Academic & Student Affairs Committee

October 2014

October 9, 2014
2:00 p.m.-4:00 p.m.

East Committee Room, McNamara Alumni Center
1. Buffer Entity for International Operations - Review/Action
   Docket item summary - Page 3
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2. Shifts to Legal Education Environment & Future Planning
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3. Alumni Association Plans for Engagement
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4. Consent Report - Review/Action
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Agenda Item: Buffer Entity for International Operations

Review + Action

This is a report required by Board policy.

Presenters: Meredith McQuaid, Associate Vice President and Dean, International Programs
Greg Brown, Director of Transactional Law, Office of General Counsel
Kelly Farmer, University Tax Director
Stacey Tsantir, Director, International Health, Safety and Compliance

Purpose & Key Points

Board of Regents Policy: Reservation and Delegation of Authority reserves to the Board “authority to approve the legal structure and scope of any relationship between the University and any associated … corporation … that substantially relies upon University resources or personnel to carry out its mission.”

The administration seeks delegation of authority to the President, or designee(s), to establish, maintain or dissolve entities in the United States that will be responsible for creating, maintaining and controlling representative offices or similar organizations in countries outside the United States. These entities will be for the sole purpose of conducting University education, research and outreach programs abroad in a manner that conforms to the laws of the United States and each country in which the University operates. The entities established in the United States will serve as “buffer entities” to allow the University to operate legally in countries of strategic importance to the University.

Background Information

The University has a growing number of research, outreach and educational activities abroad that require the institution to conform to the laws of countries in addition to those of the United States. Through its Global Operations initiative, a cross-University collaborative effort, the University has engaged internal and external experts to work toward legal and operational compliance in the United States and abroad in relation to its international activities.

A June 2013 whitepaper titled "How a U.S. University Can Employ Faculty, Researchers, Administrators and Foreign Locals at an Overseas Program” notes that "[A]s compared to multinational businesses and multinational NGOs/non-profits, U.S. higher education institutions have relatively little expertise and history with the nuts-and-bolts logistics of operating and employing staff on foreign soil. This shortfall in experience too often leaves American colleges and
universities operating abroad facing unbudgeted compliance costs and doing a less-than-ideal job of complying with local host country laws."

The administration has determined that in some cases, the University’s overseas activities will require the institution to establish legal structures in the countries where we operate. In some cases, the administration has further determined that these structures should be operated by a separate Minnesota legal "buffer entity," rather than directly by the University. The benefits of setting up such a structure include:

- **Independent action:** From the perspective of business and tax registration of an overseas legal entity, only the buffer entity (not the University’s) information is required to be registered and maintained with the foreign authorities.

- **Administrative oversight and operational effectiveness:** Implementing a buffer entity would result in a single point of contact and management for worldwide operations and compliance for all countries and activities across the University. Further, a buffer entity, with the proposed delegation of authority, would be able to act more quickly and efficiently than the University.

- **Added liability protection:** Because the University and buffer entity would be separate legal entities, the buffer entity would provide some level of liability protection to the University in cases such as tax or employment claims.

**President’s Recommendation**

The President recommends approval of this resolution.
WHEREAS, the University has a growing number of research, outreach and educational activities abroad that require the University to conform to local country laws;

WHEREAS, the administration is working with attorneys and other appropriate advisors to ensure legal and operational compliance in the U.S. and abroad in connection with its global operations;

WHEREAS, there is a need for the President or designee(s) to have authority to establish, maintain or dissolve branches, registered organizations or separate legal entities (compliance related structures) for the University to continue to operate in other countries.

NOW, THEREFORE, BE IT RESOLVED that the Board delegates authority to the President or designee(s) to establish, maintain or dissolve an entity in the United States which will be responsible for creating, maintaining and controlling representative offices or similar organizations in countries outside the United States. The sole purpose of the entities shall be conducting University education, research and outreach programs abroad in a manner that conforms to the laws and regulations relating to each specific country.

BE IT FURTHER RESOLVED, that this authorization is limited to only those general educational, research and outreach activities similar to and consistent with those activities which are currently conducted by the University and does not authorize any other activities that would require further board approval absent this specific authorization/delegation relating to compliance related structures.

BE IT FURTHER RESOLVED, that the Board authorizes, empowers and directs the President and designee(s) to undertake on behalf of the University all acts necessary and desirable to effectuate this resolution.
Agenda Item: Shifts to Legal Education Environment & Future Planning

☐ Review  ☐ Review + Action  ☐ Action  ☑ Discussion

☐ This is a report required by Board policy.

Presenters: David Wippman, Dean and William S. Pattee Professor of Law, Law School

Purpose & Key Points

To discuss with the committee the current and future environment for legal education.

The presentation will consider the significant factors shaping legal education and the ramifications to laws schools in the United School as well as current and future students. The presentation will focus on current strategies as well as other considerations toward ensuring a strong law school with successful graduates.
Agenda Item: Alumni Association Plans for Engagement

- Review
- Review + Action
- Action
- X Discussion

This is a report required by Board policy.

Presenter: Lisa Lewis, President and CEO, University of Minnesota Alumni Association

Purpose & Key Points

In her presentation, Lewis will present the reasons it is important to realize the full potential of alumni support for the University through the Alumni Association; identify growth opportunities and challenges in realizing those opportunities; and discuss next steps.

Background Information

Following the Alumni Association Annual Report at the July 9, 2014 meeting, Regents asked for more detail on expanding reach to alumni.
University of Minnesota Alumni Association  
Background

The University of Minnesota is poised to make significant strides as it implements an ambitious, new strategic plan that rejects complacency and embraces excellence. It will take the united effort of the U’s many constituencies – faculty, students, staff, alumni, friends, donors, fans, parents, legislators and the community - to achieve these goals and further enhance the U’s impact on the state, nation and world.

Efforts to build a stronger Alumni Association are important to this vision. Alumni are permanent members of the university community. They are the torchbearers of the institutional spirit and the guardians of its future. Great universities require a substantial alumni commitment. The involvement and leadership of alumni can help determine the university’s level of success in educating the state’s and nation’s citizens.

Alumni relationship building is a lifelong process and it takes a variety of initiatives over many years. These efforts include events, admissions college fairs, graduation receptions, student outreach, legislative advocacy, an interactive website, magazines, electronic newsletters, travel, lectures, career services, networking opportunities, social media and much more. Any single event or initiative in itself may seem unimportant, but when added together, what emerges is one of the University’s strongest assets – a loyal, committed alumni base. The process takes patience, perseverance, time and a long-term commitment. One of the greatest legacies alumni and university leaders can give their institutions is support for the growth of a strong, vibrant alumni organization that sustains the institution for future generations.

While the University is growing, the Alumni Association’s engagement efforts have been limited by declining resources. New leadership in the Alumni Association provides an opportunity to re-examine the Association’s operations and envision an organization that engages alumni in robust, relevant and high quality programs in partnership with the University. Together, we can build a base of support that will bolster student recruitment, fundraising, brand recognition of the U, legislative advocacy and community relationships.

The Alumni Association is building its programs, services and communications using an “alumni centric” approach, which means we serve both the alumni and the University in ways that are relevant and meaningful. We are focused on three core principles:

- **Enriching the lives of alumni**
- **Supporting student success**
- **Advancing the University of Minnesota and the value of every degree**
Financial and Staff Comparisons in the Big Ten

Nationally, the average ratio of alumni association central staff to alumni for large public research universities is approximately 1:10,000. With 445,000 alumni, the Association should have 44 alumni staff members. The UMAA has 24 staff members and is short 20 positions just to reach the national “average”. Among the Big Ten, the UMAA ranks towards the bottom in terms of staff size and University/Foundation support per graduate. The chart below shows eleven Big Ten alumni associations on a number of key resource factors using FY 13 figures.

<table>
<thead>
<tr>
<th>Institution</th>
<th>Number of alumni (rank)</th>
<th>FY 13 Total Revenue (rank)</th>
<th>FY 13 Univ. &amp; Foundation Support (rank)</th>
<th>Amount of Univ/Found support per alum (rank)</th>
<th>Total staff FTE (rank)</th>
<th># of alumni per staff member (rank)</th>
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<tbody>
<tr>
<td>A</td>
<td>816,044 (1)</td>
<td>$8,939,700 (4)</td>
<td>$4,318,800 (1)</td>
<td>$5.29 (2)</td>
<td>45 (5)</td>
<td>18,134 (11)</td>
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<tr>
<td>B</td>
<td>601,184 (2)</td>
<td>$15,635,901 (1)</td>
<td>$111,500 (10)</td>
<td>$.19 (10)</td>
<td>64 (2)</td>
<td>9,394 (4)</td>
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<td>C</td>
<td>589,627 (3)</td>
<td>$9,626,322 (3)</td>
<td>$2,444,019 (4)</td>
<td>$4.15 (4)</td>
<td>47 (3)</td>
<td>12,545 (6)</td>
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<td>D</td>
<td>588,000 (4)</td>
<td>$12,235,353 (2)</td>
<td>$2,969,683 (3)</td>
<td>$5.05 (3)</td>
<td>69 (1)</td>
<td>8,521 (1)</td>
</tr>
<tr>
<td>E</td>
<td>450,842 (5)</td>
<td>$3,926,440 (10)</td>
<td>$3,081,663 (2)</td>
<td>$6.84 (1)</td>
<td>28 (7)</td>
<td>16,101 (8)</td>
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<td>Minnesota</td>
<td>434,149 (6)</td>
<td>$5,301,165 (7)</td>
<td>$629,280 (8)*</td>
<td>$1.45 (9)</td>
<td>24 (8T)</td>
<td>18,090 (10)</td>
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<td>G</td>
<td>426,771 (7)</td>
<td>$4,435,013 (9)</td>
<td>0 (11)</td>
<td>0 (11)</td>
<td>24 (8T)</td>
<td>17,782 (9)</td>
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<td>400,372 (8)</td>
<td>$8,780,608 (5)</td>
<td>$1,064,750 (6)</td>
<td>$2.66 (7)</td>
<td>46 (4)</td>
<td>8,703 (2)</td>
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<td>I</td>
<td>342,977 (9)</td>
<td>$5,360,634 (6)</td>
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<td>24 (8T)</td>
<td>14,290 (7)</td>
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<td>280,226 (10)</td>
<td>$5,190,289 (8)</td>
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<td>197,279 (11)</td>
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<td>$600,244 (9)</td>
<td>$3.04 (6)</td>
<td>22 (11)</td>
<td>8,967 (3)</td>
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* FY 14 University support is $598,280. If peers maintained funding, Minnesota would rank 9th of 11 schools.
** Includes Rutgers and Maryland; data not available for Northwestern, Michigan State or Ohio State.
University of Minnesota Alumni Association
Fiscal Year 2014-2015 Funding Sources

- Membership and Contributions: 32%
- Investments: 25%
- Corporate Partner Royalties: 17%
- University Support: 14%
- Programs and Other: 12%
- Investments: 25%
Board of Regents
Docket Item Summary

Academic & Student Affairs
October 9, 2014

Agenda Item: Consent Report

☐ Review  ☑ Review + Action  ☐ Action  ☐ Discussion

☐ This is a report required by Board policy.

Presenters: Karen Hanson, Senior Vice President for Academic Affairs and Provost

Purpose & Key Points

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

I. Request for Approval of Changed Academic Programs
   - College of Liberal Arts (Twin Cities campus)—Create sub-plans in Generalist, Social Justice/Applied Drama, History/Literature, Design/Technology, and Performance Creation within the B.A. degree in Theater Arts

II. Request for Approval of Discontinued Academic Programs
   - College of Liberal Arts (Twin Cities campus)—Discontinue the M.A. degree in English as a Second Language
   - College of Education and Human Service Professions (Duluth campus)—Discontinue the B.A.Sc. in Ojibwe Elementary School Education

Background Information

This report appears as a regular item on the Academic and Student Affairs 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

The President recommends approval of the academic program proposals detailed in the Consent Report.
I. Request for Changes to Academic Programs

- **College of Liberal Arts (Twin Cities campus)—Create sub-plans in Generalist, Social Justice/Applied Drama, History/Literature, Design/Technology, and Performance Creation within the B.A. degree in Theater Arts**

The College of Liberal Arts on the Twin Cities campus requests approval to create new sub-plans in Generalist, Social Justice/Applied Drama, History/Literature, Design/Technology, and Performance Creation within the Bachelor of Arts (B.A.) degree in Theater Arts, effective fall 2014. The proposed sub-plans will provide opportunities for specialization in distinct areas of the discipline.

II. Request for Approval of Discontinued Academic Programs

- **College of Liberal Arts (Twin Cities campus)—Discontinue the M.A. degree in English as a Second Language**

The College of Liberal Arts on the Twin Cities campus requests approval to discontinue the Master of Arts (M.A.) degree in English as a Second Language, effective fall 2014. There are no students enrolled in the program at this time. Students with an interest in English as a Second Language may pursue a Master of Education (M.Ed.) degree in Curriculum and Instruction, Second Languages and Learning track with a specialization in English as a Second Language for Higher Education.

- **College of Education and Human Service Professions (Duluth campus)—Discontinue the B.A.Sc. in Ojibwe Elementary School Education**

The College of Education and Human Service Professions on the Duluth campus requests approval to discontinue the Bachelor of Applied Science (B.A.Sc.) degree in Ojibwe Elementary School Education, effective Spring 2015. There are no students in the program at this time. The Department of Education on the Duluth campus offers a baccalaureate degree in Integrated Elementary and Special Education for students who are interested in this discipline.