AGENDA


3. Fall 2010 Undergraduate Education Update - T. Sullivan/R. McMaster (pp. 20-26)


5. Information Items - T. Sullivan (p. 30)
Educational Planning and Policy Committee        December 9, 2010

**Agenda Item:** Board of Regents Policy: Commercialization of Intellectual Property Rights

- review
- review/action
- action
- discussion

**Presenters:** Vice President Timothy Mulcahy

**Purpose:**
- policy
- background/context
- oversight
- strategic positioning

Policy Section III Subd. 6 has been revised. The proposed policy amendment is intended to provide for recovery of a portion of the administrative costs associated with operating the Office for Technology Commercialization (OTC).

Policy was last reviewed and amended December 14, 2007. Current policy revisions have been reviewed and accepted by the appropriate faculty and administrative governance groups.

**Outline of Key Points/Policy Issues:**

- University derives significant benefit from a robust technology commercialization operation;
- Federal policy requires Universities to commercialize technology developed with federal support;
- Technology commercialization is a costly function;
- The current funding model is no longer adequate for the following reasons:
  - a key and primary source of OTC operations funding is going away (Glaxo) and
  - the U’s current model is out of sync with comparable peer institutions;
- Changes to current Regents commercialization policy would:
  - Normalize funding for technology commercialization comparable to peer institutions
  - Strike more appropriate balance between the U’s risk of investing in the costs of tech transfer with the rewards received by all stakeholders
  - Maintain faculty inventorship/entrepreneurialism incentives
  - Compel licensees to pay appropriate fees (industry recognizes there is a cost of doing business)
Help to sustain the cost of technology transfer operations after decline of royalty revenue from our current “blockbuster” (Glaxo)

**Background Information:**

The mission of the Office for Technology Commercialization (OTC) at the University of Minnesota (UMN) is:
“...to translate University of Minnesota research into new products and services that provide growth opportunities for our licensees, benefit the public good, improve the quality of life, and generate revenue to support the University's research and education goals.”

OTC is structured to function like a business. OTC is charged with aggressively seeking commercial partners to license high-potential technologies. OTC contributes to the University's strategic positioning goals by making promising University-based technologies available to the public (from discovery to utility) and by maximizing the return-on-investment value of University Intellectual Property. Through marketing and licensing of technology, OTC generates financial returns for the institution from licensing fees (in the form of cash, equity, or other consideration), the royalty rate paid on company revenues, patent reimbursement, and development milestone payments. OTC’s Venture Center focuses on the creation of start-up companies based on UMN technology.

**OTC Current Funding Model**

- Exclusively self-funded through royalty revenue
- Receives no central administrative (O&M) funds
- Major royalty revenue stream (Glaxo, >90% of total) in decline as patent coverage sunsets
- Assumes all the risks and the costs associated with IP protection and licensing
- Must entirely cover costs for ‘winners’ as well as ‘losers’
- Current funding model is an exception among peers

**Recommendations**

Maintain

- 1/3rd, 1/3rd, 1/3rd net income split
  - Faculty and departments should be incentivized for their hard work and support of commercialization
  - Aggressive OTC financial goals

Proposed Policy Change: Modify current Regents policy to incorporate a 15% service fee

**President's Recommendation for Action:**

The President supports this policy change and recommends for approval.
COMMERCIALIZATION OF INTELLECTUAL PROPERTY RIGHTS

SECTION I. SCOPE.

This policy governs patents and the ownership, commercialization, and dissemination of intellectual property rights in technology created at the University of Minnesota (University).

SECTION II. EXCLUSIONS.

Subd. 1. Copyright. With the exception of the commercialization of intellectual property rights in software owned by the University, this policy shall not apply to the ownership or use of copyrighted works that are governed by other Board of Regents (Board) or administrative policies.

Subd. 2. Trademarks. With the exception of intellectual property rights in University trademarks that identify University-owned plant varieties or that are commercialized in conjunction with other technology covered by this policy, this policy shall not apply to the use of University-owned or licensed names, trademarks, or service marks.

Subd. 3. Equity Interests. This policy shall not apply (a) to the University’s acquisition of equity securities in a publicly held company or appointment of a voting member to the governing body of a publicly held company or (b) to the acquisition of equity securities of a publicly held company by a University employee.

SECTION III. DEFINITIONS.

Subd. 1. Inventor. Inventor shall mean a University employee, student, or post-doctoral or other fellow who invents technology.

Subd. 2. Technology. Technology shall mean the following items and their related intellectual property rights:

(a) a discovery or invention, patentable or not;
(b) software owned by the University; and
trademarks owned by the University that identify University-owned or University-licensed plant varieties or that are commercialized in conjunction with other technology covered by this policy.

Subd. 3. University Official. University official shall mean a person defined as a University official in Board of Regents Policy: Institutional Conflict of Interest and any person covered by administrative policies or procedures implementing that policy.

Subd. 4. Controlling Equity Interest. Controlling equity interest shall mean the University’s ownership of equity securities of a licensee sufficient to grant the University the power to direct the licensee’s management. The University shall be considered to have a controlling equity interest in a licensee under this policy if:

(a) the University owns a majority of the voting equity interest in the licensee; or

(b) the University has the power to appoint a majority of the voting members of the governing body of the licensee.

Subd. 5. Licensee. Licensee shall mean a for-profit, privately held company to which the University licenses or assigns intellectual property rights in University-owned technology.

Subd. 6. Net Income. Net income shall mean the gross monetary payments the University receives as a result of transferring in consideration for granting rights in the technology less (a) the University’s out-of-pocket expenditures (including legal fees) directly attributable to protecting, developing, and transferring that technology and (b) a fifteen percent administrative fee of the gross monetary payments to help defray the costs associated with operating the Office of Technology Commercialization. Fees, charges, and other monetary payments made to the University to compensate it for administering intellectual property agreements or seeking and maintaining intellectual property protection for technology shall not be considered monetary payments under this policy.

SECTION IV. GUIDING PRINCIPLES.

The following principles shall guide the University in commercializing technology:

(a) The primary mission of University research is the generation and dissemination of knowledge, and academic freedom requires that
faculty, staff, and students be free to pursue areas of research and study without regard to the potential for the creation of inventions.

(b) The development and dissemination of new knowledge, technology, or scientific procedures resulting in innovative products, practices, and ideas is a valued supplement to scholarly publications.

(c) University commercialization activities shall not inhibit the ability of University researchers to pursue research of their choosing, to publish results of their work in a timely manner, and otherwise to exercise their rights of academic freedom.

(d) Licensing University-owned technology to private companies promotes the University’s interest in successful commercial development of University-owned intellectual property. In some circumstances, a non-commercial method of distribution, such as open source sharing of technology or licensing for humanitarian needs, may be the preferred method of providing public access to, and use of, University discoveries.

(e) The University may own a controlling equity interest and assert control over the direction and management of a licensee only when doing so (1) enhances the potential for the licensee to successfully develop and make available to the public useful products and services and (2) increases the potential value of the University’s investment.

SECTION V. OWNERSHIP OF TECHNOLOGY.

**Subd. 1. Ownership.** The University shall be the sole owner of all rights, titles, and interests (including intellectual property rights) in and to technology:

(a) created by University employees in the course of their employment;

(b) created by students or post-doctoral or other fellows in the course of their academic duties or appointments; or

(c) created by individuals, including employees, students, or post-doctoral or other fellows, using substantial University resources.

**Subd. 2. Assignment of Intellectual Property Rights.** Inventors assign to the University all rights, titles, and interests, if any, in and to technology owned by the University.
Subd. 3. Ownership Under Third Party Agreements. Ownership of and rights in technology are subject to the terms of written agreements between the University and third parties under which the University, solely or in collaboration, conducts research or other activities. Under these agreements, the University may claim, disclaim, or otherwise grant or accept rights in technology as appropriate and desirable.

Subd. 4. Waiver of University Rights. Consistent with administrative policies and procedures, the president or delegate is authorized to waive or otherwise assign to an inventor all or part of the University’s rights, titles, or interests in or to a technology created by the inventor.

Subd. 5. Rights to Publish. At the University’s request, inventors shall delay the publication or public disclosure of any descriptions of technology for a brief period of time to permit the registration, application for, and protection of the intellectual property rights in the technology.

Subd. 6. Rights to Third Parties. The president or delegate may assign, license, or otherwise grant a third party the right to use technology royalty-free or in exchange for cash, stock or other securities, or other tangible or intangible property.

SECTION VI. DISTRIBUTION OF INCOME FROM COMMERCIALIZATION OF TECHNOLOGY.

The University shall share with inventors the net income from the commercialization of technology as follows:

(a) thirty-three and one-third percent to the inventors;
(b) twenty-five and one-third percent to the department, division, or center that supported the creation of the technology, to be spent in support of the inventor’s research or directly related University work;
(c) eight percent to the collegiate unit that supported the creation of the technology; and
(d) thirty-three and one-third percent to the Office of the Vice President for Research, to be spent in support of the University’s technology commercialization activities and to fund University research and scholarly activity.

The president or delegate may change the distribution to collegiate units...
or to departments, divisions, or centers if such amounts become disproportionate compared to their budgets or if there have been administrative organizational changes, including an inventor’s movement among units or departments. The president or delegate also may distribute to inventors a portion of the net income from commercialization of technology in the form of a bonus or salary supplement.

SECTION VII. EQUITY, CONTROLLING INTERESTS, AND ASSISTANCE WITH COMMERCIALIZATION.

Subd. 1. Disposition of Equity Securities. The University shall sell the equity securities acquired under this policy as soon as prudent and in strict compliance with all applicable federal and state laws. The cash proceeds derived from the sale of equity securities shall be distributed in the same proportions as income derived from technology.

Subd. 2. Acquiring a Controlling Equity Interest in the Commercialization of Technology. In acquiring, as part of a transaction to commercialize technology, a majority or other equity interest in a company that grants the University the power to direct the company’s management or the power to appoint a majority of the voting members of the governing body of the company, the following prohibitions shall apply:

(a) Except as permitted under other applicable Board policies, the University shall not make a cash investment in, lend money to, or guarantee the obligations of the company; and

(b) University officials shall not purchase or invest, directly or indirectly, in the equity securities of a licensee as long as the licensee is privately held, except that University employees who are not University officials may purchase or invest, directly or indirectly, in such equity securities if permitted under Board of Regents Policy: Individual Business or Financial Conflict of Interest and other applicable Board policies.

Subd. 3. Appointment of Voting Members to Governing Bodies as Part of the Commercialization of Technology. The president shall appoint voting members to the governing bodies of privately held companies commercializing technology. A University-appointed member shall:

(a) be a University employee with demonstrated experience and competence in technology commercialization and in the creation, management, and capitalization of privately held companies; and
(b) be reasonably insured against liability arising from service on the governing bodies of such companies.

A University-appointed member:

(a) shall not accept compensation for service as a member of the governing body of the company, but may accept reasonable reimbursement for service-related expenses;

(b) shall comply with University policies and procedures;

(c) shall discharge fiduciary and contractual responsibilities to the company, subject to the performance of University duties as provided in Board and other University policy and procedures; and

(d) shall resign as a voting member of the governing body of the company prior to the company’s becoming publicly held, unless the president or delegate approves an extension of the appointment.

Subd. 4. Use of Technology Commercialization Income to Assist Commercialization by Non-University Entities. The president or delegate may authorize non-University entities to use income the University earns from technology commercialization to directly encourage, promote, or assist with the commercialization and development of University intellectual property. The commitment of financial support for particular projects shall not exceed $250,000, consistent with Board of Regents Policy: Reservation and Delegation of Authority.

SECTION VIII. REPORTING.

The president or delegate shall report annually to the Board on University activities under this policy.

SECTION IX. IMPLEMENTATION.

The president or delegate shall implement this policy and maintain appropriate policies and procedures to administer it.
Educational Planning and Policy Committee  December 9, 2010

**Agenda Item:**  Interim Report of Enrollment Management Committee

☐ review  ☐ review/action  ☐ action  ☒ discussion

**Presenters:**  Senior Vice President/Provost Thomas Sullivan  
Vice Provost/Dean of Undergraduate Education Robert McMaster  
Vice Provost/Dean of Graduate Education Henning Schroeder

**Purpose:**

☐ policy  ☐ background/context  ☐ oversight  ☒ strategic positioning

To report on the work of the Enrollment Management Committee.

**Outline of Key Points/Policy Issues:**

The Enrollment Management Committee, constituted in the summer of 2010, was charged with looking at all aspects of University of Minnesota enrollments and developing a long-term, strategic enrollment plan. This interim report will cover progress to date on reviewing the size, scope, and mission of the University of Minnesota related to enrollment management strategies.

**Background Information:**
Although the University of Minnesota Twin Cities is one of the largest universities in terms of total numbers of students, there has been only modest growth over the past eight years. Since 2003 undergraduate enrollment has grown from 28,747 to 30,519; graduate enrollment has grown from 12,796 to 13,946; and professional education has grown from 2,758 to 3,638. From 2009 to 2010 graduate enrollments actually declined by 200 students and professional by just 9 students. The following graphs illustrate both the total enrollments and the enrollment trends in undergraduate, graduate, professional, and non-degree seeking students from the period 2003 to 2010.

It is clear that as we move forward with our continued strategic planning efforts involving both the academic and administrative side of the University, a careful plan for enrollment management is essential. Short-term and long-term enrollment management will affect our budgets and fiscal health, the curriculum we deliver, faculty/student ratios, and access to the University. We must determine the appropriate balance among undergraduate, graduate, and professional education students. What is our particular enrollment niche given our role as the state’s primary research institution? What is our comparative advantage?
In the summer of 2010, Provost Sullivan asked Robert McMaster, Vice Provost and Dean of Undergraduate Education, and Henning Schroeder, Vice Provost and Dean of Graduate Education, to co-chair a committee to look at all aspects of University of Minnesota enrollments and to develop a long-term enrollment plan. Key questions the committee was asked to address include the following:

1. What factors (such as quality, including diversity and international enrollments) should inform our enrollment goals at the undergraduate level, the graduate level, and the professional level? Are there different factors applicable to different colleges or programs?

2. At the undergraduate level, how should we determine the correct balance between PSEO, new high school students, and transfer students?

3. What is the relationship between enrollment at various undergraduate levels and the curriculum? Where are the pressure points?

4. How do we determine the appropriate enrollment balances among the colleges? What factors should be used to determine which colleges or programs should grow and which should be smaller?
5. How do we view the transfer relationship between MNSCU and the U of M, in particular for community colleges?

6. How do we determine the optimum balance among undergraduate, professional, and graduate enrollment, college by college?

7. How do we determine the appropriate role and numbers of part-time students?

8. How do we determine the appropriate size of an academic graduate program?

9. What are the appropriate metrics for monitoring the effects and success of enrollment management changes?

10. What is the appropriate balance between financial aid and tuition, and what level is sustainable over the long term?

11. Given the size of the faculty, the campus and its facilities, what is the optimum number of students that can be accommodated and still maintain a high quality educational experience?

PRINCIPLES

The committee began its work by developing a set of principles for each of the three groups of students, as well as a general set that apply to all three.

The general principles, which all relate to the concept of recruiting, educating, supporting, and graduating the very best students, included the following:

Admit for success. The University should admit to colleges and programs those students who will benefit from the curriculum and who have a strong probability of graduating in a timely manner. To do so, Admissions should conduct a holistic review of student records, using primary and secondary factors.

Maintain affordability. The University must remain affordable to a broad cross-section of students from Minnesota, from across the United States, and from all parts of the world.

Maintain adequate tuition revenues. The University should adjust enrollments, programs, and tuition to maintain revenue to adequately support student needs, academic priorities, and program quality.

Support student success. The University should direct resources to help ensure that students who are admitted to its colleges and programs are adequately supported to be able to complete the programs and graduate in a timely way.
Provide a high quality education and student experience. The University needs to adjust enrollments to its fiscal, intellectual, and physical resource capacity. Enrollments should be adjusted according to our ability to provide a high quality education to our students.

Incorporate ethnic, social, economic, and geographic diversity. As a land grant university, the University is committed to enrolling and graduating a broad, diverse spectrum of students, especially from Minnesota. The educational experience of all students is enhanced when they can interact with students from a variety of other states and countries. The University serves as a magnet for bringing talent into the state, and a goal is to retain these students in Minnesota after graduation.

Emphasize signature strengths. The University needs to give highest priority to its strongest and most distinctive programs, while at the same time striking a balance between existing and emergent disciplines. It needs to continually nurture new and promising programs.

Give highest priority to degree-seeking students. While the University serves many different types of students, those pursuing undergraduate, graduate, and professional degrees are our highest priority. Enrollment of other students needs to be managed as an important, but secondary, priority.

Consider state, national, and global workforce needs. University enrollment planning must be attentive to the workforce needs of the future for the state, the nation, and the world.

At the undergraduate level, specific principles include the following:

Maintain opportunities for transfers. While educating transfer students is an important and integral part of the University's mission, the University needs to maintain a balance of new high school students and transfer students who can benefit from completing a degree program at the University of Minnesota.

Partner with other state systems but retain our unique mission. The University should partner with other higher education systems to advance the state's common agenda, but maintain its distinctive mission within the state to provide its students with the opportunities and benefits of attending a world class research institution.

Principles at the graduate levels include the following:

Support graduate students adequately from initial enrollment through graduation. The University should admit only enough graduate students for whom it can provide adequate support to take full advantage of its educational and professional development opportunities. Departments and colleges should annually re-examine their enrollment numbers annually to determine the ideal number of students that can be admitted to a program based upon current infrastructure, curricular offerings, and faculty expertise.
Maintain sufficient numbers of graduate students to support teaching and research within individual colleges and programs. Employment as a teaching or research assistant within the student’s field of study is an important part of professional development for many graduate students. Graduate student participation as teaching and research assistants is essential to the advancement of the University's mission and to fostering a collegial environment between students and faculty. The number of graduate students should be sufficient to support the University’s teaching and research missions.

Provide graduate students with sufficient stipends and benefits. The University should be able to provide graduate students with enough support to complete their studies as full-time students with mechanisms in place to cover tuition, stipends, and health insurance. To attract the most talented graduate students, stipends should be nationally-competitive with peer institutions and re-evaluated annually to ensure graduate students are not economically disadvantaged.

Principles at the professional level include the following:

The University of Minnesota should provide strong continuing support for its nationally-recognized professional programs.

New programs in professional education need to be keenly aware of the nature and trends of workforce needs.

The University of Minnesota should create new professional programs where opportunities exist. New professional programs should consider the impact on the related academic programs and their faculty. New professional programs need a solid business plan to provide sound financial underpinnings and ensure they are self-sustaining.

New professional programs should have some tenure and tenure-track faculty (not be taught by all adjunct faculty or professional staff).

Professional education should focus on areas where the University of Minnesota programs can be leaders in their fields.
COLLEGE AND SUPPORT UNIT MEETINGS

The committee has now met with all academic deans and is in the process of meeting with other units such as University Services, Student Affairs, and International Programs. Some of the key questions asked of the deans include the following:

1. What are your plans for enrollment management (either decrease or increase) over the next five years in undergraduate education?

2. What are your plans for enrollment management (either decrease or increase) over the next five years in graduate and/or professional education? Where are decisions made in your college on graduate student enrollments—college, department, program?

3. What factors influence how many undergraduate, graduate, and professional students are in your college?

4. Which enrollment decisions are made at the college level and which are made at the department and program level?

5. How many undergraduate transfer students does your college admit and how do you set that number?

6. How does the overall number of students at the University influence your decisions on how many students to admit to your college?

7. How is the number of undergraduate students in your college connected to the number of graduate students?

8. What is the profile of students currently admitted to your college? Are there issues (at the undergraduate level) with underprepared students?

9. Do you have thoughts on the placement records of the departments at the undergraduate, graduate, and professional levels? Does your college currently admit graduate and/or professional students who have a low probability of finding careers using the knowledge they will learn through their graduate or professional studies. If so, why and what plans does your college have to better match student demographics with career opportunities?

10. What is the pedagogical relationship between undergraduate and graduate students in your college?

11. What is the role of graduate students in research and scholarship in your college?

12. Are there other issues that you want the committee to consider?
PRELIMINARY DISCUSSIONS

Undergraduate Education

At the undergraduate level, the basic question is of overall size. Although the perception is that the University of Minnesota is very large at the undergraduate level, it is actually average in size compared to our Big Ten peers. The focus of conversation is on possible growth in certain areas, and the impact of this growth on college resources and other colleges. In particular, the demand in the STEM (science, technology, engineering and math) area is significant, but additional undergraduates here will require more chemistry, physics, and mathematics, more liberal education classes (many out of the College of Liberal Arts), and additional housing. The budget model must support the resources needed for additional growth. Adding undergraduate students will require more curriculum, student support, advising, and career counseling.

A second significant area of discussion focuses on the balance between Freshmen (new high school students, NHS) and Transfers (new advanced standing students, NAS). As seen in the following chart, Minnesota is high in terms of the percentage of transfers at 29.4% Only the UC universities have higher ratios, in part due to the structure of the higher education system that mandates a pipeline from two-year colleges to UC.

<table>
<thead>
<tr>
<th>Fall Term Enrollments of Freshmen and Transfers</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Freshmen</strong></td>
</tr>
<tr>
<td>#</td>
</tr>
<tr>
<td>Florida</td>
</tr>
<tr>
<td>Illinois</td>
</tr>
<tr>
<td>Indiana</td>
</tr>
<tr>
<td>Iowa</td>
</tr>
<tr>
<td>Mich St</td>
</tr>
<tr>
<td>Michigan</td>
</tr>
<tr>
<td>Minn</td>
</tr>
<tr>
<td>Ohio St</td>
</tr>
<tr>
<td>Penn St</td>
</tr>
<tr>
<td>Purdue</td>
</tr>
<tr>
<td>Texas</td>
</tr>
<tr>
<td>UC Berk</td>
</tr>
<tr>
<td>UCLA</td>
</tr>
<tr>
<td>Wash</td>
</tr>
<tr>
<td>Wisc</td>
</tr>
</tbody>
</table>

Perhaps this is an advantage of ours, and we need to think about our optimal numbers and impact. But we know, for instance, that transfers are less likely to engage in the University and less likely to become donors. Below, we show the trend for freshman and transfer admits over the past ten years. For the fall semester, the average number of new freshmen (NHS) has been 5,279 and the average number of transfers (NAS) has been 1,958. A third category includes ICT’s -- Intercampus students that transfer from a coordinate campus to the Twin Cities campus. This number has averaged 217 for the fall semester.
### New Undergraduates by Year and Registration Status

<table>
<thead>
<tr>
<th>Academic Year</th>
<th>Fall</th>
<th>Spring</th>
<th>Total</th>
<th>% Tran</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>NHS</td>
<td>NAS</td>
<td>ICT</td>
<td>NHS</td>
</tr>
<tr>
<td>2000-01</td>
<td>4,957</td>
<td>2,071</td>
<td>191</td>
<td>107</td>
</tr>
<tr>
<td>2001-02</td>
<td>5,344</td>
<td>1,945</td>
<td>226</td>
<td>99</td>
</tr>
<tr>
<td>2002-03</td>
<td>5,188</td>
<td>1,838</td>
<td>226</td>
<td>114</td>
</tr>
<tr>
<td>2003-04</td>
<td>5,166</td>
<td>2,176</td>
<td>218</td>
<td>80</td>
</tr>
<tr>
<td>2004-05</td>
<td>5,588</td>
<td>1,729</td>
<td>184</td>
<td>66</td>
</tr>
<tr>
<td>2005-06</td>
<td>5,305</td>
<td>1,882</td>
<td>233</td>
<td>84</td>
</tr>
<tr>
<td>2006-07</td>
<td>5,439</td>
<td>1,645</td>
<td>194</td>
<td>52</td>
</tr>
<tr>
<td>2007-08</td>
<td>5,280</td>
<td>1,949</td>
<td>215</td>
<td>75</td>
</tr>
<tr>
<td>2008-09</td>
<td>5,106</td>
<td>1,843</td>
<td>215</td>
<td>104</td>
</tr>
<tr>
<td>2009-10</td>
<td>5,400</td>
<td>2,506</td>
<td>272</td>
<td>82</td>
</tr>
<tr>
<td>Average</td>
<td>5,279</td>
<td>1,958</td>
<td>217</td>
<td>86</td>
</tr>
</tbody>
</table>

### Graduate Education

At the graduate level, the focus has been on developing methods for determining the quality of programs in order to allocate resources. Some of the important questions that are being addressed include the following:

1. What are the metrics for determining the quality of graduate programs?
2. How should decisions on resource allocation to graduate programs be made?
3. What is the optimal graduate class size for providing a critical mass and for enhancing quality of training?
4. How does the U of M continue to utilize existing measures and to develop new measures to evaluate the quality of the incoming students, to monitor the quality of programs, and to better understand the placement records of completed students?
5. How does the U of M ensure that our very best graduate programs flourish during a time of strained resources?

Enrollment management for graduate students is handled much differently than for undergraduates. Admissions is handled at either the departmental level, as with the College of Science and Engineering, or the collegiate level, as with the College of Liberal Arts.

### Professional Education

Discussions around professional education have centered on determining more exact definitions, as many programs are hybrid models, and the division between graduate and professional is fuzzy. The committee is also identifying the new places where professional MA programs can be established. Currently, U of M programs are classified using the IPEDS definition. The IPEDS definition of a first-professional degree is one that requires completion of a program that meets all of the following criteria: (1) completion of the academic requirements to begin practice in the profession; (2) at least 2 years of college work prior to entering the program; and (3) a total of at least 6 academic years of college work to complete the degree program, including
prior required college work plus the length of the professional program itself. Using the IPEDS definition, first-professional degrees may be awarded in the following 10 fields:

- Chiropractic (D.C. or D.C.M.)
- Dentistry (D.D.S. or D.M.D.)
- Law (L.L.B., J.D.)
- Medicine (M.D.)
- Optometry (O.D.)
- Osteopathic Medicine (D.O.)
- Pharmacy (Pharm.D.)
- Podiatry (D.P.M., D.P., or Pod.D.)
- Theology (M.Div., M.H.L., B.D., or Ordination)
- Veterinary Medicine (D.V.M.)

The committee and its associated subcommittees will continue to meet throughout the spring semester. The committee plans to draft a final report by mid-May 2011.
Educational Planning and Policy Committee        December 9, 2010

Agenda Item:  Fall 2010 Undergraduate Education Update

☐ review  ☐ review/action  ☐ action  ☒ discussion

Presenters:  Senior Vice President/Provost Thomas Sullivan
Vice Provost/Dean of Undergraduate Education Robert McMaster

Purpose:

☐ policy  ☐ background/context  ☐ oversight  ☒ strategic positioning

To report on the status of strategic positioning undergraduate initiatives and ongoing efforts to improve graduation and retention rates and enhance student outcomes.

Outline of Key Points/Policy Issues:

Recent progress on these undergraduate initiatives has been substantial and is critical to advancing the strategic positioning action strategy that calls for the University to “recruit, educate, challenge, and graduate outstanding students.” This report focuses on the substantial progress made since last year’s report in December of 2009.

Background Information:

March 2007 report:  Transforming the Undergraduate Experience: Strategic Positioning Initiatives

December 11, 2008 report:  Update: Undergraduate Academic Initiatives

December 10, 2009 report:  Focus on Undergraduate Education
Enhancing the Undergraduate Student Experience

The University of Minnesota’s strategic positioning action strategy calls for the University to recruit, educate, support, challenge and graduate outstanding students. Our goal is to provide a world-class educational experience for undergraduate students in the context of a comprehensive research university.

The focus of every initiative in the Office of Undergraduate Education (OUE) is to enhance the undergraduate experience, both academically and through student experiences in campus life. Throughout all of these enhancements—which range from new recruitment materials for admissions to better advising tools, to targeted messaging on fiscal literacy—the goal is to retain and graduate our students in a timely way. To continue the progress that the University of Minnesota has made in undergraduate education, the OUE has created several standing committees, among them committees on Improving Four-Year Graduation, Improving the Transfer Experience (with the Office of Student Affairs), and Improving Undergraduate Advising. Many systems, such as GradPlanner, Academic Progress Audit System (APAS), and our new APlus advising tool, have been created and refined with the objective of enhancing degree progress. This report documents progress made in undergraduate education during the past year, and in particular discusses some of the major initiatives designed for the continuation of progress toward our retention and graduation goals.

The University of Minnesota Twin Cities has made significant progress over the past ten years in improving all aspects of the undergraduate experience. Our first-year retention number has risen from 83% to nearly 91%. Our four-year graduate rate has now reached an historic high of 50%, and our six-year rate now exceeds 70%.

The undergraduate experience at the University of Minnesota Twin Cities needs to be put in the context of some national-level trends. The situation with undergraduates at the “flagship” campuses (the large public Research 1 universities) has significantly changed over the past decade. At the undergraduate level, these universities have become much more competitive. These universities have placed renewed emphasis on raising admissions standards (to help improve student retention and timely graduation), improving undergraduate advising and career counseling, providing better course access, enhancing the undergraduate writing experience, and providing outstanding facilities for undergraduates (technology-enhanced classrooms, recreation facilities, and student study spaces). Concomitant with the increases in tuition, enhanced financial aid packages have been provided and the “net price” for an education at these universities in recent years often has risen at a lower rate than has tuition. The students arriving at our flagship universities are better prepared than ever, often coming in with many college credits already completed (through Advanced Placement courses, PSEO, and College in the Schools), with a deeper understanding of technology—especially for communication and social networking—and with a more career-oriented focus than students in the past. The flagship universities have realized the importance of timely retention and graduation, and have placed renewed energy and resources into improving these metrics.
The Office of Undergraduate Education has the tripartite goal of attracting the very best students to the University, providing them with a world-class education, and graduating them in a timely way. OUE is responsible for all aspects of the undergraduate experience, including recruiting and admitting freshman and transfer students, orienting students in their transition to the University, improving the overall undergraduate experience through better advising and student support services, developing a more challenging and integrated curriculum, and supporting special opportunities for students, leading to the ultimate goal of timely graduation. **Our plan includes continued improvement in all areas of undergraduate education, with the goal of achieving a 60% four-year graduation rate in 2012, for the freshman class that entered in Fall 2008.**

Our specific objectives that underlie these strategies include the following:

- Make the University of Minnesota a destination of choice for students who reflect the diversity of our community and world and who are sought after because of their unique talents, skills, and experiences.
- Educate, challenge, and support all of our students to assume positions of leadership in the community, state, nation, and world.
- Provide our students with the most advanced, sophisticated, and comprehensive technological tools to enhance their learning experience.
- Globalize our students’ experience by recruiting students from around the world and providing an education that prepares students to become global citizens and leaders.

The most significant indicators of the success of the various undergraduate initiatives are our graduation rates. The four-year graduation rate for the Twin Cities campus has increased from 15.2% in 1996 to 50.0% in 2010. Over the same time period, the five-year rate went from 38.1% to 66.24%, and the six-year rate from 43.5% to 70.4%. A critical part of improving graduation rates is to improve first-year retention rates, and we have made steady progress, going from 84.4% retention for freshmen who began in Fall 2000 to 89.5% for those who began in Fall 2009.

Our progress is noteworthy, but we still have some distance to go to reach our goal of a 60% four-year graduation rate in 2012. Our initiatives will be targeted toward reaching that goal, with a clear focus on students and their success.

Another indicator of progress, and of the increasing reputation of the University of Minnesota, is that applications to our Twin Cities undergraduate colleges have risen rapidly over the past several years:

<table>
<thead>
<tr>
<th>Twin Cities Campus</th>
<th>Freshman enrollment</th>
<th>Total undergraduate enrollment</th>
<th>Freshman applications</th>
</tr>
</thead>
<tbody>
<tr>
<td>Fall 2010</td>
<td>5,323</td>
<td>30,519</td>
<td>36,800</td>
</tr>
<tr>
<td>Fall 2009</td>
<td>5,400</td>
<td>29,921</td>
<td>33,912</td>
</tr>
<tr>
<td>Fall 2008</td>
<td>5,106</td>
<td>28,505</td>
<td>29,173</td>
</tr>
<tr>
<td>Fall 2007</td>
<td>5,280</td>
<td>28,703</td>
<td>26,095</td>
</tr>
<tr>
<td>Fall 2006</td>
<td>5,439</td>
<td>28,645</td>
<td>24,658</td>
</tr>
</tbody>
</table>
The academic preparation of our freshmen as measured by high school rank and ACT test scores has improved markedly:

<table>
<thead>
<tr>
<th></th>
<th>Top 10% of High School Class</th>
<th>Average ACT Composite Score</th>
</tr>
</thead>
<tbody>
<tr>
<td>Fall 2010</td>
<td>43.3%</td>
<td>27.2</td>
</tr>
<tr>
<td>Fall 2009</td>
<td>43.2%</td>
<td>26.6</td>
</tr>
<tr>
<td>Fall 2008</td>
<td>44.8%</td>
<td>26.2</td>
</tr>
<tr>
<td>Fall 2007</td>
<td>43.9%</td>
<td>25.9</td>
</tr>
<tr>
<td>Fall 2003</td>
<td>33.1%</td>
<td>24.8</td>
</tr>
</tbody>
</table>

As part of strategic positioning, the Honors Task Force recommended that the University create a dynamic, unified University Honors Program (UHP) that would attract a greater range of diverse and talented students. The new UHP, now in its third year, has attracted excellent students who are highly motivated and attracted by the enriched, interdisciplinary approach to education provided by our University Honors Program, within the context of a major urban research university.

<table>
<thead>
<tr>
<th>UHP cohort Entering Fall</th>
<th>Number of new UHP freshmen</th>
<th>Average ACT</th>
<th>Average high school rank</th>
<th>% Minnesota</th>
<th>% students of color</th>
</tr>
</thead>
<tbody>
<tr>
<td>2010</td>
<td>549</td>
<td>31.58</td>
<td>96.77</td>
<td>61.0%</td>
<td>14.6%</td>
</tr>
<tr>
<td>2009</td>
<td>577</td>
<td>31.37</td>
<td>96.22</td>
<td>60.5%</td>
<td>15.3%</td>
</tr>
<tr>
<td>2008</td>
<td>603</td>
<td>30.86</td>
<td>96.47</td>
<td>61.9%</td>
<td>13.4%</td>
</tr>
</tbody>
</table>

Many promising students need financial assistance to achieve their educational goals. We want to ensure that all students who come to the University prepared to learn and motivated to succeed will be able to afford their college education. In 2009-10, undergraduates on all U of M campuses received a total of over $201 million in grants and scholarships ($52 million from federal grants, $66 million from state grants, $10 million from agency grants, and $74 million from U of M sources, including private gifts). In addition, undergraduate students earned nearly $44 million from employment at the University of Minnesota.

In Fall 2005, the University began its Founders Free Tuition Program, which guaranteed grant and gift assistance at least equal to tuition and required fees for students who were Minnesota residents and were eligible for federal Pell grants. The Pell-eligible group includes a range of incomes, from the very lowest-income students up to those whose family income is around $40,000 to $50,000. About 20% of all undergraduate U of M students, system-wide, are Pell-eligible. Founders was later renamed “U Promise.” Starting in Fall 2009, the University further expanded its commitment to making our world-class education accessible to Minnesota families by expanding U Promise into two programs: a U Promise program for lower-income students and a U Promise Middle Income Scholarship for Minnesota resident undergraduates with a family income of up to $100,000.

The University’s commitment to access for students at all income levels continues, on all five campuses, with the new U Promise program effective Fall 2011. The program will continue to provide U Promise scholarships to provide support to lower-income and middle income Minnesota resident undergraduates, but will have some notable improvements. The program will provide the
largest U Promise awards to the students with the greatest need. In addition, the U Promise award amounts will be guaranteed for four years to students who enter as freshmen and two years for new transfer students, thereby providing more funding predictability for students over their four years of college. Because the cohort of U Promise scholarship recipients will be well-defined and continuing during the students’ academic careers here, the University will be able to track these students. Having a well-defined cohort will make it possible for the University to do a much better job of tracking the progress of U Promise students and providing special services, as appropriate.

We continue to invest in academic advising, enhanced technology, curricular improvements, and student support programs, to enhance student success. Selected ongoing activities and new initiatives directed toward improving retention and graduation rates include the following:

**Improvements in the Curriculum**

- **The First-Year Writing Program** was begun in Fall 2007 to help students become successful college writers. With a focus on learning outcomes that include research-based writing, writing and revising, digital technology, and library research, writing classes average 22 students and provide close contact with instructors.

- Now in its fourth year, the **Writing-Enriched Curriculum (WEC)** Project continues the process of infusing writing instruction into the undergraduate curriculum. WEC is currently being implemented in more than twenty academic units. Early data from the assessment program within WEC shows the project is improving the writing ability of students.

- The new **University Honors Program (UHP)** has helped the University recruit a more diverse pool of high-achieving students from across the state, the country, and throughout the world. The new UHP has a faculty director, a new curriculum, enhanced honors experiences, and a new advising staff and model of advising.

- Applications for the **Undergraduate Research Opportunity Program (UROP)** continue to grow each year. In 2006-07, 589 students received UROP awards, and in 2008-09 we funded 650 UROP projects, enabling each student to work one-on-one with a faculty member on a focused research project.

- The new **Liberal Education Curriculum requirements** took effect Fall 2010. Over 400 new courses were recertified in the seven core and five theme areas. OUE is now creating a new assessment plan for the regular evaluation of the new curriculum.

- OUE continues to focus on all aspects of the first-year experience. Orientation and First-Year Programs (OFYP) ran its third successful **Welcome Week** and convocation in September 2010. Welcome Week builds a sense of community and camaraderie among the undergraduates and reinforces a set of critical messages on campus life, timely graduation, fiscal literacy, and campus resources. The participation rate for Welcome Week now exceeds 95%. OFYP also continues to support the Freshman Seminar Program, which provides a small group intensive experience for approximately 40% of our freshmen.
Improvements in Student Support and Advising

- OUE, with support from the Provost, has put additional funds into National Merit Scholar and high ability recruitment, and has continued to provide support for enhanced University Honors Program programming and special events.

- OUE created a new advising center, the Center for Academic Planning and Exploration (CAPE), in the STSS Building. CAPE, which became fully operational in September, provides advising support to students who get “caught in the U of M cracks” as undergraduates. These are students who are having trouble identifying a major or career, have transferred between colleges or are planning to transfer, and/or are overdecided (“I want to be an engineer and nothing else”). Traditional advising is often not helpful for these students.

- OUE has helped to create a new automated advising tool, APlus, which provides real-time data to academic advisors from the data warehouse. As an example, advisors will know quickly when students have dropped a class. Advisors can provide detailed notes on students, which now can be shared with other advisors, through the APlus interface. APlus will allow for a level of monitoring not possible before.

- The SMART Learning Commons, with locations on the East Bank, West Bank, and St. Paul campus, provides tutoring and other services where experienced students serve as facilitators with other students.

- The Access to Success (ATS) Program provides intensive advising, peer mentoring, and networking opportunities to assist those students whose experiences and high school records indicate potential for success, but whose high school rank and test scores may not meet our typical student profile. OUE is now working with the three colleges with ATS students (CLA, CEHD, and CFANS) to create a more integrated four-year ATS experience. An ATS Director has been hired who now has the responsibility for rethinking ATS and creating an all-university experience.

- The McNamara Academic Center for Intercollegiate Athletics (MAC) has a new director and is in the middle of restructuring. MAC provides advising for approximately 750 student-athletes and assists with admission of athletes, certification, and tutoring.

Improvements in Financial Aid

- The financial aid team in OUE has redesigned the U Promise Scholarship Program. The new program will allow for a better control of costs of U Promise and will shift the model from a Pell-eligibility criteria model to one of Expected Family Contribution (EFC).
Retention and Graduation

The Office of Undergraduate Education has a major goal of improving retention and graduation rates. Significant progress has been made in the following areas:

- Maintaining incentives provided by 13-credit registration rule
- Targeting financial aid to students most in need
- Enhancing first-year programs, including freshman and transfer orientation and freshman Welcome Week
- Conducting earlier interventions with students who show signs of difficulty (e.g., mid-term alerts)
- Continuing development of GradPlanner and other tools for advisors and students
- Monitoring curriculum and course scheduling to ensure student access to needed courses
- Increasing education in fiscal literacy

The Importance of Messaging

The overall “culture” and messaging around four-year graduation expectations is important. OUE will continue to reinforce messages regarding the following expectations for faculty, students, and advisors:

- Value intellectual exploration, but within boundaries
- Message 30 credits per year as “normal”
- Help students make a clear decision on major and direction by end of sophomore year
- Help certain students see themselves as part of a defined cohort
- Use GradPlanner to plan for four years of college
- Promote an understanding of the pressure on resources if students take longer than four years to graduate
- Recognize the fiscal concerns created for students by taking longer than four years to graduate
Educational Planning and Policy Committee

December 9, 2010

Agenda Item: Consent Report

☐ review  ☒ review/action  ☐ action  ☐ discussion

Presenters: Senior Vice President/Provost Thomas Sullivan

Purpose:

☐ policy  ☐ background/context  ☒ oversight  ☐ strategic positioning

To seek Board approval of new academic programs and program additions, program deletions and discontinuations, and/or program changes, as outlined below.

Outline of Key Points/Policy Issues:

1. Request for Approval of New Centers

   ▪ Law School (Twin Cities Campus)—Create Health Law and Bioethics, Human Rights Law, and Labor and Employment Law concentrations in LL.M. degree

   ▪ School of Public Health (Twin Cities Campus)—Create certificate in Clinical Research

Background Information:

This 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.

President's Recommendation for Action:
The President recommends approval of the academic program proposals detailed in the Consent Report.
I. Request for Approval of New Centers

- **Law School (Twin Cities Campus)—Create Health Law and Bioethics, Human Rights Law, and Labor and Employment Law concentrations in LL.M. degree**

The Law School on the Twin Cities campus requests approval to create Health Law and Bioethics, Human Rights Law, and Labor and Employment Law concentrations (tracks) in the Master of Law (LL.M.) degree, retroactive to fall semester 2009. The proposed concentrations are in response to significant student demand and are consistent with the concentrations available to Juris Doctor (J.D.) degree students.

- **School of Public Health (Twin Cities Campus)—Create certificate in Clinical Research**

The School of Public Health on the Twin Cities campus requests approval to create a certificate in Clinical Research, effective spring semester 2011. The proposal stems from increasing demand for individuals trained in the design, implementation, and interpretation of clinical research studies. The certificate will be available through classroom as well as distance delivery. The certificate program will leverage existing resources in place for the Master of Science (M.S.) degree program in Clinical Research.
Educational Planning and Policy Committee  December 9, 2010

**Agenda Item:** Information Items

- [ ] review  
- [ ] review/action  
- [ ] action  
- [x] discussion

**Presenters:** Senior Vice President/Provost Thomas Sullivan

**Purpose:**

- [ ] policy  
- [x] background/context  
- [ ] oversight  
- [ ] strategic positioning

To inform members of the Educational Planning and Policy Committee of noteworthy items and policy-related issues affecting University units and departments.

To provide the Committee with background information related to issues of regional, national and international policy affecting higher education.

**Outline of Key Points/Policy Issues:**

There are no information items to report.

**Background Information:**

This report appears as a regular item on the Educational Planning and Policy Committee agenda.