UNIVERSITY OF MINNESOTA
BOARD OF REGENTS
Finance & Operations Committee
Wednesday, July 9, 2008
10:45 a.m. - 12:00 p.m.
600 McNamara Alumni Center, East Committee Room

Board Members
Steven Hunter, Chair
Dean Johnson, Vice Chair
Clyde Allen
Linda Cohen
John Frobenius
Venora Hung

Student Representatives
Imee Cambronero
Jennifer McCabe

AGENDA

   M. Volna (pp. 2-8)

2. Issues Related to: Biomedical Facilities Debt Financing Strategy - R.
   Pfutzenreuter (p. 9)

   10)


5. Information Items - R. Pfutzenreuter (p. 37)
Agenda Item: Board of Regents Policy: Purchasing

☒ review  ☐ review/action  ☒ action  ☐ discussion

Presenters: Vice President/CFO Richard Pfutzenreuter  
Associate Vice President Michael Volna

Purpose: ☒ policy  ☐ background/context  ☐ oversight  ☐ strategic positioning

To act on proposed amendments to Board of Regents Policy: Purchasing.

Outline of Key Points/Policy Issues:

The proposed amendments would allow Board of Regents Policy: Non-Equal Opportunity Vendors Prohibited to be superseded by Board of Regents Policy: Purchasing, and would remove policy language specific to a particular vendor.

Background Information:

The existing policies are dated as follows:

- Purchasing – Adopted July 7, 1978; Amended October 12, 1979; November 9, 1979; April 13, 1984; September 14, 1990; April 10, 1992; July 14, 1995; and March 11, 2005.


Board of Regents Policy: Purchasing was reviewed at the committee's meeting in June 2008.
Summary of Proposed Changes to Board of Regents Policy:

_Purchasing_

**Background**

The proposed changes would allow Board of Regents policy: *Non-Equal Opportunity Vendors Prohibited* to be superceded by Regents Purchasing policy, thereby consolidating all Regents policies related to purchasing into one policy. The proposed changes are not intended to change the Board’s philosophy or commitment to the values embodied in the policy being superceded. Additionally, the Board’s commitment to equal opportunity is set forth in the following related Board policies:

- *Equal Opportunity*
- *Diversity, Equal Opportunity, and Affirmative Action*
- *Targeted Business, Urban Community Economic Development, and Small Business Programs*

A copy of the Regents policy: *Targeted Business, Urban Community Economic Development, and Small Business Programs* is included with the July Board materials for reference, as was requested by the Finance and Operations Committee during its June 2008 meeting.

**Recommended Additions to Policy**

New language is proposed in section I(e) of the policy regarding equal opportunity compliance. In conjunction with this proposed language, a related Board of Regents Policy entitled *Non-Equal Opportunity Vendors Prohibited* is recommended for elimination. The objective of the proposed language is to consolidate all policy language related to purchasing into one board policy. The proposed language in the Purchasing policy, combined with existing language in section II, subdivision 3, provides equivalent language and guidance as is provided by the *Non-Equal Opportunity Vendors Prohibited* policy.

**Recommended Deletions from Policy**

Deletion of Section II subdivision 5 is proposed. This section was added to the policy in 2005 to ensure that Minncor Industries, the Minnesota Department of Corrections’ prisoner work program, was provided with the opportunity to be considered as a vendor of goods and services to the University. At that time the University’s Purchasing department also began a number of initiatives to highlight Minncor as a vendor. Since that time, those initiatives have successfully raised Minncor’s visibility and the volume of purchases from Minncor. Additionally, Minncor has reduced its emphasis on some products that were the focus of the University’s purchasing initiatives. Therefore, the recommendation is to remove this subdivision from Board policy. Minncor will continue to be a preferred vendor for the University, supported by administrative policy and Purchasing department initiatives.
PURCHASING

Purchasing activities at the University of Minnesota (University) shall include goods and services, professional services, and design and construction services.

SECTION I. GUIDING PRINCIPLES.

The following principles shall guide the University’s purchasing process:

(a) purchasing activities shall comply with all applicable laws and policies of the Board of Regents (Board), including, but not limited to, Board of Regents Policy: Targeted Business, Urban Community Economic Development, and Small Business Programs;

(b) purchasing activities shall be conducted in a manner that promotes integrity, stewardship, diversity, and sustainability;

(c) purchasing activities shall provide goods and services, professional services, and design services at the best value and appropriate standards of quality, considering total cost of ownership; and

(d) purchasing procedures shall be efficient, timely, and transparent.

(e) purchasing activities shall promote the use of businesses owned and operated by minorities, women, and disabled persons.

SECTION II. COMPETITIVE PROCESSES.

Subd. 1. Competitive Threshold. Except as provided in this policy, vendors shall be selected by a competitive process for purchases above a dollar threshold determined by the administration. This threshold shall be reviewed and approved by the Board biennially.

Subd. 2. Vendor Selection. The University reserves the right to establish competitive and non-competitive negotiated agreements with vendors when it is in the best interest of the University. Vendor selections shall be made using an objective process and may be based on total benefits to the University, considering price, level of service, and other variables as appropriate.

Subd. 3. Bid/Proposal Rejection. The University may reject any bid/proposal when it determines in the exercise of its sole discretion that such bid/proposal is not in the best interest of the University. A bid/proposal shall be rejected when it is determined that a vendor or bid/proposal does not comply with required specifications or with applicable federal/state laws and University policies relating to equal opportunity. Records of such rejections shall
be maintained and available for review. For bids/proposals over a threshold determined by administrative policy, vendors shall be notified in writing of the reasons for rejection.

Subd. 4. Exceptions to Competitive Process. If a competitive process is not in the best interest of the University, the president or delegate may except a purchase from the required competitive process referenced in subd. 1 of this section. Such exceptions shall be reported to the Board, consistent with Board policies.

Subd. 5. MINNCOR. The University shall assist the Minnesota Department of Corrections in providing work opportunities and training for offenders in Minnesota’s correctional facilities by providing information to the University community about MINNCOR’s products and services and by advising MINNCOR of bidding opportunities at the University.
NON-EQUAL OPPORTUNITY VENDORS PROHIBITED

Subd. 1. Discrimination Prohibited. It is the policy of the regents of the University of Minnesota to promote equal opportunity of employment without discrimination based on race, religion, creed, color, sex, national origin, disability, age, marital status, public assistance status, veteran status, or sexual orientation.

Subd. 2. Vendors Prohibited from Discrimination. Henceforth, the regents will require that all contractors with the University, including suppliers supplying goods or services to it, regardless of where located or the form of the contractual relationship be equal opportunity employers, whose business is guided by the principle that there shall be no difference in the treatment of persons because of the above-stated characteristics. The regents will also require that the contractor apply every good faith effort to ensure implementation of this policy, such action to include but not to be limited to the following: employment, upgrading, demotion, or transfer; recruitment or recruitment advertising; layoff or termination; rates of pay or other forms of compensation; and selection for training including apprenticeship.

Subd. 3. Contract Conditions. The appropriate administrative officers shall adopt the conditions, specifications, and terms to be included in University of Minnesota contracts, purchase orders, and other documents to carry out the foregoing policy. Such conditions, specifications and terms shall establish the procedures needed to assure compliance with this policy and may establish categories of exemption from such procedures where appropriate.
SECTION I. PURPOSE.

Subd. 1. Targeted Businesses. The Board of Regents strongly believes that the purchasing power of the University should enhance equal employment and business opportunities for minorities, women, and disabled persons. Consistent with the Board of Regents’ long-standing policies and achievements in advancing diversity, equal employment opportunity, and affirmative action, the University should continue to act aggressively both to promote the utilization of businesses owned and operated by minorities, women, and disabled persons (“targeted businesses”), and to prevent discriminatory practices against such businesses.

Subd. 2. Public Service Mission. Moreover, the University’s outreach and public service mission mandates that it foster economic growth in the urban communities of which it is a part. Reduction of poverty and unemployment in our urban community is of vital interest to the University. The University should take advantage of opportunities, presented by its construction projects and its contracts for goods and services, to promote the training and employment of urban community residents in skilled trades and professions.

SECTION II. CONTINUATION OF PROGRAMS.

Subd. 1. Charge. Accordingly, the Board of Regents directs the Vice President for Finance and Operations to establish and implement (or continue, as applicable) the programs described in subdivisions 2-5.

Subd. 2. Targeted Business Program. Targeted Business Program which requires that a contractor, as a condition of bidding on any construction contract where the aggregate project sum exceeds $100,000, present objective evidence demonstrating:

1. its past record and continuing commitment to achieve meaningful levels of participation of targeted businesses as subcontractors and suppliers; and
2. its commitment to achieve meaningful levels of employment of minorities, women and disabled persons.
Subd. 3. Urban Community Economic Development Program. Urban Community Economic Development program which requires, as a condition of any construction contract where the aggregate project sum exceeds $100,000, that the contractor:

(1) employ meaningful numbers of residents of our urban communities, such communities designated by the appropriate administrative officer based upon levels of poverty and unemployment; and

(2) collaborate with the University in the development, funding and implementation of programs designed to train residents of such urban communities and to increase the number of such urban residents who are skilled and union-certified in building trades to participate in construction projects at the University and elsewhere.

Subd. 4. Non-construction Contracts. Programs designed to annually achieve meaningful levels of participation for targeted businesses in non-construction contracts for the purchase of goods and services.

Subd. 5. Outreach. Programs designed to continue and strengthen outreach to small businesses to implement the provisions of Minn. Stat. §137.31, as amended.

SECTION III. OVERSIGHT.

Subd. 1. Monitoring. The Board of Regents further directs that the appropriate administrative officers aggressively monitor, and take all reasonable actions necessary to ensure, compliance with the above-stated policy and programs.

Subd. 2. Reporting. The president shall report to the Board of Regents annually regarding the implementation of this policy, and shall recommend additional actions which may be necessary to achieve its purposes.
Finance and Operations Committee

July 9, 2008

Agenda Item: Issues Related to: Biomedical Facilities Debt Financing Strategy

☐ review  ☐ review/action  ☐ action  ☒ discussion

Presenters: Vice President/CFO Richard Pfutzenreuter

Purpose:

☐ policy  ☐ background/context  ☒ oversight  ☐ strategic positioning

To discuss specific requirements and broad strategies regarding debt financing of Biomedical Facilities authorized by the 2008 Legislature.

Outline of Key Points/Policy Issues:

The 2008 legislative session enacted legislation authorizing the construction of four biomedical facilities by the University of Minnesota. As a result of this legislation, the Board of Regents will need to authorize $292,000,000 of debt. The legislation, which is similar in design to the State’s support of TCF Bank Stadium, provides for a state share totaling $219,000,000, representing 75% of the cost of constructing the facilities, and further requires that the University pay for the remaining 25%, or $73,000,000. The legislation establishes an annual state general fund appropriation sufficient to make debt service payments for 75% of the cost of the four projects. The legislation also requires specific actions by the Board in order to obtain state appropriations.

The construction of the four new biomedical facilities will occur over at least a five-year time frame, requiring the University to undertake multiple debt issuances at numerous points during construction of the four facilities. In order to provide resources at the appropriate time for construction of the four biomedical facilities, the University will need to develop a debt issuance strategy that maximizes the timely delivery of debt financing to construct the projects and at the lowest possible cost.

Background Information:

The Board of Regents will discuss overall implementation strategies for the biomedical facilities program at the Board of Regents meeting on July 9, 2008.
Finance and Operations Committee

Agenda Item: Committee 2008-09 Workplan Discussion

☐ review  ☐ review/action  ☐ action  ☒ discussion

Presenters: Regent Steven Hunter  
Vice President/CFO Richard Pfutzenreuter

Purpose:

☐ policy  ☐ background/context  ☒ oversight  ☐ strategic positioning

To discuss issues and priorities for inclusion in the 2008-09 Finance and Operations Committee Workplan.

Outline of Key Points/Policy Issues:

The 2008-09 Finance and Operations Committee Workplan is a summary of agenda items scheduled to be presented to the Finance and Operations Committee in September. The purpose of the discussion at the July 2008 Finance and Operations Committee meeting is to obtain topics of interest from committee members so that these interests and priorities can be appropriately scheduled into committee meetings for the 12-month period of September 2008 through August 2009.

Background Information:

The annual Finance and Operations Committee Workplan is discussed in the early part of each fiscal year for the upcoming 12-month period.
Finance and Operations Committee  
July 9, 2008

Agenda Item: Consent Report

☑ review/action ☐ action ☐ discussion

Presenters: Vice President/CFO Richard Pfutzenreuter

Purpose:

☑ policy ☐ background/context ☑ oversight ☐ strategic positioning

General Contingency
To approve allocations from General Contingency greater than $250,000.

Purchase of Goods and Services over $250,000
To approve purchases of goods and services over $250,000, in compliance with Board of Regents Policy: Board Operations and Agenda Guidelines.

Outline of Key Points/Policy Issues:

General Contingency
Expenditure of $317,000 for a new sterilizer in the School of Dentistry requires Board approval.

Purchase of Goods and Services Over $250,000

- To Adecco Staffing for an estimated $2,000,000 for administration of a temporary clerical work force management program for the period of July 1, 2008 through June 30, 2009. This is the second one-year renewal. Two additional one-year extension options remain. The funding for this comes from the departments using these services. Vendor was selected through a competitive process.
- To Barr Engineering Company for an estimated $1,400,000 for Environmental Investigation and Response Action and Environmental Review Support Services as needed for the period of July 11, 2008 through June 30, 2011 at the University of Minnesota Outreach, Research and Education (UMORE Park), Rosemount, Minnesota for the Statewide Strategic Resource Development Department. These services will be purchased from fiscal years 2009 and 2010 Central Administration funds allocated through Statewide Strategic Resources Development’s UMore Park budget. Vendor was selected through a competitive process.
- To Cemanahauac Comunidad Educativa for the Spanish in Cuernavaca program for a not to exceed amount of $452,150 for providing study abroad academic credit programs for the Learning Abroad Center for the Academic Years 2008-2009 and 2009-2010 in Cuernavaca, Mexico. The program fees cover the costs of the academic program and the administrative costs for the Learning Abroad Center. See enclosed documentation regarding basis for vendor selection.
• To the Fundación Cimas del Ecuador for the MSID (Minnesota Studies in International Development)-Ecuador program for a not to exceed amount of $710,399 for providing study abroad academic credit programs for the Learning Abroad Center for the Academic Years 2008-2009 and 2009-2010 in Quito, Ecuador. The program fees cover the costs of the academic program and the administrative costs for the Learning Abroad Center. See enclosed documentation regarding basis for vendor selection.

• To Fundación Ortega y Gasset, Argentina for the Language and Culture in Buenos Aires program for a not to exceed amount of $997,895 for providing study abroad academic credit programs for the Learning Abroad Center for the Academic Years 2008-2009 and 2009-2010 in Buenos Aires, Argentina. The program fees cover the costs of the academic program and the administrative costs for the Learning Abroad Center. See enclosed documentation regarding basis for vendor selection.

• To JumpTV for $540,000 (3-year term) of guaranteed revenue for the Department of Intercollegiate Athletics hosted website for a time period of FY09 through FY11. The Department of Intercollegiate Athletics is seeking approval for an exclusive and comprehensive contract with JumpTV. Vendor was selected through a competitive process.

• To Mohamud Jama for the MSID (Minnesota Studies in International Development)-Kenya program for a not to exceed amount of $854,061 for providing study abroad academic credit programs for the Learning Abroad Center for the Academic Years 2008-2009 and 2009-2010 in Nairobi, Kenya. The program fees cover the costs of the academic program and the administrative costs for the Learning Abroad Center. See enclosed documentation regarding basis for vendor selection.

• To Varian, Inc. for $313,180 for a 400MR Nuclear Magnetic Resonance Spectrometer to be delivered in October 2008 for the Department of Medicinal Chemistry. The funds for the purchase are coming from the sponsored project’s budget. Vendor was selected through a competitive process.

Background Information:

General Contingency
Allocations from the General Contingency in excess of $250,000 require Board approval. Allocations of less than $250,000 are reported in the Board of Regents Finance and Operations Committee each month in which the Committee meets.

President's Recommendation for Action:

The President recommends approval of the Consent Report.
## General Contingency

### 2007-08 General Contingency:

<table>
<thead>
<tr>
<th>Recipient</th>
<th>Allocation</th>
<th>Balance</th>
<th>Purpose</th>
</tr>
</thead>
<tbody>
<tr>
<td>FY2008 General Contingency</td>
<td>330,646</td>
<td>1,730,646</td>
<td>Carryforward from FY2007 into FY2008</td>
</tr>
<tr>
<td>1 Wind to Hydrogen unused FY07 allocation</td>
<td>(261,000)</td>
<td>1,991,646</td>
<td>Return unused funds</td>
</tr>
<tr>
<td>2 Office of the President</td>
<td>66,674</td>
<td>1,924,972</td>
<td>Expenses related to the University Senate Judicial Committee</td>
</tr>
<tr>
<td>3 Vice President for University Services</td>
<td>18,775</td>
<td>1,906,197</td>
<td>Sponsor &quot;An Evening with Ken Burns at Northrop&quot;</td>
</tr>
<tr>
<td>4 AVP for Campus Planning and Project Development</td>
<td>64,100</td>
<td>1,842,097</td>
<td>Design of the Veterans Tribute for TCF Bank stadium</td>
</tr>
<tr>
<td>5 AVP for Campus Planning and Project Development</td>
<td>175,000</td>
<td>1,667,097</td>
<td>Update of Twin Cities campus master plan</td>
</tr>
<tr>
<td>6 AVP for Campus Planning and Project Development</td>
<td>245,000</td>
<td>1,422,097</td>
<td>Capital improvements to Eastcliff</td>
</tr>
<tr>
<td>7 Sr VP for System Administration</td>
<td>45,000</td>
<td>1,377,097</td>
<td>Design services for space management system</td>
</tr>
<tr>
<td>8 VP for University Services</td>
<td>150,000</td>
<td>1,227,097</td>
<td>Operating support for Northrop Dance and Jazz program</td>
</tr>
<tr>
<td>9 Executive Director of the Board of Regents</td>
<td>20,000</td>
<td>1,207,097</td>
<td>Expenses related to Board meeting held on Morris campus</td>
</tr>
<tr>
<td>10 VP for University Relations</td>
<td>15,000</td>
<td>1,192,097</td>
<td>Create a national media tracking process</td>
</tr>
<tr>
<td>11 AVP for Campus Planning and Project Development</td>
<td>(1,912)</td>
<td>1,194,009</td>
<td>Return unused funds for Eastcliff Landscape project</td>
</tr>
<tr>
<td>12 AVP for Campus Planning and Project Development</td>
<td>(19,834)</td>
<td>1,213,843</td>
<td>Return unused funds</td>
</tr>
</tbody>
</table>

### New items this reporting period:

<table>
<thead>
<tr>
<th>Recipient</th>
<th>Allocation</th>
<th>Balance</th>
<th>Purpose</th>
</tr>
</thead>
<tbody>
<tr>
<td>13 School of Dentistry</td>
<td>317,000</td>
<td>$896,843</td>
<td>New sterilizer</td>
</tr>
<tr>
<td>14 Balance as of June 30, 2008</td>
<td></td>
<td>896,843</td>
<td></td>
</tr>
</tbody>
</table>

* Subject to Board approval due to cost of $250,000 or more
Purchase of Goods and Services over $250,000

To Adecco Staffing for an estimated $2,000,000 for administration of a temporary clerical work force management program for the period of July 1, 2008 through June 30, 2009. This is the second one year renewal. Two optional one year extension options remain.

Adecco provides a temporary work force for the University of Minnesota departments on the Twin Cities campuses.

The Office of Human Resources recommends renewal of Adecco to continue administration of this program with the following pay rates for temporary workers based on market information for the 11 classifications:

<table>
<thead>
<tr>
<th>Classification</th>
<th>Pay Rate</th>
</tr>
</thead>
<tbody>
<tr>
<td>Office Support Assistant</td>
<td>$12.61/hour</td>
</tr>
<tr>
<td>Principal Office and Administrative Specialist</td>
<td>$12.90/hour - $17.02/hour</td>
</tr>
<tr>
<td>Executive Office and Administrative Specialist</td>
<td>$13.60/hour - $17.94/hour</td>
</tr>
<tr>
<td>Principal Accounts Specialist</td>
<td>$12.90/hour - $17.02/hour</td>
</tr>
<tr>
<td>Executive Accounts Specialist</td>
<td>$13.60/hour - $17.94/hour</td>
</tr>
<tr>
<td>Principal Operations/Student Services Specialist</td>
<td>$12.66/hour</td>
</tr>
<tr>
<td>Executive Operations/Student Services Specialist</td>
<td>$13.60/hour</td>
</tr>
<tr>
<td>Program/Project Specialist</td>
<td>$14.55/hour</td>
</tr>
<tr>
<td>Accountant</td>
<td>$13.40/hour - $23.77/hour</td>
</tr>
<tr>
<td>Office Supervisor</td>
<td>$13.89/hour - $19.53/hour</td>
</tr>
<tr>
<td>Office Manager</td>
<td>$13.89/hour - $24.75/hour</td>
</tr>
</tbody>
</table>

An RFP was issued in 2006 and Adecco was chosen. Adecco continues to provide an excellent level of service. The estimated annual expense for temporary clerical services is $2,000,000. The funding for this comes from the departments using these services.

Submitted by:

Miriam Ward
Office of Human Resources
532 WBOB
1300 S. 2nd Street
Minneapolis, MN 55454

Approval of this item is requested by:

[Signature] Vice President

[Date]
Purchase of Goods and Services $250,000 and over

To **Barr Engineering Company** for an estimated $1,400,000 for Environmental Investigation and Response Action and Environmental Review Support Services as needed for the period of July 11, 2008 through June 30, 2011 at the University of Minnesota Outreach, Research & Education (UMORE Park) Rosemount, Minnesota for the Statewide Strategic Resource Development Department.

The purpose of the investigation is to fully assess the subsurface soil, sediment, surface water and groundwater quality of the entire 5,000 acre UMore Park property, and provide information necessary to develop a Response Action Plan(s) sufficient to allow sand and gravel mining activities and future land use, and achieve residential, unrestricted land use cleanup standards across the property. The Remedial Investigation will also allow for the development of a multilayer groundwater model from the metropolitan regional model to evaluate changes in groundwater flow due to anticipated sand and gravel mining activities.

Barr Engineering Company will provide services to: prepare a remedial investigation work plan, conduct remedial investigations, prepare a groundwater model, and support the sand and gravel Environmental Impact Statement (EIS) process.

Barr Engineering Company was selected via the competitive selection process pursuant to the University of Minnesota purchasing policies.

These services will be purchased from fiscal years 2009 and 2010 Central Administration funds allocated through Statewide Strategic Resources Development’s UMore Park budget.

Submitted by:  Charles C. Muscoplat, Vice President  
Vice President for Statewide Strategic Resource Development  
450 McNamara Alumni Center  
200 Oak Street S.E.  
Minneapolis, MN 55455  
Phone: (612) 624-5387  
Fax: (612) 624-4843

Approval for this item requested by:

[Signature]
VP or Exec. VP Signature

[Signature]
Date 6-26-08
Contract for Services over $250,000

This contract is with Cemanahuac Comunidad Educativa for the Spanish in Cuernavaca program for a not to exceed amount of $452,150 for providing study abroad academic credit programs for the Learning Abroad Center for the Academic Years 2008-2009 and 2009-2010 in Cuernavaca, Mexico.

The Learning Abroad Center contracts with Cemanahuac Comunidad Educativa to provide services to support overseas study programs. Services include, but are not limited to the following:

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

The Learning Abroad Center is anticipating higher enrollments in the next few years due to the University of Minnesota’s initiative to have 50% of students participating in a study abroad experience during their academic career. In addition, two significant grants supporting curriculum integration for study abroad will increase the participation in overseas programs. As a result of the study abroad initiatives, there is a need for additional contracted services driving contracts over $250,000, thus requiring Regents approval.

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

Submitted by: Elvin Balkcum, Director
Learning Abroad Center
Office of International Programs
645 Heller Hall
Minneapolis Campus
Phone: 612-625-5593
Fax: 612-626-8009

Approval for this item requested by:

Senior Vice President

Date: 6-24-08
Rationale for Exception to Competitive Bidding

This purchase has not been competitively bid because a comprehensive and diligent process to select external administrators is used by the Learning Abroad Center (LAC).

External administrators, third parties who work with the LAC's directors to design and customize programs in particular cities for the University of Minnesota, are researched, and selected based on (1) their familiarity with and contacts in a particular city, (2) student and LAC's assessments of the external program administrator's past performance, (3) demonstrated ability to provide for the housing, health and safety of participants, and (4) references from other Universities. The continued success of the program depends on the administrator's ability to provide a safe, productive and memorable student experience in the particular country or city. The risk of vendor non-performance in this area is a risk to the program and a risk to students. LAC's selection process is the optimal process to assure that the University's interests are protected for this type of purchase.

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

The Director of Purchasing and the University Controller concluded that the process used resulted in a fair and reasonable price to the University.
Contract for Services over $250,000

This contract is with the Fundación Cimas del Ecuador for the MISD (Minnesota Studies in International Development) – Ecuador program for a not to exceed amount of $710,399 for providing study abroad academic credit programs for the Learning Abroad Center for the Academic Years 2008-2009 and 2009-2010 in Quito, Ecuador.

The Learning Abroad Center contracts with the Fundación Cimas del Ecuador to provide services to support overseas study programs. Services include, but are not limited to the following:

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

The Learning Abroad Center is anticipating higher enrollments in the next few years due to the University of Minnesota’s initiative to have 50% of students participating in a study abroad experience during their academic career. In addition, two significant grants supporting curriculum integration for study abroad will increase the participation in overseas programs. As a result of the study abroad initiatives, there is a need for additional contracted services driving contracts over $250,000, thus requiring Regents approval.

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

Submitted by: Elvin Balkcum, Director
Learning Abroad Center
Office of International Programs
645 Heller Hall
Minneapolis Campus
Phone: 612-625-5593
Fax: 612-626-8009

Approval for this item requested by:  

Senior Vice President

Date: 6-24-08
Rationale for Exception to Competitive Bidding

This purchase has not been competitively bid because a comprehensive and diligent process to select external administrators is used by the Learning Abroad Center (LAC).

External administrators, third parties who work with the LAC’s directors to design and customize programs in particular cities for the University of Minnesota, are researched, and selected based on (1) their familiarity with and contacts in a particular city, (2) student and LAC’s assessments of the external program administrator’s past performance, (3) demonstrated ability to provide for the housing, health and safety of participants, and (4) references from other Universities. The continued success of the program depends on the administrator’s ability to provide a safe, productive and memorable student experience in the particular country or city. The risk of vendor non-performance in this area is a risk to the program and a risk to students. LAC’s selection process is the optimal process to assure that the University's interests are protected for this type of purchase.

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

The Director of Purchasing and the University Controller concluded that the process used resulted in a fair and reasonable price to the University.
Contract for Services over $250,000

This contract is with the Fundación Ortega y Gasset, Argentina for the Language and Culture in Buenos Aires program for a not to exceed amount of $997,895 for providing study abroad academic credit programs for the Learning Abroad Center for the Academic Years 2008-2009 and 2009-2010 in Buenos Aires, Argentina.

The Learning Abroad Center contracts with Fundación Ortega y Gasset, Argentina to provide services to support overseas study programs. Services include, but are not limited to the following:

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

The Learning Abroad Center is anticipating higher enrollments in the next few years due to the University of Minnesota’s initiative to have 50% of students participating in a study abroad experience during their academic career. In addition, two significant grants supporting curriculum integration for study abroad will increase the participation in overseas programs. As a result of the study abroad initiatives, there is a need for additional contracted services driving contracts over $250,000, thus requiring Regents approval.

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

Submitted by: Elvin Balkcum, Director
Learning Abroad Center
Office of International Programs
645 Heller Hall
Minneapolis Campus
Phone: 612-625-5593
Fax: 612-626-8009

Approval for this item requested by:

[Signature]
Senior Vice President

[Signature]
Date 6-24-05
Rationale for Exception to Competitive Bidding

This purchase has not been competitively bid because a comprehensive and diligent process to select external administrators is used by the Learning Abroad Center (LAC).

External administrators, third parties who work with the LAC’s directors to design and customize programs in particular cities for the University of Minnesota, are researched, and selected based on (1) their familiarity with and contacts in a particular city, (2) student and LAC’s assessments of the external program administrator’s past performance, (3) demonstrated ability to provide for the housing, health and safety of participants, and (4) references from other Universities. The continued success of the program depends on the administrator’s ability to provide a safe, productive and memorable student experience in the particular country or city. The risk of vendor non-performance in this area is a risk to the program and a risk to students. LAC’s selection process is the optimal process to assure that the University’s interests are protected for this type of purchase.

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

The Director of Purchasing and the University Controller concluded that the process used resulted in a fair and reasonable price to the University.
Purchase of Goods and Services over $250,000

To JumpTV for $540,000 (3 year term) of guaranteed revenue for the Department of Intercollegiate Athletics hosted website for a time period of FY '09 through FY '11.

The University of Minnesota agreement with JumpTV (formerly XOS) to host the athletics website, gophersports.com, is scheduled to expire in October 2008. In conjunction with that expiration, the University of Minnesota is looking for ways to improve the website. With all of the excitement that exists within Gopher Athletics, traffic to this website is very high, and Intercollegiate Athletics needs to attempt to meet the needs and wants of the fans and consumers.

Collegiate websites are continually evolving and it is important for the University of Minnesota to not only keep up with its peer websites, but strive to be the best. These websites serve as key marketing and communication tools as well as a major source of revenue for athletic departments. College athletic websites are often the initial source of information for potential recruits, donors and fans, so it is important to have an attractive, user-friendly website to provide and showcase the appropriate information, and to provide the opportunity to give donations, buy tickets, merchandise, etc.

JumpTV is the fastest growing provider of digital fan management solutions and the company currently represents over 180 partners in the collegiate marketplace. Although JumpTV has a high volume of schools, the company does not use a template to create websites for the schools it represents, but designs unique websites customized to meet the needs of client universities and their fans.

Through a competitive RFP process, JumpTV provided the best revenue guarantee, the most advanced web design and hosting technologies and also offered some exciting options for the future of gophersports.com. The University has had a contract with JumpTV for the previous three years, so has been a part of their growth and development.

The Department of Intercollegiate Athletics is seeking approval for an exclusive and comprehensive contract with JumpTV for the time period of fiscal year 2009 through fiscal year 2011.

Submitted by: Tom Wistrcill, Senior Associate Athletic Director
270 Bierman Field Athletic Building
Phone: 612-624-0257

Approval for this item requested by:

Kathryn F. Brown, Vice President and Chief of Staff
Contract for Services over $250,000

This contract is with Mohamud Jama for the MISD (Minnesota Studies in International Development) – Kenya program for a not to exceed amount of $854,061 for providing study abroad academic credit programs for the Learning Abroad Center for the Academic Years 2008-2009 and 2009-2010 in Nairobi, Kenya.

The Learning Abroad Center contracts with Mohamud Jama to provide services to support overseas study programs. Services include, but are not limited to the following:

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

The Learning Abroad Center is anticipating higher enrollments in the next few years due to the University of Minnesota’s initiative to have 50% of students participating in a study abroad experience during their academic career. In addition, two significant grants supporting curriculum integration for study abroad will increase the participation in overseas programs. As a result of the study abroad initiatives, there is a need for additional contracted services driving contracts over $250,000, thus requiring Regents approval.

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

Submitted by: Elvin Balkcum, Director
Learning Abroad Center
Office of International Programs
645 Heller Hall
Minneapolis Campus
Phone: 612-625-5593
Fax: 612-626-8009

Approval for this item requested by:

[Signature]
Senior Vice President

Date 6-24-08
Rationale for Exception to Competitive Bidding

This purchase has not been competitively bid because a comprehensive and diligent process to select external administrators is used by the Learning Abroad Center (LAC).

External administrators, third parties who work with the LAC’s directors to design and customize programs in particular cities for the University of Minnesota, are researched, and selected based on (1) their familiarity with and contacts in a particular city, (2) student and LAC’s assessments of the external program administrator’s past performance, (3) demonstrated ability to provide for the housing, health and safety of participants, and (4) references from other Universities. The continued success of the program depends on the administrator’s ability to provide a safe, productive and memorable student experience in the particular country or city. The risk of vendor non-performance in this area is a risk to the program and a risk to students. LAC’s selection process is the optimal process to assure that the University’s interests are protected for this type of purchase.

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

The Director of Purchasing and the University Controller concluded that the process used resulted in a fair and reasonable price to the University.
Contract for Services over $250,000

This contract is with Ortega y Gasset Foundation for the International Program in Toledo, Spain program for a not to exceed amount of $5,442,713 for providing study abroad academic credit programs for the Learning Abroad Center for the Academic Years 2008-2009, 2009-2010 and 2010-2011 in Toledo, Spain.

The Learning Abroad Center contracts with Ortega y Gasset Foundation to provide services to support overseas study programs. Services include, but are not limited to the following:
- Student services – pre-departure and on-site orientation, airport transfers, room and board arrangements including home-stays, health and safety management, and in-country travel and liability insurance.
- Academic program and facilities – enrollment requirements, academic program design, delivery and procedures, course content, tutorial sessions, faculty members, transportation for course related travel, program evaluations, and administration and granting of credit.

The Learning Abroad Center is anticipating higher enrollments in the next few years due to the University of Minnesota’s initiative to have 50% of students participating in a study abroad experience during their academic career. In addition, two significant grants supporting curriculum integration for study abroad will increase the participation in overseas programs. As a result of the study abroad initiatives, there is a need for additional contracted services driving contracts over $250,000, thus requiring Regents approval.

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

Submitted by: Elvin Balkcum, Director
Learning Abroad Center
Office of International Programs
645 Heller Hall
Minneapolis Campus
Phone: 612-625-5593
Fax: 612-626-8009

Approval for this item requested by:

(date)

Senior Vice President
Rationale for Exception to Competitive Bidding

This purchase has not been competitively bid because a comprehensive and diligent process to select external administrators is used by the Learning Abroad Center (LAC).

External administrators, third parties who work with the LAC's directors to design and customize programs in particular cities for the University of Minnesota, are researched, and selected based on (1) their familiarity with and contacts in a particular city, (2) student and LAC's assessments of the external program administrator's past performance, (3) demonstrated ability to provide for the housing, health and safety of participants, and (4) references from other Universities. The continued success of the program depends on the administrator's ability to provide a safe, productive and memorable student experience in the particular country or city. The risk of vendor non-performance in this area is a risk to the program and a risk to students. LAC's selection process is the optimal process to assure that the University's interests are protected for this type of purchase.

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

The Director of Purchasing and the University Controller concluded that the process used resulted in a fair and reasonable price to the University.
Contract for Services over $250,000

This contract is with Ousmane Sene for the MISD (Minnesota Studies in International Development) – Senegal program for a not to exceed amount of $571,368 for providing study abroad academic credit programs for the Learning Abroad Center for the Academic Years 2008-2009 and 2009-2010 in Dakar, Senegal.

The Learning Abroad Center contracts with Ousmane Sene to provide services to support overseas study programs. Services include, but are not limited to the following:

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

The Learning Abroad Center is anticipating higher enrollments in the next few years due to the University of Minnesota’s initiative to have 50% of students participating in a study abroad experience during their academic career. In addition, two significant grants supporting curriculum integration for study abroad will increase the participation in overseas programs. As a result of the study abroad initiatives, there is a need for additional contracted services driving contracts over $250,000, thus requiring Regents approval.

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

Submitted by: Elvin Balkcum, Director
Learning Abroad Center
Office of International Programs
645 Heller Hall
Minneapolis Campus
Phone: 612-625-5593
Fax: 612-626-8009

Approval for this item requested by:

Senior Vice President

Date  6-24-08
Rationale for Exception to Competitive Bidding

This purchase has not been competitively bid because a comprehensive and diligent process to select external administrators is used by the Learning Abroad Center (LAC).

External administrators, third parties who work with the LAC’s directors to design and customize programs in particular cities for the University of Minnesota, are researched, and selected based on (1) their familiarity with and contacts in a particular city, (2) student and LAC’s assessments of the external program administrator’s past performance, (3) demonstrated ability to provide for the housing, health and safety of participants, and (4) references from other Universities. The continued success of the program depends on the administrator’s ability to provide a safe, productive and memorable student experience in the particular country or city. The risk of vendor non-performance in this area is a risk to the program and a risk to students. LAC’s selection process is the optimal process to assure that the University’s interests are protected for this type of purchase.

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

The Director of Purchasing and the University Controller concluded that the process used resulted in a fair and reasonable price to the University.
PURCHASE OF GOODS AND SERVICES OVER $250,000

To Qiagen Inc., for $744,600 for the purchase of OneStep RT-PCR kits as needed for the period October 1, 2008 through September 30, 2009 for the Veterinary Diagnostic Laboratory.

Due to the amount of testing that the Veterinary Diagnostic Laboratory provides for their clients annually, they order large quantities of test kits from Qiagen, Inc. These kits are used to test for Porcine Reproductive & Respiratory Syndrome Virus (PRRSV), Bovine Viral Diarrhea Virus (BVDV) and Swine Influenza Virus (SIV). This is an important service to Minnesota farmers.

This is a negotiated contract with the manufacturer of these kits.

The Veterinary Diagnostic Laboratory has been buying a version of these kits from Qiagen for the past nine years. Qiagen developed these kits and they have patents on the reagents in the kits. The Laboratory continues using them to ensure the integrity and consistency of their test results. All of these tests were validated using Qiagen’s reagents. Accurate and consistent test results are essential to the Laboratory’s clients and to the Veterinary Diagnostic Laboratory to minimize exposure to inconsistent test results and litigation. Qiagen provides a custom extraction kit that allows more efficient use of the reagents.

These kits will be purchased with Veterinary Diagnostic Laboratory funds that are approved annually through the University of Minnesota budget process.

Submitted by: James E. Collins, Director
Veterinary Diagnostic Laboratory
248 VETDL, 1333 Gortner Avenue
St. Paul, MN 55108
Phone: 612-625-9289
Fax: 612-624-8707

Approval for this item requested by:

Dr. Frank Cerra, Senior Vice President

Date: 6/18/08
Rationale for Exception to Competitive Bidding

This purchase has not been competitively bid because: This kit has been purchased from Qiagen for over 9 years now. Qiagen holds the patents on the reagents in this kit. A custom extraction kit has been developed for us by Qiagen that contains the same reagents that are in the Qiagen OneStep RT-PCR kit. Purchase of this custom kit from Qiagen is necessary to maintain consistency of test results for our clients. By using this kit we receive accurate and consistent test results that are essential to our clients.

We are concerned with the continuity and consistency of our reverse transcription PCR testing and its results. This includes very high volume tests such as our Porcine Reproductive and Respiratory Syndrome Virus, Bovine Viral Diarrhea Virus and Swine Influenza Virus tests. Qiagen has worked with us since we developed the tests that use their kit. They provided technical support and valuable input as we created the tests and got them up and running on a regular basis. We have found that Qiagen’s kit is very reliable, efficient, and effective. We have very high confidence in the quality of their product and their ability to supply us quickly and efficiently. This kit from Qiagen provides the consistency of test results necessary for our testing service.

Procedures undertaken to ensure price reasonableness: We anticipate using the same quantity of custom kits as last year. This custom kit is configured to the specification of our lab after carefully considering the needs and components that would most efficiently accomplish the goals of VDL. The pricing on this custom kit has taken into consideration the high volume use as well as the discount that was already in place at the time the custom kit was designed. Two years ago the OneStep RT PCR kit was sold to us at $360.24 then Qiagen starting producing the custom kit that was equivalent to 10 of the regular kit. The total cost of the purchase of ten of these kits was $3,602.40. Last year the custom kit was sold to us for $3,650.00. This contract period Qiagen will sell us the custom kit at the same price as last year even though we are dropping one kit from our standing order. Pricing on this kit seems reasonable since there will be no increase in price. This custom kit will allow us to use the reagents more efficiently thus giving us a savings by using the custom kit.

The Director of Purchasing and the University Controller concluded that the process used resulted in a fair and reasonable price to the University.
Contract for Services over $250,000

This contract is with Rima Hooja for the Misd (Minnesota Studies in International Development) – India program for a not to exceed amount of $452,800 for providing study abroad academic credit programs for the Learning Abroad Center for the Academic Years 2008-2009 and 2009-2010 in Jaipur, India.

The Learning Abroad Center contracts with Rima Hooja to provide services to support overseas study programs. Services include, but are not limited to the following:

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

The Learning Abroad Center is anticipating higher enrollments in the next few years due to the University of Minnesota’s initiative to have 50% of students participating in a study abroad experience during their academic career. In addition, two significant grants supporting curriculum integration for study abroad will increase the participation in overseas programs. As a result of the study abroad initiatives, there is a need for additional contracted services driving contracts over $250,000, thus requiring Regents approval.

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

Submitted by: Elvin Balkcum, Director
Learning Abroad Center
Office of International Programs
645 Heller Hall
Minneapolis Campus
Phone: 612-625-5593
Fax: 612-626-8009

Approval for this item requested by:

Senior Vice President

Date 6-24-05
Rationale for Exception to Competitive Bidding

This purchase has not been competitively bid because a comprehensive and diligent process to select external administrators is used by the Learning Abroad Center (LAC).

External administrators, third parties who work with the LAC’s directors to design and customize programs in particular cities for the University of Minnesota, are researched, and selected based on (1) their familiarity with and contacts in a particular city, (2) student and LAC’s assessments of the external program administrator’s past performance, (3) demonstrated ability to provide for the housing, health and safety of participants, and (4) references from other Universities. The continued success of the program depends on the administrator's ability to provide a safe, productive and memorable student experience in the particular country or city. The risk of vendor non-performance in this area is a risk to the program and a risk to students. LAC's selection process is the optimal process to assure that the University's interests are protected for this type of purchase.

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

The Director of Purchasing and the University Controller concluded that the process used resulted in a fair and reasonable price to the University.
Purchase of Goods and Services $250,000 and over

To Varian, Inc for $313,180 for a 400MR Nuclear Magnetic Resonance Spectrometer to be delivered in October 2008 for the Department of Medicinal Chemistry.

In 2007, Professor Rodney L. Johnson, as the Principal Investigator, submitted on behalf of the Department of Medicinal Chemistry a proposal to the National Center for Research Resources of NIH to replace the Department’s 18-year old nuclear magnetic resonance spectrometer with a state-of-the-art 400 MHz instrument. NIH subsequently funded the proposal.

This instrument is vital for Department of Medicinal Chemistry faculty and their research groups to analyze small molecules that have been synthesized as part of their drug discovery and development research. Faculty in the Cancer Center, the Center for Drug Design and the Department of Pharmaceutics will also utilize this instrument in their research.

Through a competitive bid process, Varian, Inc was the only firm to submit a bid for the NMR consistent with the specifications provided.

The funds for the purchase are coming from the sponsored project’s budget.

Submitted by: Rodney L. Johnson, Professor and Associate Head
8-101 Weaver-Densford Hall
Minneapolis Campus
Phone: (612) 624-9919
Fax: (612) 624-0139

Approval for this item requested by:

VP or Exec. VP Signature  

Date 6/18/08
Contract for Services over $250,000

This contract is with VENUUSA and Entre Americas Learn and Travel for the Spanish in Venezuela program for a not to exceed amount of $1,324,616 for providing study abroad academic credit programs for the Learning Abroad Center for the Academic Years 2008-2009 and 2009-2010 in Mérida, Venezuela.

The Learning Abroad Center contracts with VENUUSA and Entre Americas Learn and Travel to provide services to support overseas study programs. Services include, but are not limited to the following:

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

The Learning Abroad Center is anticipating higher enrollments in the next few years due to the University of Minnesota's initiative to have 50% of students participating in a study abroad experience during their academic career. In addition, two significant grants supporting curriculum integration for study abroad will increase the participation in overseas programs. As a result of the study abroad initiatives, there is a need for additional contracted services driving contracts over $250,000, thus requiring Regents approval.

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

Submitted by: Elvin Balkcum, Director
Learning Abroad Center
Office of International Programs
645 Heller Hall
Minneapolis Campus
Phone: 612-625-5593
Fax: 612-626-8009

Approval for this item requested by:

Senior Vice President

Date 6-24-05
Rationale for Exception to Competitive Bidding

This purchase has not been competitively bid because a comprehensive and diligent process to select external administrators is used by the Learning Abroad Center (LAC).

External administrators, third parties who work with the LAC’s directors to design and customize programs in particular cities for the University of Minnesota, are researched, and selected based on (1) their familiarity with and contacts in a particular city, (2) student and LAC’s assessments of the external program administrator’s past performance, (3) demonstrated ability to provide for the housing, health and safety of participants, and (4) references from other Universities. The continued success of the program depends on the administrator’s ability to provide a safe, productive and memorable student experience in the particular country or city. The risk of vendor non-performance in this area is a risk to the program and a risk to students. LAC’s selection process is the optimal process to assure that the University’s interests are protected for this type of purchase.

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

The Director of Purchasing and the University Controller concluded that the process used resulted in a fair and reasonable price to the University.
Purchase of Goods and Services over $250,000

To Xerox for an estimated $307,200 for the purchase of copy paper, to be stocked at the University Stores, for use in University departments. The contract period is August 1, 2008, through July 31, 2009.

Copy paper is used throughout the University by many departments and laboratories in copiers, printers, and fax machines. These products are purchased as needed by University departments.

Xerox was chosen as the low bid provider, for copy paper, through the University of Minnesota bid process. This is the fourth year of a possible five-year contract. Prices are reviewed each year in the renewal process, to assure they remain competitive.

Payment for these stock purchases will come from the University Stores Operating Budget. Purchases for stock are included in the Fiscal 2008 University Stores Operating Budget, and will be included in the Fiscal 2009 Operating Budget. The University Stores Operating Budget is approved annually through the Operating Budget Process.

Submitted by: Laurie Scheich, Associate Vice President, Auxiliary Services (624-0542);
Ed Kimmel, Director, University Stores (624-4570);
Lynn Hein, Purchasing Manager, University Stores (624-6543).

Approval of the item requested by:

Kathleen A. O'Brien, Vice President for University Services

4/18/08 Date
Finance and Operations Committee

Agenda Item: Information Items

☐ review  ☐ review/action  ☐ action  ☒ discussion

Presenters: Vice President/CFO Richard Pfitzenreuter

Purpose:

☐ policy  ☒ background/context  ☐ oversight  ☐ strategic positioning

There are no Information Items for this meeting of the Finance and Operations Committee.