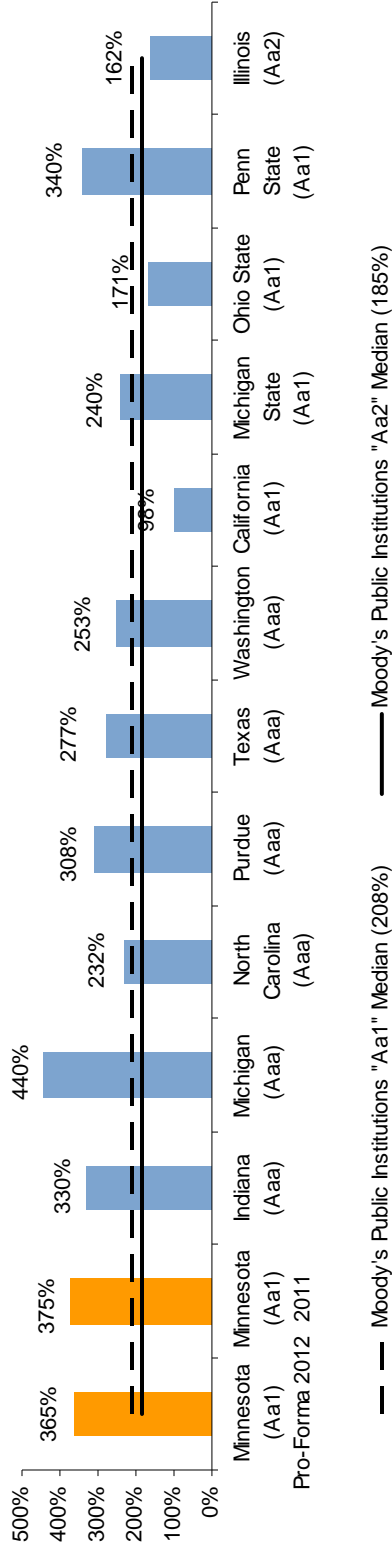
University of Minnesota Peer Group Analysis



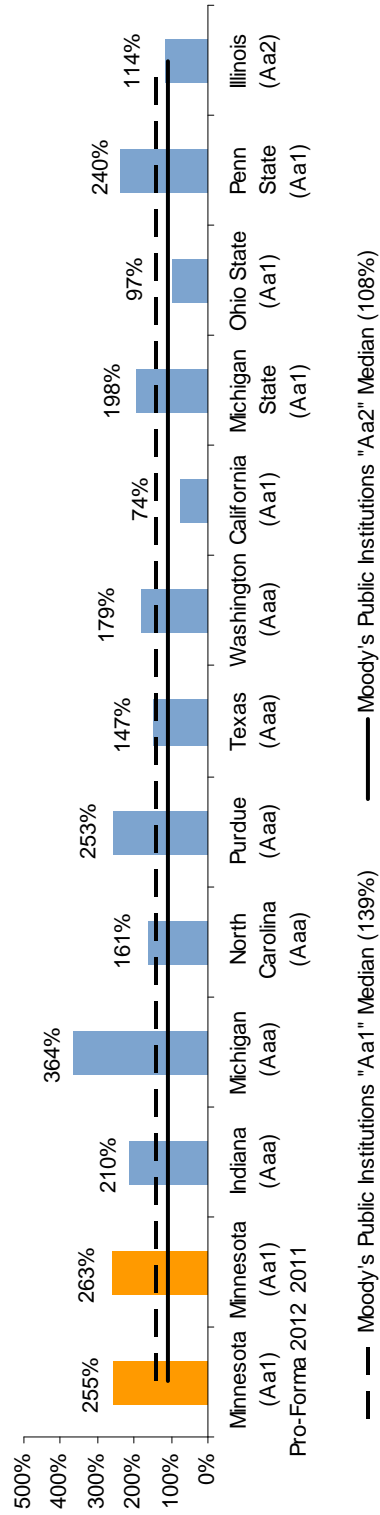
Note: Comprehensive debt for the University of Minnesota excludes State Supported Stadium and Biomedical Facilities Bonds but includes Gateway debt and indirect debt.
 Source for Median Values: Moody's Investors Service.

University of Minnesota Peer Group Analysis

Total Resources to Direct Debt (%)



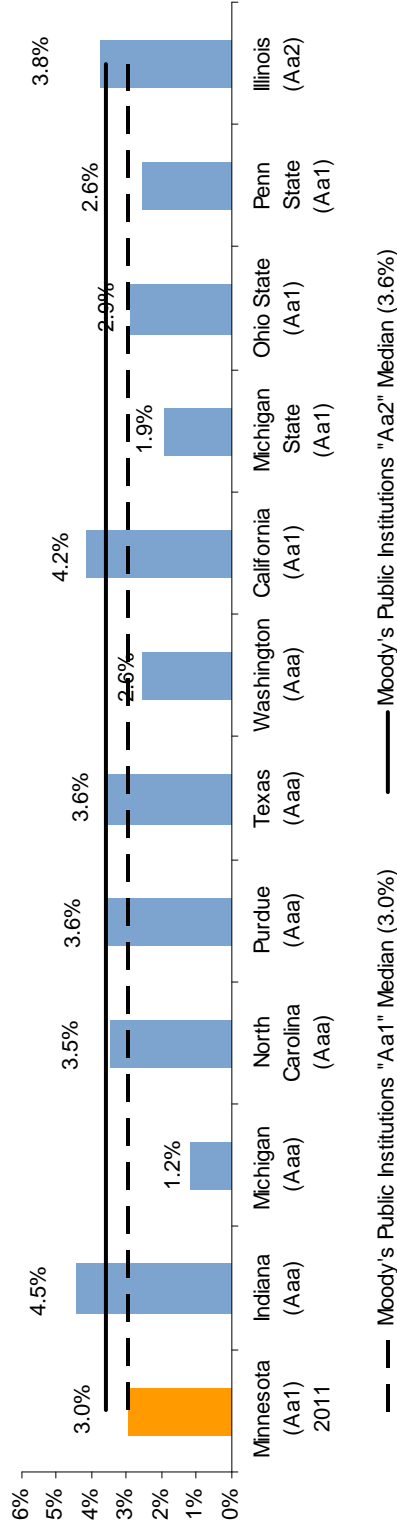
Expendable Resources to Direct Debt (%)



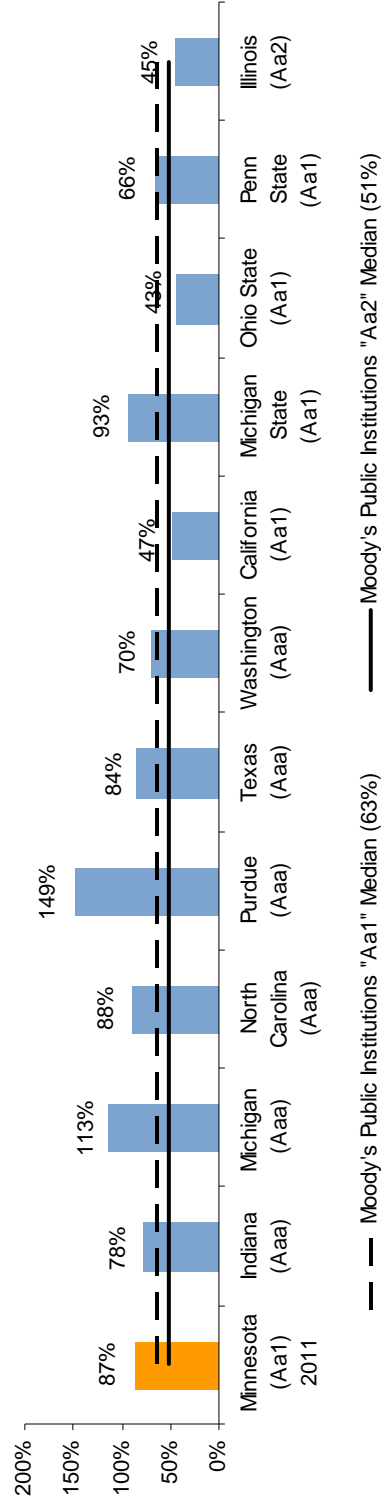
Note: Comprehensive debt for the University of Minnesota excludes State Supported Stadium and Biomedical Facilities Bonds but includes Gateway debt and indirect debt.
 Source for Median Values: *Moody's Investors Service.*

University of Minnesota Peer Group Analysis

Debt Service as a % Operations



Expendable Resources to Operations (%)



Note: Debt service as a percentage of operations ratio for the University of Minnesota is adjusted to exclude debt service related to the State Supported Stadium Bonds.
Source for Median Values: Moody's Investors Service.



**UNIVERSITY OF MINNESOTA
BOARD OF REGENTS**

Board of Regents

March 9, 2012

Agenda Item: Consent Report

review review/action action discussion

Presenters: Regent Linda Cohen

Purpose:

policy background/context oversight strategic positioning

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

Outline of Key Points/Policy Issues:

Items for consideration:

- I. Report of the All-University Honors Committee
The President recommends approval of the All-University Honors Committee recommendation forwarded to the Board of Regents in a letter dated February 29, 2012.
- II. Gifts
The President recommends approval of the Summary Report of Gifts to the University of Minnesota through January 31, 2012 (attached).
- III. Educational Planning & Policy Committee Consent Report
The President recommends approval of the Educational Planning & Policy Committee Consent Report (materials attached).

Request for Approval of New Academic Programs

- College of Science and Engineering (Twin Cities Campus)—Create Bachelor of Industrial and Systems Engineering (B.I.Sy.E.) degree
- Law School (Twin Cities Campus)—Create LL.M. degree in Business Law

Request for Changes to Academic Programs

- College of Education and Human Development (Twin Cities Campus)—Create a Health Education subplan within the M.Ed. degree in Kinesiology
- College of Science and Engineering (Twin Cities Campus)—Discontinue the Industrial Engineering subplan within the B.M.E. degree

- IV. Facilities Committee Consent Report
The President recommends approval of the following items of the Facilities Committee (materials attached).

Real Estate Transactions

In accordance with Board of Regents Policy: *Reservation and Delegation of Authority*, review and recommend approval of the following real estate transactions:

- A. Three-Year Lease for First Floor, 1100 Washington Avenue South, Minneapolis (Twin Cities Campus)
- B. Three-Year Lease for Second Floor, 1100 Washington Avenue South, Minneapolis (Twin Cities Campus)

Final Project Review

In accordance with Board of Regents Policy: *Reservation and Delegation of Authority*, provide final project review for the following project (*NOTE: This item typically occurs as an information item in the Facilities Committee docket*):

- A. Final project review for the 4th Street SE Residence Hall and Dining Facility (Twin Cities Campus)

- V. Finance & Operations Committee Consent Report

General Contingency

There are no items in the General Contingency report requiring Board approval.

- VI. Faculty, Staff, & Student Affairs Committee Consent Report

The President recommends approval of the Faculty, Staff, & Student Affairs Committee Consent Report (materials attached).

- Appointment of Srilata Zaheer as Dean of the Carlson School of Management, effective March 9, 2012, upon approval of the Board of Regents.

Background Information

Educational Planning & Policy Committee

This Educational Planning & Policy Consent Report appears as a regular item on the Educational Planning and Policy Committee agenda. Academic program proposal review and approval is governed by University of Minnesota Policy 2.2.4: Review of Proposals for New, Changed, and Discontinued Academic Programs. Approval by the Board of Regents is required for the establishment of new academic programs; addition of formal tracks and of new sites for existing academic programs; discontinuance/merger of existing programs; and changes in program titles/degree designation.

Facilities Committee

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

Board of Regents Policy: *Reservation and Delegation of Authority*, states that “The Board reserves to itself the authority for a subsequent review of approved capital budget projects with a value greater than \$5,000,000 prior to the award of construction contracts.”

Finance & Operations Committee

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

- General Contingency: *Reservation and Delegation of Authority, Sec.VII, Subd. 1.*

Faculty, Staff, & Student Affairs Committee

Board of Regents Policy: *Reservation and Delegation of Authority* calls for items, such as proposed changes to retirement provisions, senior administrative appointments, bargaining unit contracts, tuition and fees policies, and appointments of certain trustees and board members, to be brought before the Faculty, Staff, and Student Affairs Committee for action.

President’s Recommendation for Action:

The President recommends approval of the Consent Report.

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

March 2012 Regents Meeting

| | <u>January</u> | | <u>Year-to-Date</u> | |
|------------------------------|-----------------------------|-----------------------------|------------------------------|------------------------------|
| | <u>2012</u> | <u>2011</u> | <u>07/01/11 01/31/12</u> | <u>07/01/10 01/31/11</u> |
| U of M Gift Receiving | \$ 124,358 | \$ 277,813 | \$ 952,330 | \$ 1,237,843 |
| 4-H Foundation | 33,918 | 16,331 | 301,671 | 980,512 |
| Arboretum Foundation | 197,297 | 686,504 | 7,270,551 | 4,422,870 |
| MN Medical Foundation | 12,149,430 | 16,066,190 | 36,906,164 | 56,916,153 |
| Univ of MN Foundation | 21,630,705 | 12,177,400 | 96,415,115 | 84,072,214 |
| Total Gift Activity | <u>\$ 34,135,708</u> | <u>\$ 29,224,238</u> | <u>\$ 141,845,831</u> | <u>\$ 147,629,592</u> |

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

Pledges are recorded when they are received. 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 January 2012

| <u>Donor</u> | <u>Rec'd by</u> | <u>Gift/Pledge</u> | <u>Purpose of gift</u> |
|---|-----------------|--------------------|---|
| <u>\$1 Million and Over</u> | | | |
| The Bentson Foundation | UMF | Pledge | School of Nursing, Scholarships |
| Anonymous | MMF | Gift | Family Medicine and Community Health |
| Dora A. Waller Estate | UMF | Gift | Scholarships |
| Fred C. and Katherine B. Andersen Foundation | MMF | Gift | Medicine |
| 3M Foundation Incorporated | UMF | Gift | College of Science and Engineering |
| <u>\$500,000 - \$1,000,000</u> | | | |
| Marguerite J. Dugger | MMF | Gift | Pediatrics |
| Kidz1stFund | MMF | Gift | Unrestricted |
| <u>\$250,000 - \$500,000</u> | | | |
| Healthier Minnesota Community Clinic Fund Incorporated | MMF | Gift | Academic Health Center |
| Christopher W. and Kathleen Macosko | UMF | Gift | College of Science and Engineering |
| Lester H. and June Nielsen | UMF | Pledge | University of Minnesota, Crookston |
| <u>\$100,000 - \$250,000</u> | | | |
| Randy Shaver Cancer Research and Community Fund | MMF | Gift | Masonic Cancer Center, Medicine |
| Joyce Ekman Davis Estate | UMF | Gift | College of Liberal Arts, Department of Intercollegiate Athletics |
| The Bush Foundation | UMF | Gift | Humphrey School of Public Affairs, Carlson School of Management |
| Minnesota Vikings | MMF | Pledge | Academic Health Center |
| Pfizer Incorporated | UMF | Gift | College of Veterinary Medicine, College of Food, Agricultural and Natural Resource Sciences, College of Veterinary Medicine |
| 5th District Eagles Cancer Telethon of Southern Minnesota | MMF | Gift | Masonic Cancer Center |
| Fifth District Eagles Cancer Telethon Fund | UMF | Gift | Hormel Institute |
| 3M Company | UMF | Gift | School of Dentistry, College of Education and Human Development |

\$100,000 - \$250,000

| | | | |
|--|-----|--------|--|
| Michael M. Paparella | MMF | Gift | Academic Health Center |
| Coleman Family Foundation Incorporated | UMF | Gift | Department of Intercollegiate Athletics |
| Franz Halberg | MMF | Gift | Laboratory Medicine and Pathology |
| Joan M. Allmaras | UMF | Gift | College of Food, Agricultural and Natural Resource Sciences |
| J-t of Melrose Incorporated | UMF | Pledge | Department of Intercollegiate Athletics |
| Mary B. Johnson | MMF | Gift | Ophthalmology |
| TCF Foundation | UMF | Gift | Scholarships |
| The Engdahl Family Foundation | MMF | Gift | Neurology |

\$50,000 - \$100,000

| | | | |
|---|-----|--------|--|
| Anonymous | UMF | Gift | College of Food, Agricultural and Natural Resource Sciences |
| Muriel Whiteside | MMF | Gift | U of M Medical School - Duluth |
| Anonymous | UMF | Gift | College of Liberal Arts |
| Clark R. Gibb Estate | UMF | Gift | Department of Intercollegiate Athletics |
| United Healthcare Services Incorporated | UMF | Gift | Humphrey School of Public Affairs, Carlson School of Management, Scholarships |
| Conrad I. Karleen and Ruth V. Karleen Charitable Trust | MMF | Gift | Scholarships |
| Kenneth and Claudia Silverman Family Foundation | MMF | Gift | Pediatrics |
| Kima Private Foundation | UM | Gift | Minnesota Landscape Arboretum |
| Minnesota Pork Board | UMF | Gift | College of Veterinary Medicine |
| Agilent Technologies | MMF | Gift | Neurology |
| Arnold S. Leonard Cancer Research Fund | MMF | Gift | Surgery |
| Barbara L. Forster | MMF | Pledge | Masonic Cancer Center |
| Corning Incorporated | UMF | Gift | College of Science and Engineering |
| Peggy and David Lucas | UMF | Pledge | College of Design |
| The McKnight Foundation | UMF | Gift | College of Education and Human Development |
| Vanessa D. Dayton | MMF | Gift | Scholarships |
| Wells Family Foundation Trust | MMF | Gift | SPH Health Policy and Management |
| Xcel Energy | UMF | Gift | College of Science and Engineering |

\$25,000 - \$50,000

| | | | |
|--|-----|-------------|--|
| Adeline R. Krake Estate | UMF | Gift | College of Science and Engineering |
| The Toro Company | UM | Gift | Minnesota Landscape Arboretum |
| Microsoft Corporation | UMF | Gift | College of Science and Engineering |
| Minnesota Community Foundation | MMF | Gift | Academic Health Center |
| Sabic Innovative Plastics US LLC | UMF | Gift | College of Science and Engineering |
| Sally K. Bordwell Estate | UMF | Gift | College of Liberal Arts |
| Robertet Flavors Incorporated | UMF | Gift | College of Food, Agricultural and Natural Resource Sciences |
| PepsiCo Incorporated | UMF | Gift | College of Food, Agricultural and Natural Resource Sciences |
| Starkey Laboratories Incorporated | UMF | Gift | College of Science and Engineering |
| Katherine R. Lillehei Charitable Lead Annuity | UMF | Gift | School of Nursing |
| Kathleen C. Ridder | UMF | Gift | Department of Intercollegiate Athletics |
| Danisco | UMF | Gift | College of Food, Agricultural and Natural Resource Sciences |
| ExxonMobil Foundation | UMF | Pledge | University of Minnesota, Duluth, College of Science and Engineering, Law School |
| The Paula and William Bernstein Family Foundation | MMF | Gift | Scholarships, Surgery |
| Best Buy Purchasing LLC | UMF | Gift | Humphrey School of Public Affairs, Carlson School of Management |
| Donald C. Wegmiller | MMF | Gift | SPH Health Policy and Management |
| Helen Cheng Liu | UMF | Pledge | College of Liberal Arts |
| Herbert Berridge Elliston Memorial Fund | UMF | Gift | College of Liberal Arts |
| Thermo King Corporation | UMF | Pledge | College of Science and Engineering |
| Wolf Creek Charitable Foundation | UMF | Gift | Raptor Center |
| General Mills Foundation | UMF | Gift/Pledge | Various Colleges |
| Zorada E. Hoge Estate | UMF | Gift | School of Nursing |
| Jeanne P. McLean | UM | Gift | Libraries |
| Dr. Ilo E. and Margaret W. Leppik | UMF | Pledge | College of Pharmacy |
| Fred H. Pritzker | UMF | Gift | Law School |
| Helen Z. Elahi | UMF | Gift | Global Programs and Strategy Alliance |
| J. and M. Werbalowsky Philanthropic Fund- Jewish Community Foundation | UMF | Gift | Institute on the Environment |
| Joseph T. Dixon Jr. and Eugenia C. Dixon | UMF | Pledge | Law School |
| Leonard S. Parker Estate | UMF | Gift | College of Design |
| Margaret Rivers Fund | UM | Gift | Minnesota Landscape Arboretum, Bell Museum of Natural History |

\$25,000 - \$50,000

| | | | |
|---|-----|------|---|
| Ormco Corporation | UMF | Gift | School of Dentistry |
| Phil and Nina Pillsbury Donor Advised Fund- Minneapolis Foundation | UMF | Gift | College of Liberal Arts |
| Russell J. Penrose | UMF | Gift | College of Science and Engineering |
| Sigma-Aldrich Corporation | UMF | Gift | College of Science and Engineering |
| Stephen A. Craine | UMF | Gift | Department of Intercollegiate Athletics |

\$10,000 - \$25,000

| | | | |
|--|-----|--------|---|
| Emily E. Andersen | UM | Gift | Libraries |
| Statens Vegvesen Regnskap | UMF | Gift | Center for Transportation Studies |
| Richard V. DeLeo | UM | Gift | Minnesota Landscape Arboretum |
| Celladon Corporation | MMF | Pledge | Biochemistry, Molecular Biology and Biophysics |
| ALLETE Incorporated | UMF | Gift | College of Science and Engineering |
| Christenson Family Charitable Fund-US Charitable Gift Trust | UMF | Gift | College of Science and Engineering |
| Margaret H. and James E. Kelley Foundation Incorporated | UMF | Gift | Law School |
| The Hawley Family Foundation Incorporated | UMF | Gift | College of Food, Agricultural and Natural Resource Sciences |
| Thomas M. Wendel | MMF | Gift | Academic Health Center |
| Ella L. Lauritsen Estate | UMF | Gift | Libraries |
| Center for Computer-Assisted Legal Instruction | UMF | Gift | Law School |
| Ecolab Incorporated | UMF | Gift | Carlson School of Management |
| David and Linda Mona Fund of the Minneapolis Foundation | UMF | Gift | Department of Intercollegiate Athletics |
| Madeline R. Merriman Estate | UMF | Gift | College of Education and Human Development |
| Thomson Reuters | UMF | Gift | Carlson School of Management |
| Terry L. and Virginia M. Tranter | UMF | Gift | Carlson School of Management |
| Fidelity Charitable Gift Fund | MMF | Gift | Masonic Cancer Center |
| Marcia L. Page | UMF | Gift | Carlson School of Management |
| Martek Biosciences Corporation | UMF | Gift | College of Food, Agricultural and Natural Resource Sciences |
| Northland Securities Incorporated | MMF | Gift | Pediatrics |
| P. and D. Kahn Philanthropic Fund-Jewish Community Fund | UMF | Gift | College of Science and Engineering, College of Liberal Arts |
| Pepsico Foundation Incorporated | UMF | Pledge | College of Pharmacy, Department of Intercollegiate Athletics |
| UCCA-IDEALS | UMF | Gift | College of Food, Agricultural and Natural Resource Sciences |

\$10,000 - \$25,000

| | | | |
|--|-----|------|---|
| Barr Engineering Company | UMF | Gift | University of Minnesota, Duluth, College of Science and Engineering |
| Agland Co-Op Incorporated | UMF | Gift | College of Food, Agricultural and Natural Resource Sciences |
| Frontier Ag Incorporated | UMF | Gift | College of Food, Agricultural and Natural Resource Sciences |
| Key Cooperative | UMF | Gift | College of Food, Agricultural and Natural Resource Sciences |
| Prairie Land Cooperative | UMF | Gift | College of Food, Agricultural and Natural Resource Sciences |
| WFS | UMF | Gift | College of Food, Agricultural and Natural Resource Sciences |
| Chorzempa Family Foundation | MMF | Gift | Masonic Cancer Center |
| Minnesota Livestock Breeders Association | UM | Gift | 4H Foundation |
| United Farmers Cooperative | UMF | Gift | College of Food, Agricultural and Natural Resource Sciences |
| Agrium Advanced Technologies (US) Incorporated | UMF | Gift | College of Food, Agricultural and Natural Resource Sciences |
| JoAnn Ciecierski Golf Tournament | MMF | Gift | Neurology |
| CHS Incorporated | UMF | Gift | Bell Museum of Natural History, 4H Foundation |
| Midwest Coca-Cola Bottling Company | MMF | Gift | Neurology |
| Old Dutch Foods Incorporated | MMF | Gift | Neurology |
| SunChemical Corporation | UMF | Gift | College of Science and Engineering |
| The Society for Cardiovascular Angiography and Interventions | MMF | Gift | Medicine |
| Kristi Ties | UMF | Gift | Department of Intercollegiate Athletics |
| Susan S. and Robert W. White | UM | Gift | Weisman Art Museum |
| The Saint Paul Foundation | MMF | Gift | Masonic Cancer Center |
| Cooperative Elevator Company | UMF | Gift | College of Food, Agricultural and Natural Resource Sciences |
| Cooperative Producers Incorporated | UMF | Gift | College of Food, Agricultural and Natural Resource Sciences |
| Country Pride Cooperative | UMF | Gift | College of Food, Agricultural and Natural Resource Sciences |
| Farmway Co-op Incorporated | UMF | Gift | College of Food, Agricultural and Natural Resource Sciences |
| Trupointe | UMF | Gift | College of Food, Agricultural and Natural Resource Sciences |
| HealthPartners Incorporated | UMF | Gift | University of Minnesota, Duluth |
| Alfred W. Erickson Foundation | MMF | Gift | Masonic Cancer Center |

\$10,000 - \$25,000

| | | | |
|--|-----|------|--|
| Bill and Katherine Fox Foundation | MMF | Gift | Masonic Cancer Center |
| Botanic Oil Innovations Incorporated | MMF | Gift | Surgery |
| Braun Intertec Corporation | UMF | Gift | College of Science and Engineering |
| Bruce E and Diane Vandersall | UMF | Gift | Department of Intercollegiate Athletics |
| Dr. Christopher L. Moertel | UM | Gift | Libraries |
| Dr. Gregory B. Holmes | UMF | Gift | College of Pharmacy |
| Drs. John V. and Wendy L. St. Peter | UMF | Gift | College of Pharmacy |
| Edward W. Remus | UMF | Gift | College of Science and Engineering |
| Harvey A. Bartz | MMF | Gift | Masonic Cancer Center |
| Horton Holding Incorporated | UMF | Gift | College of Science and Engineering |
| J. C. Cornwell Estate | UMF | Gift | College of Science and Engineering |
| John E. Lindahl | MMF | Gift | Medicine |
| Lisa D. Steele | UMF | Gift | College of Food, Agricultural and Natural Resource Sciences |
| Mark and Charlie's Gay Lesbian Fund-Moral Values Minneapolis Foundation | UMF | Gift | Law School |
| McVay Foundation | UMF | Gift | College of Continuing Education, College of Liberal Arts |
| Nushka Fund - Phil and Cassy Ordway | MMF | Gift | Neurosciences |
| Peter and Diane Donnino Family Fund | UMF | Gift | Department of Intercollegiate Athletics |
| Raymond V. Hatting Estate | UMF | Gift | College of Science and Engineering |
| Roderick A. Barke | MMF | Gift | Surgery |
| Schwan's Consumer Brands Incorporated | UMF | Gift | Carlson School of Management |
| Stanley S. Hubbard | MMF | Gift | Neurology |
| Steven T. Simenson | UMF | Gift | Department of Intercollegiate Athletics |
| Target Corporation | UMF | Gift | Carlson School of Management |
| The Bergquist Company | UMF | Gift | College of Science and Engineering |
| Walgreens Company | UMF | Gift | College of Pharmacy |
| Wells Fargo Bank NA | UMF | Gift | Carlson School of Management |
| WEM Foundation | UMF | Gift | College of Education and Human Development |
| Zenas W. Hutcheson III and Susanne L. Hutcheson | UMF | Gift | College of Liberal Arts |

\$5,000 - \$10,000

| | | | |
|---|-----|------|---|
| Jacqueline G. McCauley | UMF | Gift | College of Liberal Arts, Department of Intercollegiate Athletics |
| Pennsylvania Cystic Fibrosis Incorporated | MMF | Gift | Pediatrics |

\$5,000 - \$10,000

| | | | |
|--|-----|-------------|---|
| Zinpro Corporation | UMF | Gift/Pledge | Various Colleges |
| International Ingredient Corporation | UMF | Gift | College of Food, Agricultural and Natural Resource Sciences |
| Mylan Radulovich | UMF | Gift | University of Minnesota, Duluth |
| Gordon W. Solly | MMF | Gift | Medical School Administration |
| Alice and Norman Engelbrecht | UMF | Gift | College of Food, Agricultural and Natural Resource Sciences |
| C. Paul and Irene Venables Foundation | MMF | Gift | Masonic Cancer Center |
| Charles A. Horwitz | MMF | Gift | Scholarships |
| Medtronic Foundation | UMF | Gift | Various Colleges |
| Ergodyne Corporation | MMF | Gift | Pediatrics |
| MTS Systems Corporation | UMF | Gift | College of Science and Engineering |
| Ten Media LLC | UMF | Gift | College of Food, Agricultural and Natural Resource Sciences |
| UMMC, Medical Staff Services | MMF | Gift | Academic Health Center |
| Minnesota Historical Society | UMF | Gift | Graduate School |
| John E. and Nancy E. Lindahl | UMF | Gift | Northrop |
| Oded Halahmy | UM | Gift | University of Minnesota, Duluth |
| Dr. Daniel C. Hartnett Family Foundation | UMF | Gift | College of Veterinary Medicine, Unrestricted |
| Dr. David A. and Roberta J. Vose | UMF | Gift | University of Minnesota, Duluth |
| Fredericus van Kuijk | UMF | Pledge | Department of Intercollegiate Athletics |
| JoAnne R. Heltner | UMF | Gift | Carlson School of Management |
| Walter L. Anderson | UMF | Gift | College of Science and Engineering |
| Deloitte Foundation | UMF | Pledge | Carlson School of Management |
| James D. Rogers | UMF | Gift | Department of Intercollegiate Athletics |
| Rhonda Hovan | MMF | Gift | Masonic Cancer Center |
| Midwest Dairy Association | UMF | Gift | College of Food, Agricultural and Natural Resource Sciences, University of Minnesota, Crookston |
| Roberta Maharry | UM | Gift | University of Minnesota, Duluth |
| Neil P. Anderson | UMF | Gift | University of Minnesota, Rochester |
| John E. Bohan | UMF | Gift | College of Food, Agricultural and Natural Resource Sciences, Carlson School of Management |
| Maureen K. Reed | UMF | Gift | Unrestricted |
| Gary Finley | UMF | Gift | University of Minnesota, Duluth |
| Yvonne Pollard Oaks | MMF | Gift | Research |
| Abbott Laboratories | UMF | Gift | College of Science and Engineering |
| Andersen Corporation | MMF | Gift | Medicine |

\$5,000 - \$10,000

| | | | |
|---|-----|--------|--|
| Ann C. Brey | UMF | Gift | College of Science and Engineering |
| Barbara Gunderson Stowe and James B. Stowe | UMF | Gift | University of Minnesota, Morris |
| Burton G. and Cynthia R. Ross Fund-Minneapolis Foundation | UMF | Gift | Law School |
| C. J. Rapp Pittman | UMF | Gift | College of Biological Sciences |
| Carrie Peterson | UMF | Gift | Department of Intercollegiate Athletics |
| Catherine A. Taylor | UMF | Gift | Law School |
| Charles N. Nauen and Pati Jo Pofahl | UMF | Gift | Law School |
| Charles Yahnke | UM | Gift | University of Minnesota, Crookston |
| Christopher A. Swanson | UMF | Gift | Carlson School of Management |
| Consulting Radiologists, Ltd. | MMF | Gift | Radiology |
| Daniel J. Garry | MMF | Gift | Medicine |
| David J. Hess | UMF | Gift | Carlson School of Management |
| Dr. Catherine B. Guisan and Stephen J. Dickinson | UMF | Gift | College of Liberal Arts |
| Drs. William D. and Marsha J. Beyer | UMF | Gift | University of Minnesota, Morris |
| Emily Anderson | UMF | Gift | School of Nursing |
| Farnham Charitable Fund | UMF | Gift | Department of Intercollegiate Athletics |
| Gary S. Francis | MMF | Gift | Medicine |
| Glenn R. Buttermann | MMF | Pledge | Orthopaedic Surgery |
| Harriet T. Ludwick | UM | Gift | Minnesota Landscape Arboretum |
| Herbert B. Ward | MMF | Gift | Medicine |
| James B. Togeas | UMF | Gift | University of Minnesota, Morris |
| Jeffrey C. Slocum | UMF | Gift | Department of Intercollegiate Athletics |
| Jeffrey Noddle | MMF | Gift | Masonic Cancer Center |
| Jenifer L. Garvey | MMF | Gift | Schulze Diabetes Institute |
| John William Perry | MMF | Gift | Unrestricted |
| Joseph J. Maddy | UMF | Gift | University of Minnesota, Duluth |
| Kathy C. Hoff | UMF | Gift | College of Education and Human Development |
| Knox Foundation | UMF | Gift | College of Liberal Arts |
| Lester A. Novak | UMF | Gift | Department of Intercollegiate Athletics |
| Margaret G. Aldrich Irrevocable Trust | UMF | Gift | College of Science and Engineering |
| Marguerite A. Cowles | UMF | Gift | Department of Intercollegiate Athletics |
| Medica Foundation | UMF | Gift | Center for Spirituality and Healing |
| Patricia A. Erlandson | MMF | Gift | Schulze Diabetes Institute |

\$5,000 - \$10,000

| | | | |
|--|-----|------|--|
| Pitzl and Pitzl Children's Fund | MMF | Gift | Academic Health Center |
| R. C. Lilly Foundation | UMF | Gift | College of Liberal Arts |
| Ranjit John | MMF | Gift | Medicine |
| Robert A Sherman and Gloria Sherman Family Foundation | MMF | Gift | Masonic Cancer Center |
| Robert F. Roth | UMF | Gift | University of Minnesota, Duluth |
| Ronald and Janet Schutz Fund-Minneapolis Foundation | UMF | Gift | Law School |
| Sit Investment Associates Foundation | MMF | Gift | Pediatrics |
| The Mosaic Company | UMF | Gift | College of Food, Agricultural and Natural Resource Sciences |
| Thomas Hood Charitable Fund-Vanguard Charitable Program | UMF | Gift | Law School |
| Uma S. Valeti | MMF | Gift | Medicine |
| Weck Charitable Trust | UMF | Gift | College of Science and Engineering |
| West Metro Medical Foundation | MMF | Gift | Academic Health Center |
| William D. Beyer | MMF | Gift | University of Minnesota - Duluth |

**University of Minnesota Board of Regents
Educational Planning and Policy Committee
March 9, 2012**

Consent Report

I. Request for Approval of New Academic Programs

- **College of Science and Engineering (Twin Cities Campus)—Create Bachelor of Industrial and Systems Engineering (B.I.Sy.E.) degree**

The College of Science and Engineering on the Twin Cities campus requests approval to create a Bachelor of Industrial and Systems Engineering (B.I.Sy.E.) degree, effective fall semester 2012. The proposed degree will prepare students to solve problems related to economic efficiency, productivity, and quality. The degree will leverage existing faculty and resources.

- **Law School (Twin Cities Campus)—Create LL.M. degree in Business Law**

The Law School on the Twin Cities campus requests approval to create a Master of Law (LL.M.) degree in Business Law, effective fall semester 2012. The proposed degree program is designed for foreign attorneys seeking specialization in business law. The proposal is in response to student requests over several years and will be provided using existing faculty and resources.

II. Request for Changes to Academic Programs

- **College of Education and Human Development (Twin Cities Campus)—Create a Health Education subplan within the M.Ed. degree in Kinesiology**

The College of Education and Human Development on the Twin Cities campus requests approval to create a Health Education subplan within the Master of Education (M.Ed.) degree in Kinesiology, effective summer 2012. The subplan will prepare future teachers to teach the principles of health, wellness, and personal lifetime physical activity to students in the K-12 setting. Students who complete the degree will qualify to apply for state licensure to teach health education.

- **College of Science and Engineering (Twin Cities Campus)—Discontinue the Industrial Engineering subplan within the B.M.E. degree**

The College of Science and Engineering on the Twin Cities campus requests approval to discontinue the Industrial Engineering subplan within the Bachelor of Mechanical Engineering (B.M.E.) degree, effective fall semester 2012. The subplan will be replaced by the proposed Bachelor of Industrial and Systems Engineering (B.I.Sy.E.) degree.

**THREE-YEAR LEASE FOR FIRST FLOOR,
1100 WASHINGTON AVENUE SOUTH, MINNEAPOLIS
(TWIN CITIES CAMPUS)**

1. Recommended Action

The President recommends that the appropriate administrative officers receive authorization to execute a three-year lease with two successive one-year renewal options for the first floor of the Minnesota Technology Center located at 1100 Washington Avenue South, Minneapolis, Minnesota.

2. Description of Leased Premises

The leased premises will consist of the first floor (one of two floors), 19,318 rentable square feet (RSF) of office space, at the Minnesota Technology Center located at 1100 Washington Avenue South, Minneapolis, Minnesota, together with shared use of the adjacent parking lot consisting of 110 spaces with the lessee of the second floor of the Minnesota Technology Center (currently the University), Monday through Friday, to 4:30 pm. (The landlord has use of the parking lot after 4:30 pm, Monday through Friday, and on weekends for special event parking.)

3. Basis for Request

The University has leased the first floor at 1100 Washington Avenue South since 1990 and desires to continue the lease to provide space for research labs, administrative functions, freezer storage for bio-specimens and environmental sample collections, and development of methods and databases for the School of Public Health's Nutrition Coordinating Center and National Children's Study.

4. Details of Transaction

The current lease will expire July 31, 2012. The subject lease will commence August 1, 2012 and continue for a three-year period, with two successive one-year options to continue the lease thereafter (potentially through July 31 2017).

The Landlord, Physicians & Surgeons Capital Corporation, will be completing, at its expense, leasehold improvements to refresh the premises at a cost not to exceed \$87,033. The improvements will include the painting of lobbies, rooms and hallways, and the replacement of carpet in certain areas. In the event the leasehold improvement project cost is less than \$87,033, the difference will be paid to the University in the form of a rent credit.

Parking and Transportation Services issues contracts to University employees for parking in the adjacent parking lot and manages that parking lot, Monday through Friday, until 4:30 pm. That arrangement will continue as long as the University leases both the first and second floors at 1100 Washington Avenue South.

5. Lease Costs

The gross rent (including utilities, custodial services and all other maintenance and operating costs) for the leased premises for year one will be \$24.12 per rentable square foot or \$465,996. Gross rent will increase approximately \$.48 per rentable square foot per year during the initial three-year term. The total cost of this lease over the 3-year initial term is \$1,511,728.

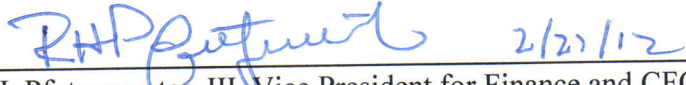
In the event this lease is continued during one or both one-year periods, the gross rent will increase \$.48 per rentable square foot per year (to \$25.57 during the first one-year renewal option and \$26.05 during the second one-year renewal option).

6. Source of Funds

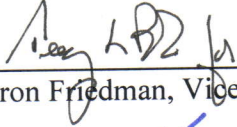
All costs related to this lease will be paid with central funds.

7. Recommendations

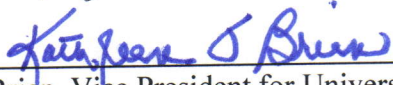
The above-described real estate transaction is appropriate:

 2/21/12

Richard H. Pfitzenreuter, III, Vice President for Finance and CFO



Aaron Friedman, Vice President for Health Sciences

 2/23/12

Kathleen O'Brien, Vice President for University Services

**THREE-YEAR LEASE FOR SECOND FLOOR,
1100 WASHINGTON AVENUE SOUTH, MINNEAPOLIS
(TWIN CITIES CAMPUS)**

1. Recommended Action

The President recommends that the appropriate administrative officers receive authorization to execute a three-year lease with two successive one-year renewal options for the second floor at the Minnesota Technology Center located at 1100 Washington Avenue South, Minneapolis, Minnesota.

2. Description of Leased Premises

The leased premises will consist of the second floor (one of two floors), 20,484 rentable square feet (RSF) of office space, at the Minnesota Technology Center located at 1100 Washington Avenue South, Minneapolis, Minnesota, together with shared use of the adjacent parking lot consisting of 110 spaces with the lessee of the first floor of the Minnesota Technology Center (currently the University) Monday through Friday, to 4:30 pm. (The landlord has use of the parking lot after 4:30 pm, Monday through Friday, and on weekends for special event parking.)

3. Basis for Request

The University has leased the second floor at 1100 Washington Avenue South since 1990 and desires to continue the lease to provide research space for the School of Public Health's Epidemiology Clinical Research Center. Approximately 60 researchers, principal investigators, clinic research study staff, research nurses and other specialists are housed on the second floor and see approximately 500 research participants each month.

4. Details of Transaction

The current lease will expire July 31, 2012. The subject lease will commence August 1, 2012 and continue for a three-year period, with two successive one-year renewal options thereafter (potentially through July, 2017).

The Landlord, Physicians & Surgeons Capital Corporation, will be completing, at its cost, leasehold improvements to renovate the leased premises at a cost not to exceed \$92,287. The improvements will include the painting of lobbies, rooms and hallways, replacement of carpet in certain areas, new ceramic tile and grab bars in three restrooms, demo and replacement of existing cabinets and counter tops, and demo and replacement of the reception desk. The cost of the total project is estimated to be \$79,836. In the event the leasehold improvement project cost is less than \$98,287, the difference will be paid to the University in the form of a rent credit.

Parking and Transportation Services issues contracts to University employees for parking in the adjacent parking lot and manages that parking lot, Monday through Friday, until 4:30 pm. That arrangement will continue as long as the University leases both the first and second floors at 1100 Washington Avenue South.

5. Lease Costs

The gross rent (including utilities, custodial services, and all other maintenance and operating costs) for the leased premises for year one will be \$24.12 per rentable square foot, or \$494,029. Gross rent will increase approximately \$.48 per rentable square foot per year during the initial three-year term. The total cost of this lease over the 3-year initial term is \$1,425,918.

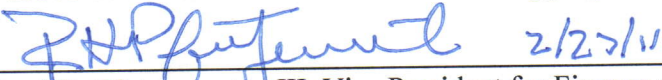
In the event this lease is continued during one or both one-year periods, the gross rent will increase \$.48 per rentable square foot per year (\$25.57 during the first one-year renewal option and \$26.05 during the second one-year renewal option).

6. Source of Funds

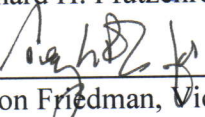
All costs related to this lease will be paid with central funds.

7. Recommendations

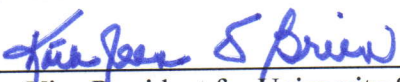
The above-described real estate transaction is appropriate:

 2/27/11

Richard H. Pfitzenreuter, III, Vice President for Finance and CFO



Aaron Friedman, Vice President for Health Sciences

 2/23/12


Kathleen O'Brien, Vice President for University Services




This map is intended to be used for planning purposes only and should not be relied upon where a survey is required.

Sources: Real Estate Office, Metropolitan Council, City of Minneapolis

**Three-year leases for University of Minnesota
School of Public Health
1100 Washington Avenue South
Minneapolis, Minnesota**



NORTH



0 1,000 2,000 feet

Real Estate Office



University of Minnesota

**University of Minnesota
Final Review of Capital Projects over \$5 Million**

**4th Street SE Student Residence Hall & Dining Facility
Twin Cities Campus (01-297-11-1577)**

Policy Summary:

According to Board of Regents Policy *Reservation and Delegation of Authority*, Article I, Section VIII, Subdivision 9, "The Board reserves to itself the authority for a subsequent review of approved capital budget projects with a value greater than \$5,000,000 prior to the award of construction contracts."

Project Summary:

This project consists of a 227,000 gross square foot new building with the following primary elements:

- 600 bed residence hall consisting of 290 double bedrooms, 5 single bed/private bath units and 15 single bedroom Community Advisor units.
- 350 seat dining facility designed to be a Fresh Food Market Concept, where food is prepared in view of the customer.
- 3 Greek Chapter Houses designed to support and enhance the sorority and fraternity student experience.
- Extension of utility infrastructure from campus systems consisting of high pressure steam, electric, and chilled water.

Board of Regents Approval Summary:

| | |
|-----------------------------------|---------------|
| 2012 Capital Budget (for Design): | June 2011 |
| Schematic Plans: | December 2011 |
| Capital Budget Amendment: | February 2012 |

Project Team:

| | |
|--------------------------|---|
| Architect/Engineer Team: | Stanis Johnson Architects Mackey Mitchell Architects |
| Construction Manager: | M.A. Mortenson Company |

Capital Funding:

| | |
|------------------|--------------|
| University Bonds | \$62,500,000 |
|------------------|--------------|

Project Schedule:

| | |
|-------------------------|------------|
| Begin Construction: | March 2012 |
| Substantial Completion: | July 2013 |

Consistency of project with approved scope, schedule and budget:

Yes No

General Contingency

| 2011-12 General Contingency: | Recipient | Allocation | Balance | Purpose |
|------------------------------|---|------------|--------------------|---|
| | FY2012 General Contingency | | \$1,000,000 | |
| | Carryforward from FY2011 into FY2012 | 91,986 | 1,091,986 | |
| 1 | Exec Dir Office for Business & Community Economic Dev | 55,000 | \$1,036,986 | Awards, Incentive & Recognition Program |
| 2 | | | | |
| 3 | New items this reporting period: | | | |
| 4 | | | | |
| 5 | No new items this reporting period | | | |
| 6 | | | | |
| 7 | Balance as of February 29, 2012 | | 1,036,986 | |
| 8 | | | | |
| 9 | | | | |
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Board of Regents
Consent Report: Faculty, Staff, and Student Affairs Committee
March 9, 2012

Personnel Appointment

Pending approval by the Board of Regents, Srilata (Sri) Zaheer will be appointed to the position of **Dean, Carlson School of Management** at the University of Minnesota, effective March 9, 2012.

The Dean is responsible for working closely with key stakeholders inside and outside the school to foster excellence in all academic and research programs. The Dean reports to the Senior Vice President for Academic Affairs and Provost. The Dean will exercise University-wide leadership in formulating policies and providing educational programs that engage the University of Minnesota in responding to statewide issues, such as workforce and economic development, and other relevant national and international issues.

Dr. Zaheer began her career at the University in 1991. She has most recently served as Interim Dean of the Carlson School of Management and holds the Elmer L. Andersen Chair in Global Corporate Social Responsibility. She has also served as Associate Dean for Faculty and Research at the Carlson School from 2007-2011 and Chair of the Department of Strategic Management and Organization from 2005-2007.

Dr. Zaheer received her Ph.D. in International Management from the Sloan School of Management, Massachusetts Institute of Technology, and an MBA from the Indian Institute of Management in Ahmedabad.

The president recommends the appointment of Dr. Srilata (Sri) Zaheer to the position of Dean, Carlson School of Management.

**Board of Regents
Consent Report: Faculty, Staff, and Student Affairs Committee
March 9, 2012**

ACADEMIC PERSONNEL ACTIONS

| <u>Name</u> | <u>Rank</u> | <u>Unit</u> | <u>Effective Date</u> |
|----------------|-------------|------------------------------|---------------------------|
| Srilata Zaheer | Dean | Carlson School of Management | 03/09/12 |

Dr. Zaheer's "A" term, "L" type, 12-month salary for 2011-12 is \$480,000.



**UNIVERSITY OF MINNESOTA
BOARD OF REGENTS**

Board of Regents

March 9, 2011

Agenda Item: Annual Review of Board of Regents Calendar

review review/action action discussion

Presenter: Regent Linda Cohen

Purpose:

policy background/context oversight strategic positioning

To comply with Board of Regents Policy: *Board Operations and Agenda Guidelines* by presenting for annual review the revised Board of Regents Calendar (Calendar).

Outline of Key Points/Policy Issues:

The current revisions were made to:

- bring the Calendar into compliance with amended or new Board policies;
- reflect existing practice; and
- correct inaccuracies.

Background Information:

Board of Regents Policy: *Board Operations and Agenda Guidelines* calls for an annual review of the Calendar.

BOARD OF REGENTS CALENDAR

| ACTION ITEM | BOARD/ COMMITTEE | MANNER OF PRESENTATION | NOTES |
|--|---------------------|--------------------------------|---|
| Annual Capital Budget | Board | Review/action (two months) | Two-month process; review in May and action the following meeting |
| Six-Year Capital Plan | Board | Review/action | Annual; two-month process; review in Spring and action in Spring |
| Gifts | Board | BOR Consent Report (one month) | BOR Policy: <i>University Foundations</i> |
| Legislative Funding Request | Board | Review/action (two months) | Two-month process on a timeline consistent with deadlines for submission set by the state; requests are consistent with the University's fundamental planning documents |
| Operating Budget | Board | Review/action (two months) | Annual; two-month process in spring |
| Report of the All-University Honors Committee | Board | BOR Consent Report (one month) | BOR Policies: <i>Awards, Honors, & Recognition and Namings</i> |
| Report of the Namings Committee | Board | BOR Consent Report (one month) | BOR Policy: <i>Namings</i> |
| Use of the University's Name | Board | BOR Consent Report (one month) | BOR Policy: <i>Founding Date, Corporate Name and Seal, and University Marks</i> |
| Summary of expenditures | Board | BOR Consent Report (one month) | Quarterly summary of expenditures for the Office of the President, the Office of the Board of Regents, and Eastcliff |
| University Plan, Performance & Accountability Report | Board | Review/action (two months) | Annual; September |
| Appointment or removal of Director of Audits | Audit | | BOR Policy: <i>Reservation and Delegation of Authority</i> |

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|--------------------|-------|---------------------------|--|
| Annual Audit Plans | Audit | Review/action (one month) | BOR Policy: <i>Audit Committee Charter</i> |
|--------------------|-------|---------------------------|--|

NOTE: Presentation dates are subject to change

| ACTION ITEM | BOARD/ COMMITTEE | MANNER OF PRESENTATION | NOTES |
|---|-------------------------------|-------------------------------|--|
| Audit Charter amendments | Audit | Review/action (one month) | BOR Policy: <i>Audit Committee Charter</i> |
| Engagement, related fees, and all audit and non-audit services of public accountant | Audit | Review/action (one month) | BOR Policy: <i>Audit Committee Charter</i> |
| Engagement of external audit firms | Audit | Review/action (one month) | BOR Policy: <i>Audit Committee Charter</i> |
| Material revisions to internal audit plans or budget | Audit | Review/action (one month) | BOR Policy: <i>Audit Committee Charter</i> |
| Approval of academic program changes; new programs; program name changes; or program discontinuations | Educational Planning & Policy | Consent Report | BOR Policy: <i>Board Operations and Agenda Guidelines</i> |
| Reciprocity Agreements | Educational Planning & Policy | Consent Report | BOR Policy: <i>Board Operations and Agenda Guidelines</i> |
| Tuition policy | Educational Planning & Policy | Review/Action (two months) | BOR Policy: <i>Board Operations and Agenda Guidelines</i> |
| Tuition and fees | Educational Planning & Policy | | EPP authorized but often handled through BOR approval of Annual Operating Budget |
| Support for commercialization of technology to non-University entities | Educational Planning & Policy | Consent Report | BOR Policy: <i>Board Operations and Agenda Guidelines</i> |
| | | | |
| Campus master and district/precinct plans and amendments | Facilities | Review/action (two months) | BOR Policy: <i>Reservation and Delegation of Authority</i> |
| Capital budget amendments for | Facilities | Review/action (two months) | With a value greater than \$500,000 |

| | | | |
|--|------------|----------------------------|-------------------------------------|
| approved projects | | | |
| Capital budget amendments for new projects | Facilities | Review/action (two months) | With a value greater than \$500,000 |
| Eminent Domain | Facilities | Review/action (two months) | BOR Policy: <i>Eminent Domain</i> |
| | | | |

NOTE: Presentation dates are subject to change

| ACTION ITEM | BOARD/ COMMITTEE | MANNER OF PRESENTATION | NOTES |
|---|-----------------------------|-----------------------------------|---|
| Lease agreements for real property, easements, and other interests in real property | Facilities | Consent Report | With an initial term amount to be paid to or by the University between \$250,000 and \$1,250,000 |
| Lease agreements for real property, easements, and other interests in real property | Facilities | Review/action (two months) | With an initial term amount to be paid to or by the University greater than \$1,250,000 |
| Sale or purchase of real property | Facilities | Consent Report | Between 10 and 40 acres, or with a value between \$250,000 and \$1,250,000 |
| Sale or purchase of real property | Facilities | Review/action (two months) | Larger than 40 acres, or with a value greater than \$1,250,000 |
| Schematic plans | Facilities | Review/action (one month) | Prior to inclusion in the annual capital budget, interior renovations having a value greater than \$5,000,000; projects with a value greater than \$2,000,000 that have an exterior visual impact; and projects that vary from adopted campus master plans or that have a significant visual impact |
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|--|----------------------------------|----------------|---|
| Appointments to boards and advisory committees | Faculty, Staff & Student Affairs | Consent Report | BOR Policy: <i>Appointments to Organizations and Boards</i> |
|--|----------------------------------|----------------|---|

NOTE: Presentation dates are subject to change

| ACTION ITEM | BOARD/ COMMITTEE | MANNER OF PRESENTATION | NOTES |
|--|----------------------------------|-------------------------------|--|
| Approval of initial appointments of those serving as senior vice president for academic affairs and provost, senior vice president for health sciences, senior vice president for system academic administration, chancellor, vice president, provost, general counsel, librarian, director of audits, dean, and athletic director, Twin Cities Campus | Faculty, Staff & Student Affairs | Consent Report | BOR Policy: <i>Reservation and Delegation of Authority</i> |
| Changes to Civil Service rules | Faculty, Staff & Student Affairs | Consent Report | BOR Policy: <i>Board Operations and Agenda Guidelines</i> |
| Changes to the University Senate Constitution | Faculty, Staff & Student Affairs | Consent Report | BOR Policy: <i>Board Operations and Agenda Guidelines</i> |
| Continuous Appointments | Faculty, Staff & Student Affairs | Review/Action (one month) | May; BOR Policy: <i>Board Operations and Agenda Guidelines</i> |
| Negotiated labor agreements | Faculty, Staff & Student Affairs | Review/action (one month) | Negotiating parameters are reviewed with the Board chair |
| Recommendations on Promotion and Tenure | Faculty, Staff & Student Affairs | Review/action (one month) | Spring; BOR Policy: <i>Faculty Tenure</i> |
| | | | |
| Changes to the approved central reserves budget greater than \$250,000 | Finance & Operations | Consent Report | BOR Policy: <i>Central Reserves Fund</i> |
| | | | BOR Policy: |

| | | | |
|---|----------------------|----------------|---|
| Modification to the central reserves budget | Finance & Operations | Consent Report | <i>Central Reserves Fund</i> |
| Expenditures from the general contingency fund greater than \$250,000 | Finance & Operations | Consent Report | BOR Policy: <i>Central Reserves Fund</i> |

NOTE: Presentation dates are subject to change

| ACTION ITEM | BOARD/ COMMITTEE | MANNER OF PRESENTATION | NOTES |
|---|-----------------------------|-----------------------------------|--|
| Contracts for goods and services greater than \$1,000,000 | Finance & Operations | Consent Report | BOR Policy: <i>Reservation & Delegation of Authority</i> |
| Debt issuance | Finance & Operations | Review/action (one month) | BOR Policy: <i>Debt Transactions</i> |
| Hiring of investment advisors | Finance & Operations | Consent Report | BOR Policy: <i>Investment Transactions</i> |
| | | | |
| Annual Asset Management Report | Board | Receive and file | October; presentation of investment performance, measured against comparable industry standards |
| Annual Capital Financing & Debt Management Report | Board | Receive and file | October; report on amount and status of University debt; BOR Policy: <i>Debt Transactions</i> |
| Annual Financial Report | Board | Discussion | December; includes the University's audited financial statements, along with a narrative discussion of trends that measure progress in achieving University goals |
| Annual Review of Board of Regents Calendar | Board | Discussion | March |
| Annual Review of Board of Regents | Board | Discussion | June; BOR Policy: <i>Code of Ethics</i> |

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|--|-------|------------------|---|
| Policy: <i>Code of Ethics</i> | | | |
| Annual Review of President's Delegations | Board | Receive and file | May report of significant changes; BOR Policy: <i>Reservation and Delegation of Authority</i> |

NOTE: Presentation dates are subject to change

| NON-ACTION ITEM | BOARD/ COMMITTEE | MANNER OF PRESENTATION | NOTES |
|---|-------------------------|-------------------------------|---|
| Civil Service Committee Report | Board | Receive and file | July |
| Conformance with Campus Master Plans Report | Board | Receive and file | Annual per Board resolution adopted September 6, 1996 |
| Council of Academic Professionals and Administrators Report | Board | Receive and file | July |
| Eastcliff Report | Board | Receive and file | Annual; Fall |
| Faculty Consultative Committee Report | Board | | Three times a year (February, June, September) |
| Grants and Contract Activity Review | Board | Receive and file | Quarterly |
| Report on Legal Matters | Board | Receive and file | September annual report to Board; February semi-annual report to Litigation Review Committee; BOR Policy: <i>Attorneys and Related Services</i> |
| Report on the Status of the University's Research | Board | Discussion | Annual; December |
| Student Representatives to the Board of Regents Report | Board | Discussion | BOR Policy: <i>Student Representatives to the Board</i> ; reports are usually given twice a year with the approval of the Executive Director |
| President's Minority Advisory Committee Report | Board | Receive and file | BOR Policy: <i>American Indian Advisory Boards</i> |

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|---|-------|------------|--------|
| University of Minnesota Alumni Association Report | Board | Discussion | Annual |
| Report of the University Foundations | Board | Discussion | Annual |

NOTE: Presentation dates are subject to change

| NON-ACTION ITEM | BOARD/ COMMITTEE | MANNER OF PRESENTATION | NOTES |
|---|-------------------------------|-------------------------------|--|
| Annual Compliance Audit of Federal Award Programs | Audit | Discussion | Required by Federal government; typically consists of a review of the A-133 audits, which measure compliance with federal laws and regulations applicable to federal financial assistance received by the University |
| Annual Financial Statement | Audit | Discussion | Review format of wording prior to issuance; Board of Regents Policy: <i>Audit Committee Charter</i> |
| Independent public accountant annual audit | Audit | Discussion | November |
| Internal Audit Update | Audit | Discussion | Periodic update includes responses to previous requests regarding audit issues, an update on the implementation of audit recommendations, and reports of other matters relevant to University audit functions |
| Management Letter | Audit | Discussion | February |
| Review of Public Accountant | Audit | Discussion | Annual; BOR Policy: <i>Audit Committee Charter</i> |
| Semi-annual Controller's Report | Audit | Discussion | Report on the University's financial management systems |
| Reports of strategic plans of academic units | Educational Planning & Policy | Discussion | Focuses on ties to <i>University Plan, Performance & Accountability Report</i> , program directions, personnel policy issues, financial policy issues, areas of concern, and |

| | | | |
|--|-------------------------------|-------------------------|----------------------|
| | | | notable achievements |
| Program reviews | Educational Planning & Policy | Discussion | |
| Academic Program Additions & Discontinuations Report | Educational Planning & Policy | Discussion/ Information | Annual; September |

NOTE: Presentation dates are subject to change

| NON-ACTION ITEM | BOARD/ COMMITTEE | MANNER OF PRESENTATION | NOTES |
|---|----------------------------------|-------------------------------|--|
| Capital Planning and Project Management Report | Facilities | Discussion/ Information | Semi-annual; project status report and budget overview for projects in the capital budget |
| Design Guidelines | Facilities | Discussion | Design guidelines are presented for discussion when a project design represents an exception to adopted campus master/district/precinct plans |
| Final Review of Capital Projects | Facilities | Discussion | Approved Capital Projects with value greater than \$5,000,000 prior to the award of construction contracts; in months with no committee meeting, review by Board & committee chairs as long as within scope of plan and budget |
| Uses of Real Estate Acquisition Account | Facilities | Information | Uses of account for purposes other than the purchase of real estate must be reported to Board (Discussed in September 2003) |
| Administrative policies related to academic professional and administrative staff | Faculty, Staff & Student Affairs | Information | |
| Faculty and Staff | Faculty, Staff & | Discussion/ | Annual; Spring |

| | | | |
|---|----------------------------------|--|---|
| Diversity Report | Student Affairs | Information | |
| Faculty Compensation Comparisons and Analysis | Faculty, Staff & Student Affairs | Discussion | Annual; Spring |
| Intercollegiate Athletics Report | Faculty, Staff & Student Affairs | Discussion/ Information; Agenda item on alternating years | May or June; may include reports on academic progress, coordinate campuses, or other intercollegiate athletics issues |

NOTE: Presentation dates are subject to change

| NON-ACTION ITEM | BOARD/ COMMITTEE | MANNER OF PRESENTATION | NOTES |
|--|----------------------------------|-------------------------------|---|
| Staff Compensation Comparisons and Analysis | Faculty, Staff & Student Affairs | Discussion | April or May |
| Student Diversity Report | Faculty, Staff & Student Affairs | Discussion/ Information | Annual |
| Asset Management Report | Finance & Operations | Discussion | Quarterly; investment performance measured against comparable industry standards |
| Budget Update: Overview of Current Fiscal Year | Finance & Operations | Discussion | Semi-annual; overview of current fiscal year's operating budget compared to actual spending activity for current period |
| Central Reserves Fund Report | Finance & Operations | Discussion | Annual; update on status of Central Reserves Fund; BOR Policy: <i>Central Reserves Fund</i> |
| Debt Management Advisory Committee Update | Finance & Operations | Information | 2-4 times per year; update on Debt Management Advisory Committee activities |
| Capital Financing & Debt Management Report | Finance & Operations | Discussion | Annual; update on amount and status of University debt; BOR Policy: <i>Debt Transactions</i> |
| Economic Development Report | Finance & Operations | Information | Annual; BOR Policy: <i>Targeted Business, Urban Community Economic Development, and Small Business Programs</i> |

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|--|----------------------|-------------|--|
| Exceptions to BOR Policy: <i>Purchasing</i> | Finance & Operations | Information | BOR Policy: <i>Purchasing</i> |
| Expenditures from the general contingency fund less than \$250,000 | Finance & Operations | Information | BOR Policy: <i>Central Reserves Fund</i> |
| | | | |

NOTE: Presentation dates are subject to change

| NON-ACTION ITEM | BOARD/ COMMITTEE | MANNER OF PRESENTATION | NOTES |
|--------------------------------------|-------------------------|-------------------------------|--|
| Insurance and Risk Management Report | Finance & Operations | Information | Annual; current insurance costs and average claims in various categories; review of annual insurance costs and claims for the past five years; and discussion of steps being taken to reduce risk exposure |
| Investment Advisory Committee Update | Finance & Operations | Information | Quarterly; update on Investment Advisory Committee activities |
| Investment Consultants Report | Finance & Operations | Discussion | University's investment results and allocations, with comparisons to peer institutions |
| Investment Managers Report | Finance & Operations | Discussion | Investment managers review of recent performance, rationale for investment decisions, and financial market trends |
| Management Report | Finance & Operations | Discussion | Semi-annual; includes an all-funds balance sheet, information on accounts receivables, a statement of changes in fund balance, and budget status by campus, college, and vice presidential unit |
| Purchasing Report | Finance & Operations | Discussion | Quarterly; BOR Policy: <i>Purchasing</i> ; includes violations of BOR Policy: <i>Purchasing</i> |
| Financial Oversight: Key Indicators | Finance & Operations | Information | Quarterly |

NOTE: Presentation dates are subject to change

| RECOGNITIONS | SCHEDULE |
|---|--|
| Distinguished McKnight University Professor Award Recipients | May |
| Faculty Consultative Committee Chair | June; outgoing |
| John Tate Award for Excellence in Undergraduate Advising Recipients | May |
| McKnight Presidential Endowed Chair | Scheduled as needed |
| McKnight Presidential Leadership Chair | Scheduled as needed |
| McKnight Presidential Fellows | Scheduled as needed |
| McKnight Land-Grant Professors | March |
| Morse Alumni Award Recipients | May |
| Outstanding Contributors to Postbaccalaureate, Graduate and Professional Education Award Recipients | May |
| Outstanding Community Service Award Recipients | May |
| President's Award for Outstanding Service Recipients | May |
| Professional and Academic Staff Award Recipients | June |
| Regents Professors | Scheduled as needed |
| Student Representatives to the Board of Regents | Spring; for student representatives completing their terms |
| | |
| National/Big Ten Athletic Champions | Scheduled as needed |
| National scholarship recipients | Scheduled as needed; e.g. Marshall, Rhodes, Truman, etc. |
| | |
| INTRODUCTIONS | |
| | |
| Civil Service Committee leadership | July |
| Council of Academic Professionals and Administrators leadership | July |
| Newly appointed deans, vice presidents, and the University Librarian | Scheduled as needed after appointment |
| | |



**UNIVERSITY OF MINNESOTA
BOARD OF REGENTS**

Board of Regents

March 9, 2012

Agenda Item: 2012 Six-Year Capital Plan

review review/action action discussion

Presenters: President Eric W. Kaler
Senior Vice President Robert Jones
Vice President Kathleen O'Brien
Vice President/CFO Richard Pfitzenreuter

Purpose:

policy background/context oversight strategic positioning

The Board-approved Six-Year Capital Plan ("Plan") sets priorities and direction for continued academic and capital planning efforts

Outline of Key Points/Policy Issues:

The President's recommended Six-Year Capital Plan includes major capital improvements planned for fiscal years 2013 through 2018. The Plan includes projects to be funded with state capital support as well as projects funded by the University through a combination of University debt obligations, local unit resources, fundraising and public/private partnerships. Attachment 1 provides an overview for annual state capital requests for 2012 through 2018, University-funded projects, and the remaining biomedical facilities project, as well as several projects that are under consideration for implementation within the timeframe of the Plan, but that require more definition.

The 2012 Six-Year Capital Plan aligns capital planning with strategic academic and financial planning. Specific capital projects listed for each year are defined by academic units 'core priorities' and strategic goals as articulated in the academic compact process, as well as facility conditions. The capital projects proposed by academic units have been evaluated in terms of long standing academic criteria, including:

- Centrality to the University's mission
- Quality, productivity and impact
- Uniqueness and comparative advantage
- Enhancement of academic synergies
- Demand and availability of resources
- Efficiency and effectiveness
- Development and leveraging of resources

Capital projects are also measured against key capital planning principles and metrics. The projects included in the Plan meet one or more of the following goals:

- Ensure student success
- Ensure research productivity and scholarly impact
- Fulfill our statewide mission
- Protect public assets and investment
- Responsibly managing the University's finances

Background Information:

Board of Regents policy directs the administration to conduct capital planning with a “6-year time horizon, updated annually.” This annual capital planning process is completed in two parts, defined below.

This longer-term Six Year Capital Plan is based on academic priorities and establishes the institutions' capital planning for six years into the future. This Plan will become the basis for continued capital and financial planning.

The annual Capital Improvement Budget for the next fiscal year (2013) includes projects with completed predesigns and financing plans. It will be presented to the Board in May and June of 2012.

The 2012 Six-Year Capital Plan for Fiscal Years 2013 – 2018 was reviewed at the February 2012 Board of Regents meeting.

President's Recommendation for Action:

The President recommends that the Board approve the University of Minnesota Six-Year Capital Plan for Fiscal Years 2013–2018.



REGENTS OF THE UNIVERSITY OF MINNESOTA

RESOLUTION RELATED TO THE UNIVERSITY'S SIX-YEAR CAPITAL PLAN

WHEREAS, preserving the University campuses through stewardship of public investments that have been made over 150 years is a commitment the Board has made to the State; and

WHEREAS, advancing key academic priorities is critical for the University to achieve and maintain excellence; and

WHEREAS, continuing investment in research infrastructure is essential for the future competitiveness of the University and the State of Minnesota; and

WHEREAS, enhancing the student experience for both undergraduate education and graduate and professional education is required as the core of its mission in order to generate and disseminate knowledge; and

WHEREAS, improving outreach and engagement is necessary in order to transform State communities, fuel the State economy, address State social issues, and improve the State's health; 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 responsible.

NOW, THEREFORE, BE IT RESOLVED that the Board of Regents approves the University's Six-Year Capital Plan in order to create and maintain facilities that serve as tools in accomplishing the University's education, research and outreach objectives.

UNIVERSITY OF MINNESOTA

2012 SIX-YEAR CAPITAL PLAN FOR FY2013 – FY2018

Attachment 1

Overview

The *2012 Six Year Capital Plan* for the University of Minnesota establishes the next three University capital requests to be submitted to the State for consideration; sets priorities and direction for ongoing capital project and academic planning efforts; identifies the impact of additional University debt; assigns responsibility for capital fundraising; and forecasts additional building operational costs. The plan is updated on an annual basis and approved by the Board of Regents.

The President's recommended *Six Year Capital Plan* includes:

- Current state capital request for 2012 (to be acted on by the legislature in the 2012 session)
- Future state capital requests for 2013 through 2018
- Projects proposed to be financed with University resources during the period FY2013 through FY2018

Projects being considered for implementation during the FY2013 – FY2018 period, but which are not sufficiently defined to be included in the plan are also listed.

Academic Directives

Academic units have defined their strategic goals and core priorities through the annual compact process. This process is designed to align academic strategic positioning goals and objectives with University capital planning. In the compact process, each academic unit relates their own objectives to University-wide priorities and goals. Areas of focus for the 2011 Compact Process included integration with new student academic profile and preparation, student success (including retention and timely graduation), internationalization, equity and diversity, and research activity. The academic review criteria can be summarized as follows:

- Centrality to the University's mission
- Quality, productivity and impact
- Uniqueness and comparative advantage
- Enhancement of academic synergies
- Demand and availability of resources
- Efficiency and effectiveness
- Development and leveraging of resources

Capital Planning Principles & Metrics

First and foremost, the academic mission of the University of Minnesota drives all facility investment strategies. Successful achievement of the mission is dependent on having appropriate facilities and infrastructure. Specific capital projects planned for FY2013-FY2018 will support academic priorities and address facility conditions. The development of the University of Minnesota's *Six Year Capital Plan* has been guided by the following principles and metrics:

UNIVERSITY OF MINNESOTA

2012 SIX-YEAR CAPITAL PLAN FOR FY2013 – FY2018

Ensure student success by:

- Creating facilities that are directly related to recruiting, retaining, educating, supporting and graduating students
- Creating facilities that improve teaching and learning outcomes
- Creating facilities that uniquely enhance student satisfaction

Measures to evaluate projects under this goal include: Direct links between projects and measures of student success, including second and third year retention rates; four year graduation rates; defined and measurable learning outcomes; and/or overall student satisfaction as measured through the National Survey of Student Engagement (NSSE).

Ensure faculty research productivity and scholarly impact by:

- Providing space conducive to the conduct of contemporary research in order to attract and retain world-class faculty
- Providing regulatory, code and life safety upgrades for facilities which leverage the highest priority funded research
- Creating flexible spaces that adapt to new science and research trends
- Providing research facilities that will allow competitive responses to unique research opportunities aligned with strategic priorities

Measures to evaluate projects under this goal include: Direct links between projects and measures of research productivity and impact, including numbers of highly cited research publications; number of technology disclosures, licenses and start-ups; increases in research space productivity measures; increase in the number of major research awards, research center awards and centers of excellence; and increases in research expenditures and competitive rankings.

Fulfill our statewide mission by:

- Creating specific facilities and spaces needed to achieve unique mission elements on coordinate campuses, research and outreach centers, and field stations
- Investing in facilities that leverage unique regional assets
- Viewing facilities as only one tool in delivering academic programs, and ensuring that additional debt and operating costs do not hinder the success of academic programming

Measures to evaluate projects under this goal include: Facility utilization/efficiency measures, by campus; maintain and attempt to reduce the facilities conditions need index (FCNI) on coordinate campuses; strategic impact and academic business case analysis for projects, as defined by the President and academic Vice Presidents.

Protect public assets and investment by:

- Implementing campus master plans and advancing the University's sustainability goals
- Leveraging facility investments to advance the academic mission and priorities
- Improving facility conditions, addressing code deficiencies, life safety and accessibility requirements
- Decommissioning buildings that are obsolete and do not merit reuse for the academic mission
- Prioritizing projects that decrease the amount of space and optimizing the use of existing space
- Making infrastructure investments that ensure reliability over the long term, lower energy and operating costs and advance environmental stewardship

UNIVERSITY OF MINNESOTA

2012 SIX-YEAR CAPITAL PLAN FOR FY2013 – FY2018

Measures to evaluate projects under this goal include: Maintain and attempt to reduce the facilities conditions need index (FCNI); progress on University sustainability goals; decrease total amount of space; improve utilities and energy management principles performance.

Responsibly manage the University's finances by:

- Limiting leverage of and reliance on Foundation assets for increased debt capacity
- Advancing projects that have a new source of payment for debt costs, while also minimizing the impact of new capital costs on student tuition and fees
- Leveraging state capital funding opportunities with University resources to complete critical projects that serve to improve infrastructure and benefit the common good
- Monitoring the financial condition of academic units to ensure their capacity to cover their portion of capital costs

Measures to evaluate projects under this goal include: the six-year capital plan maintains key debt ratios as defined by the President and the Chief Financial Officer; maintain the institution's Aa1/AA bond rating; produce full cost analysis/academic business plans for all projects.

Planning Process

Capital planning at the University of Minnesota begins with the academic compact process. In the spring of each year Vice Presidents, Chancellors, and Deans are asked to identify their most important program priorities and the facility improvements necessary to support those programs. Through the compact process, academic leadership establishes the priorities for each college and campus. Facilities Management simultaneously evaluates the current condition of the buildings and infrastructure that support all academic programs. The capital planning process merges the academic priorities, facility needs, and facility conditions into specific project proposals.

The academic compact process concluded in late spring 2011. In August of 2011, President Kaler and senior academic officers reaffirmed the capital planning principles and metrics. During October and November of 2011, senior academic officers and the Capital Oversight Group (COG) held multiple meetings with the Deans, Vice Presidents, and Chancellors to review their capital needs and priorities. Those meetings were followed by work sessions with the President and the executive team in which all capital proposals were measured for their alignment with the capital planning principles and strategic academic priorities. Although many projects have both academic and organizational value, those projects that demonstrated both a programmatic urgency and development readiness were advanced in this six year timeframe. Other factors analyzed before projects were placed in the capital plan include:

- *Projected size of future bonding bills* – The University reviews state economic forecasts, University Budget and Finance reports and directives, past trends, and budget instruction documents to estimate the likely University share of future legislative capital appropriations.
- *Debt and operating cost impact* – The University has a limited capacity to absorb additional debt and operating costs from new capital projects.
- *Private fundraising capacity* – The University reviews its capacity to fundraise for capital projects in total and for specific projects.
- *Timing and sequencing of projects* – Some capital projects need to be completed before others can begin. For example, Pillsbury Hall, a future home for English, cannot be renovated until Earth

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Sciences can be moved out of the building and into a renovated Tate Lab, which in turn has had to wait until Physics & Nanotechnology, a project currently under construction, is completed.

- *Impact on academic programs (both research and instructional)* – The University manages the level of disruption that can be absorbed while still maintaining the operation of its research and teaching. Because the University does not close, renovations require “swing space” for programs to continue to operate and the institution needs to maintain a level of functional classrooms.
- *Health, safety and regulatory requirements* – The University needs to maintain the health and safety of all its student, faculty and staff, regardless of the program. These issues require some projects to be included in the capital plan.

The resulting plan, shown in tabular form on Attachment 2, advances the University’s highest capital priorities while retaining flexibility in support of emerging strategic initiatives. In the case of the *Six Year Capital Plan*, it is important to note that many of the investments are targeted to programs with academic strategic value. Specific programmatic details of the projects remain to be determined as the project is developed.

Next Steps and Project Thresholds

The capital plan is built around four primary stages of project development, including a) Proposal / Project Definition; b) Planning and Feasibility; c) Resource Acquisition and d) Implementation (Design and Construction). Projects included in the *Six Year Capital Plan* are eligible to begin Predesign, an exploratory process rooted in design and cost estimating that results in physical solutions to space and facility problems. Projects in the *Six Year Capital Plan* that require legislative funding are submitted to the Minnesota Legislature on a biennial basis. Projects are eligible to begin fundraising once the predesign process is substantially complete.

Capital projects with an approved finance plan and approval by the appropriate academic leadership, the Vice President of Finance and the Vice President of U Services, are then sent to the Board of Regents in the Annual Capital Improvement Budget for review and action. Projects approved in the Annual Capital Improvement Budget are then implemented by Capital Planning and Project Management.

Project Costs

Project costs included in the *Six Year Capital Plan* are order-of-magnitude estimates only because programming and predesign studies for each project have not been completed. Cost figures are based on square foot costs recently experienced with comparable building and space types at the University, applied to the estimated square footage of each project. Also, cost escalation for inflation has not been included for any year because of the uncertainty of construction inflation. When programming is completed and predesign studies are prepared for projects at the appropriate time, based on their position within the *Six Year Capital Plan*, more accurate construction cost figures and operating cost forecasts will be inserted into the plan when it is updated annually.

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Areas of Focus for the 2012 Six Year Plan

In alignment with the established capital planning principles, the major areas of focus for the *Six Year Capital Plan* are:

Research Excellence

Advancing the institution's achievements in research emphasizes the ability of leading academic units to excel in their fields. It also reinforces the University's value as an asset to the State of Minnesota. Improvement of facilities used by STEM (Science, Technology, Engineering, Math) disciplines are a foundation of the Six Year Capital Plan.

A number of the physical sciences will benefit from a complete renovation of Tate Laboratory, part of the mall district which has Regents Historic Designation. Upon its completion, Tate will be the new home for the School of Earth Sciences allowing for its move out of Pillsbury Hall as well as updated science classrooms and the non-laboratory portions of the School of Physics and Astronomy Departments.

The *Six Year Capital Plan* describes a renewed commitment to building upgraded laboratory space on the St Paul campus. The Biosystems and Agricultural Engineering building and adjacent Fisheries Laboratory will be renovated into new consolidated office and microbiology laboratory space for College of Food, Agricultural and Natural Science (CFANS), College of Biological Science (CBS), and College of Veterinary Medicine (CVM). This work will be done in two phases as noted in the *Six Year Capital Plan*, first upgrading research labs at Kaufert, adding lab space to the Fisheries Engineering building, decommissioning and eventually removal of obsolete buildings currently housing laboratories on the St Paul campus.

In addition, renewed investment in Elliott Hall to create a new combined center for psychology and child development is noted in the *Six Year Capital Plan*. The Department of Psychology is one of the highest ranked graduate programs at the University of Minnesota, and Psychology is the largest generator of external funding within CLA. Improved opportunities for collaboration and the proximity of related programs such as Speech-Language-Hearing Sciences, Linguistics, Educational Psychology, and the Center for Cognitive Sciences make the prospect of a "behavioral sciences district" a key driver in support of the Psychology Department and the Institute of Child Development.

Student Success

Student success is one of the basic measures of the institution's achievements. The nature of facilities included in this theme ranges from classroom renovation and new construction, to learning support.

Reorganization of space at Eddy Hall will increase the visibility and accessibility of Admissions for prospective students on the Twin Cities Campus.

Significant enrollment growth on the Duluth campus has led to a need for active learning classrooms which will better match current technology and active learning pedagogy. This project to develop active learning classrooms will contribute to student course needs leading to higher retention, and graduation rates, make more efficient use of faculty teaching resources, and meet enrollment demands.

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New environmentally controlled space is needed to house the University Libraries' Rare Books collections and to allow system-wide collection management/preservation and storage, while maintaining access to critical resources. Strategies to improve collection management and storage will allow the library system to evaluate use of existing library space, including libraries located throughout the Twin Cities Campus. Collections and Rare Book storage capacity will also prepare Wilson Library for future renovation and upgrade.

The recreational sports addition to the Crookston campus is an investment in amenities that support student life. Academic studies show that recreational sports programs improve academic success and retention of students. Creating additional recreational facilities is important to student success on the campus because it meets current demand for greater recreational space and provides a place to teach and learn behaviors that are conducive to a healthy lifestyle.

Asset Renewal

Stewardship of the campus' physical environment commits the University to improving physical conditions in buildings, making infrastructure investments that ensure reliability over the long term, lower energy and operating costs and advance environmental protection of public assets. These investments and projects enable the continuation of existing research and academic programs, which in turn advances the academic mission.

Some key examples associated with this theme include the renovation of Pillsbury Hall on the Twin Cities campus and conversion of Briggs Library on the Morris campus. In Pillsbury Hall, renovation will occur after the School of Earth Sciences moves to Tate Hall. Once complete, this will place the English Department of the College of Liberal Arts into the humanities and writing district of the Twin Cities Campus.

On the Morris campus, the conversion of Briggs will advance the building from a traditional library to a contemporary digital information center and learning commons. Renewal of building systems (mechanical, electrical, building envelope) and correction of code deficiencies will be part of the renovation.

Projects funded through HEAPR resources optimize building lifespan and improve health and safety. Many of the HEAPR investments in mechanical and electrical systems, for example, bring more cost and energy efficient features to aging campus buildings. Investments in facilities spent on renewing existing buildings have demonstrated a multiplier effect in reducing energy consumption and required maintenance.

Space Utilization

Space utilization is another major focus area of the *Six Year Capital Plan*. The cost of construction, operations, maintenance and renewal of University facilities represents a significant portion of the University's operating budget. The University has a responsibility to ensure that its facilities are used efficiently. The development of a new six year capital plan provides an opportunity to make the operational and cultural changes necessary to achieve improved space utilization. Whenever possible in developing new buildings, the University will pursue opportunities to introduce alternative workplace strategies in the development of new buildings.

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Decommissioning and demolition is an important element of this strategy. Many of the initiatives in the *Six Year Capital Plan* include decommissioning in order to construct new building systems which operate at a much more efficient level, offering long term savings over time.

Project Descriptions

2012 State Capital Request

The 2012 state capital request was approved by the Board of Regents in October 2011. Because the state legislature has not acted on these projects, they are included in the *Plan*.

- *Higher Education Asset Preservation and Replacement (HEAPR)* – Projects funded by HEAPR will maximize and extend the life of the University’s existing physical plant system wide. Individual projects will fall into one of four broad categories - Health & Safety, Building Systems, Energy Efficiency and Utility Infrastructure. The system-wide HEAPR advisory committee makes recommendations on individual projects to the Vice President for University Services using data from the Facility Condition Assessment and Building Code Deficiency Report. HEAPR funds do not require a one-third University funding match.
- *UMTC: Combined Heat and Power Plant* - This project will renovate the Old Main Steam Plant, which is currently decommissioned, to act as a multi-utility plant serving the Minneapolis campus. This scope of work will stabilize and update the building infrastructure and install two natural gas-fired combustion turbines to create a Combined Heat and Power system. The project will be designed to support the future installation of an additional natural gas boiler and a district chilled water plant to serve the Knoll area of the Minneapolis campus. The benefits to the campus include: meeting peak steam capacity requirements; significantly increasing steam production reliability by providing a second site which is closer to campus; creating an alternative internal source for electricity that does not rely on external suppliers; establishing a quality facility for the additional utility services; and significantly reducing the campus's carbon footprint.
- *ROCs: Itasca Facilities Improvements* –This project will construct a new technology-rich biological laboratory/classroom facility to replace obsolete laboratories that can no longer support growing research and teaching activities. The Itasca Biological Station is dedicated to studying ecosystems, appreciating their value, and preserving them for future generations. Located in Itasca State Park, the University of Minnesota has conducted instruction, research, and outreach activities at the Itasca Station since 1909. To reflect the values of the Biological Station, the design of the facilities will incorporate strategies to minimize energy usage.
- *UMTC: Eddy Hall Rehabilitation & Space Optimization Projects* – The project will renovate Eddy Hall, the oldest building on the Twin Cities Campus, for the transfer and international student welcome center and administrative functions of the undergraduate admissions office. This project will also consolidate several administrative units into less space, allowing two campus buildings to be decommissioned. Units will move from the Donhowe Building to the West Bank Office Building and from both Fraser Hall and Williamson Hall into the Donhowe Building.
- *UMD: American Indian Learning Resource Center (AILRC)* – This project will construct an American Indian Learning Resource Center at the University of Minnesota, Duluth. Seventeen programs, scattered throughout campus, will be co-located in this new facility. American Indians comprise the largest minority population at UMD and UMD’s program is one of the largest American Indian programs in the country. The campus’s strong support system has resulted in graduation rates

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significantly higher than national norms. This new center will house academic and student service programs, classrooms, a computer lab, conference rooms, a Great Room for large gatherings, and support offices for both faculty and students.

2013 Capital Request

- *Higher Education Asset Preservation and Replacement (HEAPR)* – See description in the 2012 Capital Request section.

2014 State Capital Request

- *Higher Education Asset Preservation and Replacement (HEAPR)* – See description in the 2012 Capital Request section.
- *Tate Laboratory of Physics Rehabilitation* – This project will renovate the existing 200,000 square foot Tate Laboratory of Physics building after the Physics & Nanotechnology Building, funded in 2011, is completed. Upon its completion, Tate will be the new home for the School of Earth Sciences (allowing for its move out of Pillsbury Hall which is not suited for scientific research labs) as well as updated science classrooms and the non-laboratory portions of the School of Physics and Astronomy departments.
- *St. Paul Campus Research Labs: Phase 1* – This project will renovate the Biosystems and Agricultural Engineering Building and adjacent Fisheries Laboratory into new consolidated office and microbiology laboratory space for College of Food, Agricultural and Natural Science (CFANS), College of Biological Science (CBS), and College of Veterinary Medicine (CVM). This project will be the first phase in a St. Paul lab renovation project that will upgrade laboratory facilities and allow obsolete labs to be decommissioned.
- *UMC Recreation Center Expansion* – This project will construct a 67,000 square foot addition to the current athletic facility to assist in meeting the demands for greater recreational space on the Crookston campus and will provide a place to teach and learn behaviors that are conducive to a healthy life style. A new Recreational Center at Crookston will ensure the campus a competitive advantage with other 4-year undergraduate institutions in the region.
- *Active Learning Classrooms Pool* – This project will establish a pool of system-wide funds that will be used to finish remaining work on classroom technology upgrades and to allow campuses to continue developing innovative active learning spaces required by changing pedagogy.

2015 Capital Request

- *Higher Education Asset Preservation and Replacement (HEAPR)* – See description in the 2012 Capital Request section.

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2016 State Capital Request

- *Higher Education Asset Preservation and Replacement (HEAPR)* – See description the 2012 Capital Request section.
- *Pillsbury Hall Rehabilitation for English* – This project will renovate historic Pillsbury Hall for use by English after the School of Earth Sciences moves to Tate Laboratory. The Pillsbury location will properly place English into the humanities and writing district of the Twin Cities Campus, and will release space in Lind Hall for use by the College of Science & Engineering.
- *St. Paul Campus Research Labs: Phase 2* – This project will continue the St. Paul campus lab renovation project by building new lab space at the Fisheries Engineering lab building and upgrading research labs in Kaufert Lab for microbiology research in CFANS, CBS, and CVM. These upgrades will allow for the decommissioning of the obsolete Hodson Hall and other obsolete research labs on the St. Paul campus
- *AHC Release Space Repurposing* – This project will renovate office, clinic, and lab space in the health sciences units vacated by activities that will relocate to the Ambulatory Care Clinic (ACC) and the Biomedical Discovery District (BDD). The renovated spaces will be a mixture of office, classroom, and laboratory space and will allow the consolidation of space and decommission of obsolete facilities.
- *University Libraries Collection Management: Phase 1* – This project will develop new environmentally-controlled space to house the University Libraries' Rare Books collections and to allow system-wide collection management/preservation and storage, while maintaining access to critical resources. Strategies to improve collection management and storage will allow the library system to evaluate use of existing library space, including libraries located throughout the Twin Cities Campus. Collections and rare book storage capacity will also prepare Wilson Library for future renovation and upgrade.
- *UMD Active Learning Classrooms* – This project will construct a new integrated classroom facility that will provide high-tech classrooms to better match current technology and active learning pedagogy. Due to significant growth in campus enrollment over the past 10 years, there is a growing need for additional classroom space. The integrated classroom center will provide classrooms designed and sized to optimize flexibility as multiple use teaching and learning spaces. In addition, this project will allow the campus to satisfy student course needs leading to higher retention and graduation rates while making more efficient use of faculty teaching resources such as offering fewer class sections while meeting enrollment demands.

2017 Capital Request

- *Higher Education Asset Preservation and Replacement (HEAPR)* – See description in the 2012 Capital Request section.

2018 State Capital Request

- *Higher Education Asset Preservation and Replacement (HEAPR)* – See description in the 2012 Capital Request section.

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- *University Libraries Consolidation: Phase 2* – This project will renovate the existing Wilson Library into a space that would engage faculty and students and become a destination for scholarly activity, inquiry, and discovery. The renovation and reconfiguration of Wilson Library will support contemporary learning and scholarship with services focused on enabling new discovery, interaction with digital media and tools, and building community engagement. The renovation will reposition the facility as user-centric (vs. collection- and staff-centric) and create exploratory spaces while integrating technology into the fabric of the building thus promoting a sense of community and becoming a hub for the West Bank.
- *Health Sciences Inter-Professional Education Facility* – This project will develop a shared educational facility that would serve individual schools as well as interdisciplinary needs of the health sciences units. Optimal programming will include active learning and problem based learning spaces, ITV for delivery of health science curriculums to Duluth and Rochester, simulation facilities, expansion of clinical skills facilities, social/amenity spaces for students, study spaces and biomedical library resources. Development of this facility would also foster moving these resources out of functionally obsolete buildings allowing them to be decommissioned.
- *Elliott Hall & Institute of Child Development Replacement* – This project will replace the functionally obsolete Elliott Hall and Institute of Child Development (ICD) as a new combined center for psychology and child development. The Department of Psychology is one of the highest ranked graduate programs at the University of Minnesota and Psychology is the largest generator of external funding within CLA. Improved opportunities for collaboration should have the effect of more multi-disciplinary proposals and the proximity of related programs such as Speech-Language-Hearing Sciences, Linguistics, Educational Psychology, and the Center for Cognitive Sciences make the prospect of a “behavioral sciences district” and the opportunities for interdisciplinary work a key driver in support of the Psychology Department in CLA and the Institute of Child Development in the College of Education and Human Development (CEHD).
- *UMM Briggs Library Conversion to Learning Commons* – This project will renovate Briggs Library, converting it from a traditional library to a contemporary digital information center and learning commons. Renewal of building systems (mechanical, electrical, building envelope) and correction of code deficiencies will be part of the renovation.

Other Projects Under Consideration

Included in Attachment 2, page 5 is a list of other projects under consideration. These were identified through the *Six Year Capital Planning* process as key investments based on collegiate and academic priorities. Most of these projects are unlikely to be part of a state capital request. Some of the projects identified on the list are not sufficiently developed in terms of their programmatic needs at this time.

Many of these projects have essential components which should be further developed before they are advanced in the *Six Year Capital Plan*. Some of the unresolved issues may include project scope, location and a financing plan, contingent on the source of funding.

The list of ‘Other Projects Under Consideration’ gives an indication of the potential next tier of capital projects, while allowing some flexibility to respond to changing trends as well as emerging academic priorities.

Attachment 2

All \$ in thousands (\$1 = \$1,000)

| 2012 | | | | | | | | | |
|--|--|----------------|--------------------|---------------------|--|--|--|--|--|
| 2012 State Capital Request: Unprioritized | | | | | | | | | |
| Location | Project | Total | State Contribution | U of M Contribution | | | | | |
| Systemwide | HEAPR | 90,000 | 90,000 | 0 | | | | | |
| Twin Cities | Combined Heat & Power Plant | 81,000 | 54,000 | 27,000 | | | | | |
| ROC&FS | Itasca Facilities Improvements | 6,090 | 4,060 | 2,030 | | | | | |
| Twin Cities | Eddy Hall Rehabilitation & Space Optimization Projects | 21,000 | 14,000 | 7,000 | | | | | |
| Duluth | American Indian Learning Resource Center (AILRC) | 11,025 | 7,350 | 3,675 | | | | | |
| Total | | 209,115 | 169,410 | 39,705 | | | | | |
| University Funded Projects (FY2013) | | | | | | | | | |
| Location | Project | Total | State Contribution | U of M Contribution | | | | | |
| Twin Cities | Containerized Data Center | 12,000 | | 12,000 | | | | | |
| Twin Cities | Baseball Stadium Replacement | 7,500 | | 7,500 | | | | | |
| Morris | Student Residence Hall | 6,900 | | 6,900 | | | | | |
| Twin Cities | Mechanical Engineering Engine Lab Relocation | 5,000 | | 5,000 | | | | | |
| Total | | 31,400 | 0 | 31,400 | | | | | |
| Minnesota Biomedical Sciences Research Facilities Authority | | | | | | | | | |
| Location | Project | Total | State Contribution | U of M Contribution | | | | | |
| Twin Cities | Project #4 | 50,000 | 37,500 | 12,500 | | | | | |
| Total | | 50,000 | 37,500 | 12,500 | | | | | |
| 2013 | | | | | | | | | |
| 2013 State Capital Request | | | | | | | | | |
| Location | Project | Total | State Contribution | U of M Contribution | | | | | |
| Systemwide | HEAPR | 35,000 | 35,000 | 0 | | | | | |
| Total | | 35,000 | 35,000 | 0 | | | | | |
| University Funded Projects (FY2014) | | | | | | | | | |
| Location | Project | Total | State Contribution | U of M Contribution | | | | | |
| Twin Cities | Decommission/Demolition of Obsolete Buildings | 3,000 | | 3,000 | | | | | |
| Total | | 3,000 | 0 | 3,000 | | | | | |

| 2014 | | | | | | | | | |
|--|---|---|--------------------|---------------------|----------|---------|-------|--------------------|---------------------|
| 2014 State Capital Request: Unprioritized | | | | | | | | | |
| Location | Project | Total | State Contribution | U of M Contribution | Location | Project | Total | State Contribution | U of M Contribution |
| Systemwide | HEAPR | 100,000 | 100,000 | 0 | | | | | |
| Twin Cities | Tate Laboratory of Physics Rehabilitation | 85,000 | 56,667 | 28,333 | | | | | |
| Twin Cities | St. Paul Campus Research Labs: Phase 1 | 40,000 | 26,667 | 13,333 | | | | | |
| Crookston | Recreation Center Expansion | 18,000 | 12,000 | 6,000 | | | | | |
| Systemwide | Active Learning Classroom Pool | 10,000 | 6,667 | 3,333 | | | | | |
| Total | | 253,000 | 202,000 | 51,000 | | | | | |
| University Funded Projects (FY2015) | | | | | | | | | |
| Location | Project | Total | Other Contribution | U of M Contribution | | | | | |
| 41 | | | | | | | | | |
| 2015 | | | | | | | | | |
| 2015 State Capital Request | | | | | | | | | |
| Location | Project | Total | State Contribution | U of M Contribution | | | | | |
| Systemwide | HEAPR | 35,000 | 35,000 | 0 | | | | | |
| University Funded Projects (FY2016) | | | | | | | | | |
| Location | Project | Total | Other Contribution | U of M Contribution | | | | | |
| 50 | Twin Cities | Decommission/Demolition of Obsolete Buildings | 3,000 | | 3,000 | | | | |
| 2016 | | | | | | | | | |
| 2016 State Capital Request: Unprioritized | | | | | | | | | |
| Location | Project | Total | State Contribution | U of M Contribution | Location | Project | Total | State Contribution | U of M Contribution |
| Systemwide | HEAPR | 100,000 | 100,000 | 0 | | | | | |
| Twin Cities | Pillsbury Hall Rehabilitation for English | 24,000 | 16,000 | 8,000 | | | | | |
| Twin Cities | St. Paul Campus Research Labs: Phase 2 | 40,000 | 26,667 | 13,333 | | | | | |
| Twin Cities | AHC Release Space Repurposing | 65,000 | 43,333 | 21,667 | | | | | |
| Twin Cities | University Libraries Consolidation: Phase 1 | 30,000 | 20,000 | 10,000 | | | | | |
| Duluth | Active Learning Classrooms | 35,000 | 23,333 | 11,667 | | | | | |
| Total | | 294,000 | 229,333 | 64,667 | | | | | |
| University Funded Projects (FY2017) | | | | | | | | | |
| Location | Project | Total | Other Contribution | U of M Contribution | | | | | |
| 64 | Twin Cities | Superblock Dining Facility | 18,000 | | 18,000 | | | | |
| 2017 | | | | | | | | | |

| 2017 State Capital Request | | | | |
|----------------------------|------------|---------|--------|---------------------|
| 67 | Location | Project | Total | U of M Contribution |
| 68 | Systemwide | HEAPR | 35,000 | 0 |
| 69 | | | | |
| 70 | | | | |

| University Funded Projects (FY2018) | | | | |
|-------------------------------------|-------------|---|---------------|---------------------|
| 71 | Location | Project | Total | U of M Contribution |
| 72 | Twin Cities | Decommission/Demolition of Obsolete Buildings | 3,000 | 3,000 |
| 73 | Twin Cities | Intermodal Facility | 36,000 | 36,000 |
| 74 | | | | |
| 75 | | Total | 39,000 | 39,000 |

2018

| 2018 State Capital Request: Unprioritized | | | | |
|---|-------------|---|----------------|---------------------|
| 76 | Location | Project | Total | U of M Contribution |
| 77 | Systemwide | HEAPR | 100,000 | 0 |
| 78 | Systemwide | University Libraries Consolidation: Phase 2 | 30,000 | 10,000 |
| 79 | Twin Cities | Health Sciences Inter-Professional Education Facility | 82,000 | 27,333 |
| 80 | Twin Cities | Elliott Hall & Institute of Child Development Replacement | 80,000 | 26,667 |
| 81 | Morris | Briggs Library Conversion to Learning Commons | 24,000 | 8,000 |
| 82 | | | | |
| 83 | | | | |
| 84 | | Total | 316,000 | 72,000 |

SUMMARY

| State Capital Request Summary | | Total | State Contribution | U of M Contribution |
|--------------------------------------|--|------------------|--------------------|---------------------|
| 2012 State Capital Request | | 209,115 | 169,410 | 39,705 |
| 2013 State Capital Request | | 35,000 | 35,000 | 0 |
| 2014 State Capital Request | | 253,000 | 202,000 | 51,000 |
| 2015 State Capital Request | | 35,000 | 35,000 | 0 |
| 2016 State Capital Request | | 294,000 | 229,333 | 64,667 |
| 2017 State Capital Request | | 35,000 | 35,000 | 0 |
| 2018 State Capital Request | | 316,000 | 244,000 | 72,000 |
| Total | | 1,177,115 | 949,743 | 227,372 |

| Minnesota Biomedical Sciences Research Facilities Authority | | Total | State Contribution | U of M Contribution |
|--|--|---------------|--------------------|---------------------|
| 2012 | | 50,000 | 37,500 | 12,500 |
| Total | | 50,000 | 37,500 | 12,500 |

| University-Funded Projects | | Total | Other Contribution | U of M Contribution |
|-----------------------------------|--|---------------|--------------------|---------------------|
| 2012 | | 31,400 | | 31,400 |
| 2013 | | 3,000 | | 3,000 |
| 2014 | | 0 | | 0 |
| 2015 | | 3,000 | | 3,000 |
| 2016 | | 18,000 | | 18,000 |
| 2017 | | 39,000 | | 39,000 |
| 2018 | | 0 | | 0 |
| Total | | 94,400 | | 94,400 |

Grand Total 1,321,515 987,243 334,272

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Other Projects Under Consideration

| | Proposing | Project |
|-----|-----------|--|
| 115 | UMC | Heating Plant Conversion from Coal to Gas |
| 116 | UMD | Kirby Student Center Renovation - Phase 1 |
| 117 | UMD | Boiler & Chiller Infrastructure Expansion |
| 118 | UMR | Montague Hall Expansion |
| 119 | UMR | Academic/Learning Lab Building |
| 120 | UMR | Basketball Development Facility |
| 121 | UMR | Bierman Space Conversion for Wrestling |
| 122 | UMR | Inflatable Structure for Football Practice |
| 123 | UMR | Hockey Team Area Remodeling |
| 124 | UMR | Williams & Mariucci Arena Enhancements |
| 125 | UMR | Active Learning Labs |
| 126 | UMR | Armory/Rapson Hall/McNeal Hall |
| 127 | UMR | Bell Museum Renovation/Replacement |
| 128 | UMR | Bee Research Lab |
| 129 | UMR | Rosemount ROC Facility |
| 130 | UMR | Waste-to-Energy Digester |
| 131 | UMR | Amundson Hall Expansion |
| 132 | UMR | Mechanical Engineering Renovation |
| 133 | UMR | Lind Hall for IMA |
| 134 | UMR | Raptor Center Improvements |
| 135 | UMR | Equine Center Expansion |
| 136 | UMR | Administrative & Program Facility |
| 137 | UMR | Civic Innovation Laboratory |
| 138 | UMR | West Bank Recreation Center |
| 139 | UMR | Coffman Union 2nd Floor Remodeling |
| 140 | UMR | Fieldhouse |
| 141 | UMR | Electric Power Plant Planning |
| 142 | UMR | |
| 143 | UMR | |
| 144 | UMR | |

KEY

- CBS College of Biological Science
- Cdes College of Design
- CEHD College of Education and Human Development
- CFANS College of Food, Agricultural and Natural Resource Sciences
- CSE College of Science and Engineering
- CVM College of Veterinary Medicine
- HHH Humphrey School of Public Affairs
- UMC University of Minnesota Crookston
- UMD University of Minnesota Duluth
- UMR University of Minnesota Rochester
- UMTC University of Minnesota Twin Cities



**UNIVERSITY OF MINNESOTA
BOARD OF REGENTS**

Board of Regents

March 9, 2012

Agenda Item: The University's Land Grant Mission

review review/action action discussion

Presenters: Senior Vice President/Provost Karen Hanson
Senior Vice President Robert Jones

Purpose:

policy background/context oversight strategic positioning

The University of Minnesota's land-grant mission has been integral to its identity and development throughout history, and remains central to its vitality and impact today. In 2012, the University of Minnesota will join institutions across the country in marking the 150th anniversary of the Morrill Act of 1862. This legislation is the foundation for the University's ongoing mission of connecting its intellectual and human capital to serve the public good. Docket information includes how the land-grant mission has evolved, how the University of Minnesota defines serving the public good today, how land-grant universities are relevant to 21st century challenges including increasingly global and urban interfaces, and how the University's land-grant mission uniquely benefits our state.

Outline of Key Points/Policy Issues:

The University of Minnesota's identity as the state's only public research and land-grant institution continues to drive us to work across institutional, disciplinary, cultural, economic, and geopolitical boundaries to create research-based knowledge that addresses the needs of global communities both within and beyond Minnesota, ensures a highly skilled, educated workforce, and prepares citizens for participation in a diverse global workforce and economy, for civic responsibility and leadership, and for global and multicultural competence.

The University's Land Grant Mission
University of Minnesota Board of Regents
March 9, 2012

Background

Founded in 1851, the University of Minnesota is one of the state's greatest assets and is consistently ranked among the most comprehensive and renowned public research universities in the world. The University has the special distinction of being Minnesota's sole research university and its only public land-grant institution, with unique capacity—and responsibility—to improve the lives of Minnesotans and drive the state forward through advanced education, knowledge discovery, and collaborative problem-solving.

The University of Minnesota's land-grant mission has been integral to its identity and development throughout its history—and remains central to its vitality and impact today. In 2012, the University will join institutions across the country in marking the 150th anniversary of the Morrill Act of 1862. This watershed legislation, which gave birth to land-grant universities, is the foundation for the University's ongoing mission of connecting its intellectual and human capital to serve the public good.

The Morrill Act—and related legislation over the years—was intended to open up higher education to the citizens of each state and to provide education, discovery, and knowledge transfer relevant to people's lives and society's needs. As the University has continued to evolve in response to revolutions in knowledge and increasingly complex local and global challenges, the focus and scope of its land-grant mission has undergone significant change—while remaining highly relevant to its purpose and to the vitality of the state. Throughout its history the University of Minnesota has extended the land-grant mission to Minnesotans through Extension, the Agricultural Experiment Station and its Research and Outreach Centers, and varied community outreach projects. Over the last decade, the University has worked to develop a broad-based, strategic agenda to optimize responsiveness to the needs of the state, to reflect new models of public engagement emphasizing partnership and reciprocity, and to more fully integrate community outreach and public service into the University's research and teaching initiatives.

The University's vigorous land-grant commitments recognized the University's distinct strengths as an urban-based and globally-engaged research institution. They also recognize the centrality of the land-grant mission to strategic priorities of the University on every level: connecting the world to Minnesota and Minnesota to the world through world-class excellence in research, learning, and discovery; broadening access to educational and economic opportunities and closing achievement gaps to strengthen communities; preparing science and technology knowledge leaders for the 21st-century; partnering with rural and urban communities alike to advance their social and economic vitality and sustainability; advancing innovation in business and technology to position Minnesota as a leader in the global economy; advancing understanding across diverse cultural communities; creating and sustaining vibrant arts communities; and preparing students for successful careers and thoughtful, productive citizenship.

How has the land-grant mission evolved?

In 1851, the University of Minnesota first opened its doors as a preparatory school on 46,080 acres of territorial land reserved by Congress “for the use and support of a

university.” In the decade to come, the school would nearly succumb to lack of funds, a nationwide economic crisis, political wrangling, territorial claims by the Dakota, and the country’s Civil War. And yet in 1862, thanks in large part to the entrepreneurial spirit of John Sargent Pillsbury –who became the University’s benefactor and one of its first regents – the University began its 150-year evolution into the international spotlight that it now shares with the nation’s other top research universities, both public and private.

The passage of the Morrill Act of 1862 formalized the ideal that drove the founders of the University—the obligation to educate all citizens. “Land grants” were federal donations of land that generated revenue to facilitate creating and expanding colleges and universities nationwide.

The ultimate goal of the Morrill Act was to promote “liberal and practical education” among the agricultural and mechanical classes. The University built on the federally donated land would educate the people of Minnesota to be productive citizens and members of the workforce.

Land-grant institutions in Minnesota and other states were envisioned as engines of economic and social development, charged with democratizing higher education and producing knowledge directly relevant to people’s lives and the needs of society. Specifically, land-grant institutions were created to:

- advance knowledge through research;
- make that knowledge broadly accessible; and
- educate people of the region, from all walks of life, for the workforce, citizenship, and upward mobility in a way that would contribute to the collective prosperity of the state and the nation.

Twenty-five years later, the Hatch Act of 1887 went a step further to establish the foundations of the modern *research* university, expressly authorizing the creation of agricultural experiment stations at land grant institutions to spread innovation that would address the needs of a rapidly advancing agricultural environment. Subsequently, the Smith-Lever Act of 1914 authorized *extension services* to extend the reach of land grants. States provided matching funding and partnered with land grant colleges in the development of the extension services. Together, these acts integrated education, research, and outreach into the land-grant mission.

Congress continued to advance the goal of “educating the masses” through the second Morrill Act in 1890, which created historically black land-grant colleges and universities—and again in 1994 by extending land-grant status to tribal colleges.

For over 150 years, the University of Minnesota has navigated a steady forward and upward arc toward international renown in a state whose economy has changed from an agricultural and industrial economy to a service and knowledge economy dominated and defined by new technologies, by breakthrough discoveries in science, and by innovations in industries across the spectrum of human endeavor; and whose economic and cultural center of gravity has expanded from rural and regional to urban and global.

The state’s local economies, especially in rural communities, have been significant

beneficiaries of the University's land-grant mission delivered through outreach efforts across Minnesota. In particular, the Agricultural Experiment Stations (founded 1862, now University of Minnesota Research and Outreach Centers) and the Minnesota Extension Service (founded 1909, now University of Minnesota Extension) have extended the reach of the University into every corner of the state, coupling community education with research and outreach that addressed major needs of Minnesotans ranging from farms and crops to environmental health, business innovation, and the well-being of families and youth.

For much of the 20th century, these efforts, along with campus-based outreach programs, focused primarily on rural areas and on knowledge transfer from limited disciplines within the University.

In the last three decades, the focus has become more global and more urban; the boundaries between disciplines and between town and gown have blurred; and the land-grant embrace has both shifted and broadened to address issues and problems that know no boundaries. Driving the 21st century land-grant mission is a broadening vision of the critical role of public research universities in addressing the most urgent and complex problems of an increasingly interconnected and global world.

How does the University define serving the public good today?

As one of an elite few land-grant universities that are also world-class research institutions, the University of Minnesota consistently has advanced the land-grant mission with exceptional vigor across its academic programs. Concurrently, the University has refocused its land-grant compass in response to challenges on two very different and often conflicting fronts: expanded views of public engagement stressing reciprocal partnerships with communities, and eroding public and political support for the view of higher education as a public good.

In 2005, the University of Minnesota Council on Public Engagement adopted the vision of public engagement established by the Committee on Institutional Cooperation: “the partnership of university knowledge and resources with those of the public and private sectors to enrich scholarship, research, and creative activity; enhance curriculum, teaching and learning; prepare educated, engaged citizens; strengthen democratic values and civic responsibility; address critical societal issues; and contribute to the public good.”

This new framework reflects an evolution in the ways universities think about their work in communities. The 21st-century vision defined by the CIC – and embraced by Minnesota – recognizes the interdependence between universities and communities and recognizes that it represents both needs and opportunities for both. The shift is away from viewing the university as holder of knowledge that it may choose to share with communities and toward a vision of mutually beneficial campus-community partnerships integrated across the university's research, teaching, and public service missions. It also recognizes the importance and value of weaving these partnerships into the academic fabric of the university.

At the same time, the University has had to contend with growing challenges to the essence of the land-grant ideal, in particular growing trends toward privatization and narrowing support for public higher education. Reflecting these trends, state funding for

the University has declined in the past three decades from about 40 percent of the institution's operating budget to roughly 18 percent.

How are land-grant universities relevant to 21st-century challenges?

The University of Minnesota is one of 73 land-grant universities in the country; there are also 30 tribal land-grant institutions (two in Minnesota) and 17 historically black land-grant colleges. APLU data (2008, Association of Public and Land-Grant Universities) show that public land-grant universities grant 85% of research university bachelor's degrees; serve as a primary route for U.S. minority students earning bachelor's degrees (about 800,000 per year), enroll over 70% of research university graduate students; award 58% of U.S. doctorates, and account for 62% of NSF science and engineering research expenditures. But recent survey findings also show that there is a general lack of understanding as to what a land grant-institution is and does (Bruns et.al., 2011).

As Minnesota's only comprehensive research and land-grant university, the University plays a critical role in developing human capital, creating innovation, and sharing knowledge advancing Minnesota business and industries, informing policymaking, and strengthening the well-being of families and communities. We are active in every corner of Minnesota—across 5 campuses of distinct strengths and specialties, 16 regional Extension offices, 5 Area Health Education Centers; and more than 20 research and outreach centers, labs, and offices statewide. This strong public focus has led to an acute sense of ownership, not only among our students, faculty and staff, but also among our over 400,000 living alumni and citizens of Minnesota.

Today's public engagement agenda at the University of Minnesota also focuses on moving from implementing individual, discrete community projects to establishing more multifaceted, comprehensive *partnerships*. The contemporary engagement agenda has shifted the focus from time-limited outreach initiatives to longer-term, sustainable initiatives. Today's engagement agenda also has built a more collaborative approach to campus-community partnerships in which not only is the community benefitting from the outreach work that the University offers, but that the University's research and teaching initiatives are enhanced by the collaborations that are maintained with community partners.

The faculty, staff, and students involved in University outreach and engagement don't just conduct research—they develop it in collaboration with community, business, and government partners, share it in a myriad of ways to promote quality of life and promote economic development, and bring real-world knowledge back to invigorate ongoing research and teaching programs.

The relevance of the University's ongoing land-grant commitment to 21st-century challenges is abundantly clear. The University is connected to one out of every 43 jobs in Minnesota, delivers \$8.6 billion in total economic impact annually, and generates \$13.20 in Minnesota's economy for every dollar invested.

Fanning out from its campuses in Crookston, Duluth,, Morris, Rochester, and the Twin Cities, the University mobilizes its knowledge, resources, and people across Minnesota every day to share breakthroughs in science and technology; train the best teachers, leaders, healers, engineers, and entrepreneurs; advance cultural understanding; and partner

with communities to close the achievement gap, improve health, support families and youth, solve environmental problems, and address a host of other challenges critical to Minnesota's future.

Increasingly global

The University's land-grant mission has generally been seen by the public as a covenant with tax-paying Minnesotans to serve Minnesota and Minnesota communities: The University is, after all, *Minnesota's* flagship institution, whose first and foremost responsibility is to the people of Minnesota. Because Minnesotans help support it with their tax dollars it *belongs* to Minnesotans.

Serving and advancing the public good for the betterment of Minnesota remains a core mission and responsibility of the University of Minnesota. And yet we recognize that we can no longer talk about, or even conceptualize, Minnesota's economy or quality of life as existing apart from its global interconnectedness. Globalization of economic, industrial, intellectual, and human capital in the 21st century has changed not only the context but also the paradigm that govern our work, inexorably expanding the University's mission beyond its primary Minnesota focus to embrace global concerns at the intersection of local and global.

Minnesota exists in a globally connected world, and is itself global in its demographics, its culture, and its economy; and new technologies have breached the borders between Minnesota and the rest of the world, transforming how and where we work and live: increasingly in globally constituted and connected urban population centers. We cannot ignore global issues, even while many of our teaching, research, and public engagement initiatives remain centered in Minnesota communities.

As a global research university, we now link beyond our borders to institutions across the country and world. And our peers are no longer just those other great universities in our back yard. Higher education institutions around the globe are competing for students; and they are entering – and sometimes winning – the high-stakes competition for dominance in science and technology.

The constituency for our land-grant mission is changing—becoming more diverse, with diverse and complex needs. This requires that we change the way we do business, and we are leading the nation as a publicly engaged land-grant institution, making research, discovery, and innovation accessible to and usable by diverse communities.

Increasingly urban

As our state and our nation become more urbanized, our urban agenda will be increasingly critical to the growth and sustainability of Minnesota's economy and quality of life. Healthy urban areas mean healthier communities throughout the interconnected web of Minnesota cities, towns, and suburbs.

The teaching, research, and public engagement missions of our urban land-grant institution must be aligned and strategically focused to meet the needs of our growing urban areas and those at the urban-rural interface. The majority of the world's population, a number equal to the entire world population in 1960, lives in cities, and 85 percent of all

jobs in the U.S. are in urban regions. Sixty percent of Minnesota's population lives in the Twin Cities commuting area, and other urban centers such as Duluth, Rochester, and St. Cloud continue to grow.

Demographers project a decline in the number of high school graduates in Minnesota, increased diversity extending across the state, further globalization, and a continuing influx of new immigrants. The challenges created by these and other anticipated demographic changes are significant and urgent, especially as they affect our urban communities. Members of the Itasca Project, a coalition of business, educational, and community leaders, said that Minnesota risks falling behind in economic and educational achievement if current trends continue, especially if the achievement and educational attainment gaps persist between white populations and populations of color and new immigrant populations.

To address this concern, the University of Minnesota is working with diverse populations in ways that will close these gaps and sharpen the region's competitive edge. And that means expanding our land-grant mission for this urban century. Thus an important part of our urban agenda is working collaboratively with communities dealing most urgently with these issues – bringing multi-disciplinary research teams to communities to work directly and collaboratively with community, business, government and nonprofit partners to develop sustainable, community-centered, research-based solutions, addressing complex issues including health disparity, education and achievement gap, innovation and community economic development. This is our model for the future.

How does the University's land-grant mission uniquely benefit the state?

Although all types of institutions of higher education are working to advancing contemporary notions of public and community engagement, the land-grant university remains distinct in several ways. By nature of their origin, land-grant universities maintain a covenant with their states, leveraging taxpayer dollars to help support educational, research, and outreach facilities and mission-critical programs serving the needs of the state.

With this comes a strong responsibility to ensure that the tax dollars are applied in ways that benefit the economic, social, and cultural development of the state. Once focused primarily on agriculture, home economics, and mechanical arts professions serving a largely industrial and rural society within state borders, the programs and initiatives of the University of Minnesota have over the years been shaped and reshaped to respond to emerging needs—and to bring the state the full benefit of the University's strengths as one of the world's foremost patent-producing universities. The University's recent MN-IP initiative is the first such initiative in the country to aggressively move pathbreaking intellectual property from the research lab to the realms of business, industry, and the marketplace.

The University also has remained at the forefront of ensuring educational access, closing gaps, and broadening opportunities throughout the state—hallmarks of the founding land-grant vision.

The University is distinguished from its peer land grant institutions by its *comprehensive*, and *intentional* vision and strategies for moving beyond programmatic initiatives to

integrate and *institutionalize* public engagement in teaching and learning, research and discovery—not only in theory but in practice, on the ground, in sustainable working partnerships with communities.

In the 21st century, the University's identity as the state's only public research and land-grant institution continues to drive us to work across institutional, disciplinary, cultural, economic, and geopolitical boundaries to create research-based knowledge that addresses the needs of global communities both within and beyond Minnesota, ensures a highly skilled, educated workforce, and prepares citizens for participation in a diverse global workforce and global economy, for civic responsibility and leadership, and for global and multicultural competence.