



# Board of Regents

September 2015

September 11, 2015

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

Boardroom, McNamara Alumni Center

# BOR - SEP 2015

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# BOARD OF REGENTS DOCKET ITEM SUMMARY

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**Board of Regents**

**September 11, 2015**

**AGENDA ITEM:** Recognition of Regents Professors

**Review**

**Review + Action**

**Action**

**Discussion**

*This is a report required by Board policy.*

**PRESENTERS:** President Eric W. Kaler

## **PURPOSE & KEY POINTS**

To recognize recently appointed Regents Professors R. Lawrence Edwards, Vipin Kumar, and Michael T. Osterholm. The Board approved these appointments at its June 12, 2015 meeting.

### **R. Lawrence Edwards**

Dr. Edwards, Robert D. and Carol C. Gunn Professor and Distinguished McKnight University Professor, Department of Earth Sciences, College of Science and Engineering, is a world-renowned geochemist with expertise in climate history, climate change, and geochronology. For more than two decades, he has made significant contributions to science and society through his research, teaching, and service and has made the University of Minnesota a globally recognized leader in climate science.

Edwards studies climate change using the principles of isotope geochemistry. The time scale that his work covers is around the last 500,000 years. He is known for his role in the development of modern uranium-thorium (or Th-230) dating methods and his application of these methods to the study of climate history and ocean chemistry. His strategies are renowned for improving the precision and accuracy with which the timeline of climate history can be established. Edwards has collaborated with over 400 scientists from more than 200 institutions worldwide. He has helped to secure \$12.3 million in funding through 57 funded grant proposals at the University. According to ISI Web of Knowledge, Edwards is the second most cited earth scientist worldwide for papers published in the last decade. He has authored or co-authored 270 journal articles, including 33 in the journals *Science* and *Nature*. Edwards is a co-author of a chapter in the upcoming edition of the *Intergovernmental Panel on Climate Change (IPCC)*, which is considered to be the most influential document summarizing current understanding of anthropogenic impacts on climate change.

Edwards' intellectual accomplishments are extraordinary and are reflected in the numerous awards he has received. In 2004, he was elected Fellow of the American Academy of Arts and Sciences and in 2009 Fellow of the National Academy of Sciences. In that same year he received the Arthur L. Day

Prize and Lectureship from the National Academy and a John Simon Guggenheim Fellowship. Recognition by scholarly societies include becoming the first recipient of the Science Innovation Award from the European Association for Geochemistry, and receiving the C.C. Patterson Medical in Environmental Geochemistry from the Geochemistry Society. He is also a Fellow of the American Association for the Advancement of Science, the American Geophysical Union, the Geochemical Society, and the European Association of Geochemistry.

### **Vipin Kumar**

Dr. Kumar, William Norris Professor and head of the Department of Computer Science and Engineering, College of Science and Engineering, is described as a world-renowned computer scientist and an extraordinary mentor and educator, with an outstanding record of service to his profession and to the University. Considered the founder of the field of scientific data mining, he has played a pioneering role in bringing the Big Data community and the earth science communities together to address one of the societal challenges of our times – understanding the impact of human induced changes on the earth system and its environment. One of Kumar's key contributions has been to bring the promise of novel automated knowledge discovery methods to the problem of analyzing massive amounts of data that are generated in many scientific disciplines, including large scale computational simulations and those from Earth observing satellites. This research Kumar and his group are doing is considered groundbreaking and is expected to produce essential information for changing international policy regarding climate change.

Kumar's research has been continuously funded by highly competitive, peer-reviewed NSF grants and from other federal agencies. Over the three decades of his productive academic career, his grant support totals over \$80 million. He has authored more than 300 research articles, and has coedited or coauthored 11 books, including the widely used text books *Introduction to Parallel Computing* and *Introduction to Data Mining*, which have been translated in several languages and have multiple international editions. His intellectual leadership in his field is reflected in the numerous awards and recognition he has received, including being elected a Fellow of the American Association for Advancement for Science, Association for Computing Machinery, and Institute of Electrical and Electronics Engineers. The Indian Institute of Technology recognized him in 2013 with the Distinguished Alumnus Award, and in 2009, he received the Distinguished Alumnus Award from the Department of Computer Science at the University of Maryland College Park. His groundbreaking research in data mining and its applications to scientific data was honored by the ACM SIGKDD 2012 Innovation Award, the highest award for technical excellence in the field of Knowledge Discovery and Data Mining.

### **Michael T. Osterholm**

Dr. Osterholm is the McKnight Presidential Endowed Chair in Public Health; Distinguished University Teaching Professor in the Division of Environmental Health Sciences in the School of Public Health; professor, Technological Leadership Institute in the College of Science and Engineering; and an adjunct professor in the School of Medicine. He also directs the Center for Infectious Disease Research and Policy (CIDRAP). A distinguished scholar, researcher, and educator, Osterholm has served as a pioneer and leader in the research and control of infectious diseases throughout the world. He has been a premier international leader regarding the use of biological agents as weapons targeting civilian populations. He served as an advisor to the late King Hussein of Jordan for seven years on bioterrorism and wrote a New York Times best selling book titled *Living Terrors: What America Needs to Survive the Coming Bioterrorist Catastrophe*. His book served

as a blueprint for the U.S. government's response to the post-9/11 anthrax attacks. Osterholm has defined the critical concerns regarding our preparedness for pandemics, including influenza. He is among the world's leaders in developing a global, integrated, comprehensive, flexible, and rapid response to the Ebola epidemic in West Africa. He has provided a critical leadership role to governments in the Middle East to develop effective control measures for MERS. He is considered to be one of the nation's foremost experts on issues of food safety and the investigation and response to foodborne illnesses. Osterholm is also known for his cutting-edge work on cold-water stream and tall grass prairie restoration, the implications of global just-in-time supply chains on critical product inventory and availability, the economic implications of global calamities, the impact of aquatic invasive species in Minnesota lakes and rivers, and public policy development.

Osterholm has a superb publication record. He has published on more than 34 infectious diseases and disease transmission topics. Of his 109 research publications, 39 have been in four of the highest-impact medical and science journals, the *New England Journal of Medicine*, the *Journal of the American Medical Association*, *Science*, and *Nature*. He has authored 100 research abstracts; 93 reviews, editorials, and letters in referenced journals; 21 book chapters; and one book. His papers have been cited more than 5,450 times in scientific literature in the past five years. Recently, he signed a contract to deliver a book on infectious diseases in a modern world for the general public. He also recently authored an authoritative and comprehensive review on Ebola transmission.

Osterholm is the recipient of numerous awards, honors, and recognition. He is a member of the Institute of Medicine of the National Academy of Sciences and the Council of Foreign Relations. He was appointed to the National Science Advisory Board on Biosecurity by the Secretary of the Department of Health and Human Services; named to the Academic Health Center's Academy of Excellence in Health Research; and was appointed to the World Economic Forum Working Group on Pandemics. An outstanding teacher, mentor, and advisor, Osterholm received the University's Award for Outstanding Contributions to Postbaccalaureate, Graduate, and Professional Education and the 2010 Outstanding Faculty Award from the University of Minnesota Council of Graduate Students.

## **BACKGROUND INFORMATION**

Established in 1965 by the Board to recognize the national and international prominence of faculty members, the Regents Professorship is the highest honor the University bestows on its faculty. It recognizes faculty who have made unique contributions to the quality of the University through exceptional accomplishments in teaching, research and scholarship or creative work, and contributions to the public good. There are currently 29 Regents Professors.

### **Current Regents Professors**

- Frank S. Bates – Chemical Engineering and Materials Science, College of Science and Engineering, 2007
- Bruce R. Blazar – Pediatrics, Hematology-Oncology, Medical School, 2009
- R. Lawrence Edwards – Earth Sciences, College of Science and Engineering, 2015
- Apostolos P. Georgopoulos – Neuroscience, Medical School, 2005
- Allen Goldman – Physics and Astronomy, College of Science and Engineering, 2008
- Richard J. Goldstein – Mechanical Engineering, College of Science and Engineering, 1990
- Megan R. Gunnar – Institute of Child Development, College of Education and Human Development, 2006

- Ashley T. Haase – Microbiology, Medical School, 1999
- Patricia Hampl – English, College of Liberal Arts, 1997
- Robert P. Hebbel – Medicine, Medical School, 2004
- William G. Iacono – Psychology, College of Liberal Arts, 2010
- Allen F. Isaacman – History, College of Liberal Arts, 2001
- Vipin Kumar – Computer Science and Engineering, College of Science & Engineering, 2015
- Richard Leppert – Cultural Studies and Comparative Literature, College of Liberal Arts, 2007
- Timothy P. Lodge – Chemistry and Chemical Engineering and Materials Science, College of Science and Engineering, 2013
- Horace H. Loh – Pharmacology, Medical School, 2010
- Ann Masten – Institute of Child Development, College of Education and Human Development, 2014
- Elaine Tyler May – American Studies, College of Liberal Arts, 2007
- Matt McGue – Psychology, College of Liberal Arts, 2007
- Michael T. Osterholm – Environmental Health Sciences, School of Public Health, 2015
- Stephen Polasky – Applied Economics, College of Food, Agricultural and Natural Resource Sciences and Ecology, Evolution, and Behavior, College of Biological Sciences, 2013
- Lawrence Que, Jr. – Chemistry, College of Science and Engineering, 2009
- Peter B. Reich – Forest Resources, College of Food, Agricultural and Natural Resource Sciences, 2007
- Steven Ruggles – History, College of Liberal Arts, 2008
- Karen R. Seashore – Organizational Leadership, Policy, and Development, College of Education and Human Development, 2010
- Madelon M. Sprengnether – English, College of Liberal Arts, 2008
- David G. Tilman – Ecology, Evolution, and Behavior, College of Biological Sciences, 2002
- Donald G. Truhlar – Chemistry, College of Science and Engineering, 2006
- David Weissbrodt – Law School, 2005



# BOARD OF REGENTS DOCKET ITEM SUMMARY

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**Board of Regents**

**September 11, 2015**

**AGENDA ITEM:** Introduction of Dean, College of Biological Sciences

**Review**                       **Review + Action**                       **Action**                       **Discussion**

*This is a report required by Board policy.*

**PRESENTERS:** President Eric W. Kaler  
Karen Hanson, Senior Vice President for Academic Affairs and Provost

## **PURPOSE & KEY POINTS**

To introduce Dr. Valeri Forbes, Dean of the College of Biological Sciences. The Board approved Forbes' appointment at its February 13, 2015 meeting and she began her appointment on July 31, 2015.

Dr. Forbes is an accomplished academic leader, administrator, and scientist who served as the director of the School of Biological Sciences at the University of Nebraska Lincoln (UNL) from 2011-2015. Previously, she was founding chair of the Department of Environmental, Social, and Spatial Change at Denmark's Roskilde University, where she was also a professor and dean of natural sciences.

A native of New York, Dr. Forbes earned a doctorate in coastal oceanography and a master's degree in marine environmental science from the State University of New York at Stony Brook. She also holds bachelor's degrees in biology and geology from the State University of New York at Binghamton. She has published over 100 articles and two books and is on the editorial board of several international journals. She also provides scientific advice to government and industry.

**UNIVERSITY OF MINNESOTA  
BOARD OF REGENTS**

**Board of Regents  
June 24, 2015**

A special meeting of the Board of Regents of the University of Minnesota was held on Wednesday, June 24, 2015 at 11:00 a.m. in the Boardroom, 600 McNamara Alumni Center.

Regents present: Richard Beeson, presiding; Thomas Anderson, Laura Brod, Linda Cohen, Thomas Devine, Michael Hsu, Dean Johnson, Peggy Lucas, David McMillian, Abdul Omari, Darrin Rosha. Patricia Simmons joined by phone.

Staff present: President Eric Kaler; Vice Presidents Brooks Jackson, Richard Pfitzenreuter, and Pamela Wheelock; Executive Director Brian Steeves; and Associate Vice President Julie Tonneson.

**PRESIDENT'S RECOMMENDED FY 2016 ANNUAL OPERATING BUDGET**

Regent Beeson invited President Kaler and Vice President Pfitzenreuter to review the President's Recommended FY 2016 Annual Operating Budget (operating budget) as detailed in the docket materials.

Kaler stated that the operating budget is a reflection of the values and priorities of the institution, and emphasized that the proposed operating budget was developed in the context of less state funding than the University requested. He detailed the sources of revenue, reporting that the total FY 2016 budget is \$3.7 billion. Kaler stated that the budget proposes a tuition increase of 1.5 percent for in-state undergraduate students and 2.5 percent for graduate students. For non-resident, non-reciprocity (NRNR) undergraduates, the budget proposes a tuition increase of 7 percent on the Twin Cities campus, and 3 percent on the Duluth campus.

Kaler articulated his belief that the University should not have one of the lowest NRNR tuition rates among Big Ten institutions, and expressed a goal to move to the middle of that group. He described the 2007-08 policy changes that decreased NRNR tuition rates, noting that the move was designed to improve recruitment and retention. He explained that there was a concurrent, state-enacted change in the reciprocity agreement with the state of Wisconsin, resulting in those students paying Minnesota resident rates. He reported that the revenue generated from Wisconsin students helped offset the lower NRNR tuition rates. Kaler stated that the University's national reputation is currently strong enough to support an increase to NRNR tuition, and that the proposed NRNR rate is modest.

A motion was made and seconded to approve the President's Recommended FY 2016 Annual Operating Budget.

Regent Omari asked for clarification about the impact of the 2007-08 changes. President Kaler asked Lincoln Kallsen, director of institutional analysis, to respond. Kallsen explained three major changes to tuition policy: an increase in the reciprocity rate paid by Wisconsin students, which resulted in several millions of dollars of revenue; a decrease in NRNR tuition; and an extension of the 13-credit pricing structure to all system campuses. Morris, Crookston, and Duluth had previously been paying tuition per credit.

Regent McMillan identified two key drivers in the current tuition discussion: underfunding from the legislature and a lack of clear direction from the Board to the administration regarding tuition policy. He argued for the Board to provide the administration with clearer cost-side priorities earlier in the budget cycle so that tuition decisions can be made more proactively. McMillan stated his support for an increase in the NRNR tuition rate since it means a lower increase for residents. He suggested that he could support an even higher NRNR increase if it meant dropping the resident rate lower, but was not sure if that was feasible.

President Kaler stated that he welcomes more proactive conversations about tuition strategy. He emphasized that he feels an obligation to maintain affordability for all University students, regardless of their residency status. He reiterated that the 2007-08 policy changes resulted in growth of the NRNR population and cautioned against action that would undo those gains.

Regent Simmons expressed appreciation for the analysis of the 2007-08 decisions about tuition strategy. She reminded the Board that the purpose had been to intentionally grow the NRNR population, and that the change proved to be successful in terms of graduation rates and tuition revenue gains. She argued that the tuition debate should be approached from principles and strategy, and advocated for a balanced approach to budget and tuition decisions. Noting her belief that the proposed budget is balanced, she expressed support for the President's proposal and suggested that the Board examine its goals and work with the administration to achieve them.

Regent Devine added his support for the President's proposal. He commented that, while thorough and engaged, the current discussion does not place enough emphasis on the total cost of attendance. He stressed that factors such as room, board and student fees are as important as tuition rates. Devine also emphasized the importance of considering the needs and desires of Minnesota employers, noting that they are interested in a more diverse student body.

Regent Lucas argued that NRNR students add value to the institution and the state, and noted the importance of a diverse student body. She expressed support for Regent McMillan's suggestion of more proactive tuition and budget discussions. Lucas also stated a desire to look for ways to support increases to Promise scholarships.

Regent Hsu stated that a 10 percent NRNR tuition increase seems reasonable, especially in comparison to much greater historical increases. He stated that \$6 million are needed to freeze resident undergraduate tuition and identified several areas in the budget where that money could be found. Hsu offered that it would be difficult to rise to the middle of the Big Ten in NRNR tuition if the Board is not more aggressive about raising rates. He suggested that even if NRNR rates were raised more than 7 percent, students are not likely to leave.

Regent Cohen expressed her feeling that the budget proposal is balanced and that the tuition increase for resident students is modest. She offered appreciation for a measured increase in the NRNR tuition rate and reminded the Board that geographical distribution and diversity will create a better experience for all students. Cohen emphasized that tuition strategy is key and she looks forward to proactive discussion in the fall about the budget. She stated her support for the President's proposed budget.

In response to a question from Chair Beeson, Kallsen responded that, assuming enrollment trends from 2007-08 carried forward to the present, approximately \$35-40 million in additional tuition revenue was generated from NRNR students. He reported that the current budget projects \$100 million in revenue from NRNR tuition.

Regent Brod asked if the percentage of resident students has changed since 2007-08. Kallsen asked Vice Provost for Undergraduate Education Robert McMaster to respond. McMaster stated

that the proportion of resident students has not changed significantly, with 64 percent of 2014-15 freshmen coming from Minnesota. Brod emphasized that since the percentage of resident students has not changed much, the tuition discussion centers on the 35 percent who are non-resident students. She noted several incremental increases to NRNR tuition in recent years and argued that the question should be about the trajectory of tuition increases. She stated that she feels there are not enough data and emphasized that she is not comfortable increasing tuition by 10 percent for any student. Brod agreed with Regent McMillan about the need to focus more on the expense side of the budget.

Regent Rosha asked for clarification on the president's proposal and the additional option presented to the Board during the budget review. Kaler explained that though a 10 percent NRNR increase is an option, his formal recommendation is for a 7 percent increase; he said he feels a greater increase is not supported by the data. Rosha responded that he feels there is sufficient data to support the changes being presented. He noted his lack of comfort with the suggestion that a 7 or 10 percent increase is unreasonable, adding that several Big Ten institutions maintain a thriving, diverse student body despite their higher NRNR tuition rates. He expressed his belief that the University is seen as a cheap education. He advocated for a voucher system that could help with the financial burden of higher tuition rates, and said he believes that the University is losing many talented rural students to other public institutions in Minnesota due to their lower tuition rates.

Rosha moved to amend the operating budget to increase NRNR tuition by 12.6 percent, lower current resident tuition by 0.25 percent, and reduce the strategic investment pool by \$2 million. The motion was seconded.

Regent Brod asked Regent Rosha how waivers would fit into his proposed amendment. Rosha responded that he might propose waivers if the budget were different, but that his current proposal does not include a provision for waivers. Brod stated that the data she is seeking relates to the net cost of tuition and the potential for waivers to assist with total cost. She stated a desire for more data to help determine the market elasticity of tuition decisions.

Regent Hsu asked for clarification regarding the 65 percent resident student metric, wondering if that number is part of a specific enrollment strategy. McMaster responded that the goal each year has been to enroll approximately 65 percent resident students. Hsu asked if the specific number is determined by a Board policy; Chair Beeson responded that it is not.

Regent McMillan stated that he does not support a 12.6 percent increase. He said that he would be comfortable with a 10 percent NRNR increase if the in-state tuition increase were limited to one percent.

Chair Beeson asked for clarification about what a 10 percent NRNR increase would mean for the resident tuition increase. Kaler responded that the Board can direct the administration to act as it sees fit and the administration will adjust accordingly and guarantee a balanced budget. He clarified that the proposed budget is merely one option.

Regent Simmons stated her belief that there are too little data to inform a decision about a large increase to NRNR tuition. She offered that the 7 percent increase allows the University to move closer to its peers without jeopardizing the accomplishments of national recruitment efforts. Simmons moved to close debate on the Rosha amendment.

A motion was made and seconded to end debate on the Rosha amendment. The Board of Regents voted 9-3 in favor of closing debate. Brod, Hsu, and Rosha voted no.

The Board of Regents voted 2-10 against the motion. Hsu and Rosha voted yes. The motion failed.

Regent Johnson acknowledged the Board's desire to be engaged and to have proactive discussions about cost, tuition, and enrollment policy. He stated that the president and his administration are open to such discussions. Johnson explained the importance of establishing a more cooperative, engaged relationship with the legislature, reporting concerns among legislators and the public about the University's tuition rates and budget decisions. He assured his new colleagues that their voices are being heard and stated his support for the proposed budget.

Regent Anderson expressed his appreciation for the discussion and suggested that the Board should be focused on overall affordability. Noting that higher four-year graduation rates result in a lower total cost to students, he thanked the administration for helping students graduate in a timely fashion. Anderson stated that he admired Roshia's proposal and would be willing to support a higher NRNR tuition rate if it meant a lower increase for resident tuition. He expressed concern that rural students are being recruited to other institutions.

Regent Hsu moved to amend the operating budget to lower current resident tuition by 0.25 percent, increase NRNR tuition by 10 percent, and balance remaining gaps in the budget with money from the strategic investment pool.

Regent Omari stated his belief that it would be irresponsible to raise tuition even higher for current NRNR students or for those NRNR students who have already committed to attending the University. He explained that he morally objects to such an increase and feels it sets the University up for failure. He emphasized that he would not vote for anything more than a 7 percent increase to NRNR tuition.

Regent Cohen agreed with Regent Omari. She stated that she feels it is reckless to undermine recruitment efforts by raising tuition higher than the president's proposal.

Regent Brod stated that she would not support the Hsu amendment. She explained that she appreciated the discussion the amendments have prompted, expressed agreement with Regent Omari's concerns, and suggested freezing tuition at a student's freshman year. She voiced concern about the effect of incremental increases on a student over the course of a college career.

Regent Roshia seconded the Hsu amendment. He cautioned against relying too heavily on data to determine tuition rates, noting that incoming students never know how tuition will change. He voiced concern with the notion that the University needs to look outside the state for adequate diversity, emphasizing that Minnesota has both racial and ethnic diversity and his belief that there is a diverse applicant pool within the state. Roshia suggested that Hsu amend his amendment to reflect a 10 percent increase to NRNR tuition and a 1 percent increase to resident tuition.

Regent Hsu stated that over the last 50 years, the Board has increased NRNR tuition by more than 10 percent 15 times. He suggested there should be adequate data to demonstrate the result of those increases. He stated that he would incorporate the change suggested by Roshia into his amendment.

Regent Brod explained the importance of considering the history of tuition increases and the legacy of those changes, emphasizing her belief that the University is moving along the right trajectory. She pointed out that the Board is unable to change the past.

Regent Simmons restated her belief that the president has presented a balanced budget that considers both revenue and expenses, and reemphasized her support for the proposed budget. She stated that the conversations taking place are crucial, but that it is important to move forward.

Chair Beeson called for a roll call vote on the Hsu amendment to the operating budget, which proposes increasing resident tuition by 1 percent, increasing NRNR tuition by 10 percent, and balancing remaining gaps in the budget with funds from the strategic investment pool. The vote was as follows:

Regent Anderson	Yay
Regent Beeson	Nay
Regent Brod	Nay
Regent Cohen	Nay
Regent Devine	Nay
Regent Hsu	Yay
Regent Johnson	Nay
Regent Lucas	Nay
Regent McMillan	Yay
Regent Omari	Nay
Regent Rosha	Yay
Regent Simmons	Nay

Four votes were cast in favor of the motion and eight votes were cast against the motion. The motion failed.

Regent Hsu moved to amend the budget to increase resident tuition by zero percent, increase NRNR tuition by 7 percent, and balance remaining gaps with funds from the strategic investment pool. The motion was not seconded.

Regent Cohen called the question for the motion on the floor.

The Board of Regents voted 10-2 to approve the Resolution Related to the FY 2015-16 Annual Operating Budget as follows. Regents Hsu and Rosha voted no.

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

WHEREAS, the State of Minnesota, through its legislative and executive branches, has appropriated \$625,549,000 in state general fund monies for fiscal year 2015-16 to the University of Minnesota, which includes \$26,600,000 resulting from the 2015 legislative session, for the pursuit of its mission and in support of our goals and objectives; and

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

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

NOW, THEREFORE, BE IT RESOLVED that the Board of Regents hereby approves the University of Minnesota Fiscal Year 2015-16 Annual Operating Budget as follows:

The Fiscal Year 2015-16 Annual Operating Budget approved by the Board of Regents includes the following attachments from the President’s Recommended FY16 Operating Budget:

- Attachment 1 – Resource and Expenditure Budget Plan (University Fiscal Page)
- Attachment 4 – University of Minnesota 2015-16 Tuition Plan: Tuition Rates

Attachment 6 – University of Minnesota 2015-16 Tuition Plan: Course Fees  
Attachment 7 – University of Minnesota 2015-16 Tuition Plan: Misc. Term Fees  
Attachment 8 – University of Minnesota 2015-16 Tuition Plan: Academic Fees  
Attachment 9 – Student Services Fees  
Attachment 10 – Fund Forecast – Centrally Distributed and Attributed Funds

The meeting recessed at 12:38 p.m.

The meeting reconvened at 12:42 p.m.

**PRESIDENT’S RECOMMENDED FY 2016 ANNUAL CAPITAL IMPROVEMENT BUDGET**

Chair Beeson introduced Vice Presidents Pfitzenreuter and Wheelock to present for action the President’s Recommended FY 2016 Annual Capital Improvement Budget (capital budget), as presented in the docket materials.

Wheelock reminded the Board that policy directs the administration to develop a capital budget, with a six-year time horizon, that is updated annually. She explained that approval of the budget allows individual projects with completed predesigns and financing plans to proceed with design and construction.

Wheelock reviewed the major components of the capital budget, emphasizing that the University’s legislative capital request was funded during a special session. She described the projects funded by the request and identified the addition of the Willmar Poultry Testing Laboratory, which was included in response to the avian flu epidemic.

A motion was made and seconded to approve the President’s recommended FY 2016 annual capital improvement budget.

Regent Devine stated that he would support the proposed budget and recognized the administration for arranging recent tours of residence facilities included in the budget. He expressed a desire to remain committed to investing in existing housing and maintaining the student experience, and stated his appreciation for the University’s low room and board costs. Devine urged the Board to carefully consider future decisions about land use as they relate to housing and the academic health sciences, emphasizing that decisions will impact both the University and the state. He stated that he feels the administration needs greater direction from the Board and emphasized the importance of focusing on long-term goals.

Regent McMillan stated his support for the proposed budget. He commented on the importance of a fully integrated conversation around the evolution of the health care services industry and the Fairview partnership, noting that the discussions cannot just be about the facilities themselves.

Regent Hsu asked for clarification about the specific line items in the budget for Sanford Hall. Wheelock responded that funding will support bathroom renovations for the entire Sanford Hall facility. Regent Hsu stated that he believes the Board needs to have a clearer understanding of future land use and investment. Wheelock explained that much thought goes into investment and land use decisions, with much analysis on the lifecycle of buildings. She explained that the investments in Sanford are primarily related to refurbishing the plumbing and related infrastructure. She assured the Board that there would be significant discussion about the future of the superblock.

The Board of Regents voted unanimously to approve the Resolution Related to FY 2016 Capital Improvement Budget, as follows:

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

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

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

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

WHEREAS, the State of Minnesota has declared a state of emergency over avian flu and funded an expansion of the University of Minnesota poultry testing laboratory at Willmar to assist in fighting this threat;

NOW, THEREFORE, BE IT RESOLVED, that the Board of Regents approves the FY 2016 Capital Improvement Budget and reaffirms its prior year capital expenditure authorizations; and

BE IT FURTHER RESOLVED, that the Board authorizes the Poultry Testing Laboratory project to follow Board of Regents Policy: *Purchasing* Section II. Subd. 4. and other relevant University policies for emergency purchasing and procurement; and

BE IT FURTHER RESOLVED, that all approvals related to the Poultry Testing Laboratory project shall follow the emergency approvals process as defined by Board of Regents Policy: *Board Operations and Agenda Guidelines* Section II. Subd. 10.

**NEW BUSINESS**

Chair Beeson expressed appreciation to his colleagues on the Board, President Kaler, and the Board staff for their support and guidance during his term as Chair of the Board.

Regent Devine expressed his thanks to Beeson and stated that he has performed well in the face of adversity and advanced the University as well as the state of Minnesota. He thanked Beeson for his mentorship.

Regent Cohen expressed her appreciation for Beeson's leadership.

Regent Brod stated that she very much appreciates Beeson's leadership. She articulated that Beeson has created an inclusive environment and altered the culture of the Board.

The meeting adjourned at 1:01 p.m.

**BRIAN R. STEEVES**



**Executive Director  
and Corporate Secretary**

**UNIVERSITY OF MINNESOTA  
BOARD OF REGENTS**

**Board of Regents  
July 8, 2015**

A meeting of the Board of Regents of the University of Minnesota was held on Wednesday, July 8, 2015 at 12:15 p.m. in the Boardroom, 600 McNamara Alumni Center.

Regents present: Dean Johnson, presiding; Thomas Anderson, Richard Beeson, Laura Brod, Linda Cohen, Thomas Devine, Michael Hsu, Peggy Lucas, Abdul Omari, Darrin Rosha, and Patricia Simmons. David McMillan participated by phone.

Staff present: President Eric Kaler; Senior Vice President and Provost Karen Hanson; Vice Presidents Kathryn Brown, Brooks Jackson, and Pamela Wheelock; Executive Director Brian Steeves; and Associate Vice Presidents Bernard Gulachek and Michael Volna.

**RECOGNITION OF ACADEMIC PROFESSIONALS & ADMINISTRATORS  
CONSULTATIVE COMMITTEE OUTGOING CHAIR**

Katherine Dowd, chief of staff in the Institute for Mathematics and its Applications, College of Science and Engineering, was recognized for her service as 2014-15 Academic Professionals & Administrators Consultative Committee chair.

**INTRODUCTIONS**

**Incoming Chair of the Faculty Consultative Committee**

President Kaler introduced Colin Campbell, associate professor in the Department of Pharmacology, Medical School, as the 2015-16 chair of the Faculty Consultative Committee.

**Incoming Chair of the Academic Professionals &  
Administrators Consultative Committee**

President Kaler introduced Susanne Vandergon, business analyst in the Office of Information Technology, as the 2015-16 chair of the Academic Professionals & Administrators Consultative Committee.

**APPROVAL OF MINUTES**

A motion was made and seconded to approve the minutes as presented in the docket materials. Regent Johnson recognized Regent Rosha, who moved to amend the June 12, 2015 Board of Regents meeting minutes as outlined in a document distributed to the Board. The motion was seconded and Regent Rosha explained his rationale for the changes. The Board of Regents voted unanimously to approve the amendment to the minutes.

The Board of Regents voted unanimously to approve the amended minutes of the Board of Regents meeting on June 12, 2015 and the following minutes as presented in the docket materials:

Presidential Performance Review Committee – May 8, 2015  
Presidential Performance Review Committee – May 21, 2015  
Presidential Performance Review Committee – June 10, 2015  
Facilities & Operations Committee – June 11, 2015  
Faculty & Staff Affairs Committee – June 11, 2015  
Audit Committee – June 11, 2015  
Litigation Review Committee – June 11, 2015  
Academic & Student Affairs Committee – June 11, 2015  
Finance Committee – June 11, 2015

**REPORT OF THE PRESIDENT**

President Kaler reflected on several accomplishments during the past year, noting progress on the Twin Cities strategic plan, the efforts of the University of Minnesota Foundation, the strength and innovation of the Academic Health Center and medical school, and the launch of the PeopleSoft Upgrade. Kaler also noted recognition from several media outlets, including praise from the Star Tribune and MinnPost, as well as recognition from CNBC on the state’s business climate.

Kaler discussed goals for the coming year, highlighting a focus on quality and excellence. He emphasized the need to keep tuition affordable for students and minimize their debt, without jeopardizing the quality of their education. He addressed the need to focus on societal challenges such as the achievement gap, health care, and food safety. Kaler reflected on the fact that the incoming class of students will be the last class of the second decade of the 21<sup>st</sup> Century.

**REPORT OF THE CHAIR**

Chair Johnson recognized the hard work and dedication of former Chair Beeson and presented him with a commemorative gift. Johnson expressed gratitude to his colleagues for their confidence in his leadership. He stated his eagerness for the upcoming retreat and the opportunity to plan for the coming year.

**RECEIVE AND FILE REPORTS**

Chair Johnson noted the receipt and filing of the Board of Regents Policy Report and the Report of the Civil Service Consultative Committee.

**CONSENT REPORT**

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

- Summary of Gifts through May 31, 2015.
- Finance Committee Consent Report
  - General Contingency*
    - There are no items requiring approval this period.

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

- To Harlan Laboratories, Inc. for \$1,565,525 for corn cob animal bedding as needed for Research Animal Resources (RAR) for the period of July 1, 2015, through June 30, 2017, with contract extensions through June 30, 2020. The bedding is part of RAR annual budget and will be purchased with Departmental funds that are budgeted for their particular operation. Vendor was selected through a competitive process.
- To Lindemeyr Munroe, Anchor Paper Company, Wilcox Paper LLC, and Unisource Worldwide, Inc. for an estimated \$1,633,500 of printing paper stock as needed for Printing Services for the period of July 1, 2015, through June 30, 2016, with contract extensions through June 30, 2018. Payment for these purchases will come from the Printing Services operating budget. The Printing Services operating budget is approved annually through the operating budget process. Vendors were selected through a competitive process.
- Academic and Student Affairs Committee Consent Report
  - Request for Approval of Changed Academic Programs*
    - Law School (Twin Cities campus) – Create sub-plan in Civil Litigation within the J.D. degree

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

### **UNIVERSITY OF MINNESOTA ALUMNI ASSOCIATION ANNUAL REPORT**

Chair Johnson invited Lisa Lewis, President and CEO; Jim du Bois, 2015 National Board Chair; and Allison Paige, 2016 National Board Chair, University of Minnesota Alumni Association (UMAA), to provide an update on the status of alumni relations at the University of Minnesota Twin Cities campus, as detailed in the docket materials. Du Bois identified the primary goals of UMAA: to enrich the lives of alumni; to support student success; and to advance the University through advocacy, philanthropy, and leadership.

Lewis discussed a new alumni-centric approach to engagement, in which UMAA reaches out to all 445,000 alumni, rather than only to its association members. She explained that this new approach has meant listening to the wants and needs of the University's alumni and modifying outreach efforts accordingly. In response to feedback, Lewis reported that UMAA is identifying many new areas of growth, including webinars, better electronic communications, more online resources, and a partnership with the Office of Admissions to participate in student recruitment. She added that UMAA has extended its outreach to include engagement with alumni living internationally.

Regent Simmons commented on the important role UMAA plays and praised the decision to engage all alumni.

Regent Devine asked about financial resources needed for the expanded scope of outreach. Lewis responded that UMAA was already undercapitalized before the additional outreach efforts, adding that UMAA is one of the lowest-funded alumni associations in the Big Ten. She explained that many of the initiatives are being implemented online, which helps control costs. Lewis emphasized the opportunity costs of not reaching out to and engaging a broader community of alumni.

Regent Beeson asked if alumni housing or retirement facilities have been considered, suggesting the possibility of partnerships with external developers. Lewis stated that UMAA has

considered the possibility of an alumni retirement community, which could be in demand given the number of alumni in the Twin Cities area and the fact that many are of retirement age.

Regent Anderson asked what percentage of UMAA's annual budget is generated internally through alumni fees and other sources. Lewis answered that 13 percent comes from the University and 87 percent is generated internally. She explained that membership fees account for much of the 87 percent, but that partnerships, events and investments also provide revenue. Anderson commented on the importance of engaging with all alumni, in part to support future fundraising efforts by the University of Minnesota Foundation (UMF).

Regent Cohen applauded UMAA's efforts and noted her belief that the University should strive to increase UMAA's funding to the mid-point in the Big Ten.

Regent Lucas asked for clarification about cooperation between UMAA and UMF. Lewis replied that the relationship between the two groups is critical and involves sharing strategy and partnering on fundraising and engagement efforts. She stated that sharing data and technology have helped to change the culture and foster a partnership between the two groups. Lewis emphasized that this partnership will help advance the causes of both organizations by creating a more unified presence when reaching out to the alumni community.

Regent Brod asked if UMAA partners closely with specific colleges or departments on their alumni engagement. Lewis reported that there are alumni officers in each college and school, with a 'collegiate council' of these officers to unify staff and volunteers and to share best practices. Lewis cited several other opportunities for alumni personnel to engage and collaborate with each other.

A copy of the University of Minnesota Alumni Association Annual Report is on file in the Board Office.

### **ANNUAL INTERCOLLEGIATE ATHLETICS REPORT**

Regent Johnson invited Athletic Director Norwood Teague to present and asked President Kaler to introduce the annual report on intercollegiate athletics. Kaler emphasized the importance of student-athletes' academic performance as well as their athletic accomplishments. He noted that 13 Gopher programs were recognized nationally for their NCAA Academic Progress Rates (APR). Kaler added that the University is ranked fifth among football bowl series institutions based on APR, and first among public institutions.

Teague explained that the department's vision includes: investment in athletes, training, recruitment, and infrastructure; bold leadership; and an emphasis on winning, both on the field and in the classroom. He described the primary values of the department: integrity, teamwork, and commitment.

Teague reported that Athletics has 25 programs with more than 725 student-athletes, and a budget of \$107.3 million. He highlighted the past year's academic and athletic accomplishments, noting several national recognitions and awards. Teague described the department's financial status, detailing major expenses and sources of revenue and offering a projection of spending and revenue for the coming year. He described several facilities that were updated, provided an update on projects still in progress, and outlined goals for future projects.

Chair Johnson asked how many student-athletes are on full or partial scholarships. Teague responded that about 275 are on full scholarships and many others on partial scholarships. He noted that some student-athletes do not receive any type of funding aid. Johnson asked about coaches' salaries compared to Big Ten peers, not including football, men's hockey, or men's

basketball. Teague stated that the University ranks in the middle to lower third of the Big Ten, and that the department is doing what it can to raise that ranking.

Regent Lucas asked for clarification about the increase in grant-in-aid spending over the previous year. Teague stated that an increase of nearly \$1 million is for cost of attendance due to NCAA-mandated increases. He added that another \$1 million is for scholarships provided by the University to student-athletes; that amount is increasing due to tuition increases. Teague explained other factors such as room and board also affect the total increase.

Regent Hsu asked about the graduation rates of student-athletes. Teague replied that the six-year graduation rate is approximately 85 percent, which has been fairly steady for the past three or four years.

Regent Rosha commented on the steadily rising cost of season tickets for men's football and expressed concern about affordability. He asked for detail about the balance between raising money and maintaining a base of long-term season ticketholders. Teague emphasized that the decision to increase ticket prices was not taken lightly. He explained that prior to the latest increase in ticket prices, the department hired a national consultant to help evaluate the increase and its impact. He stated that even with the increased price, the University still isn't in the top third of Big Ten peers with respect to the cost of season tickets. Teague added that the overall response to the three-year incremental increase has been positive. Rosha discussed the rural fan base, and asked about the balance between the economics of media partnerships and the benefit to people in rural areas of the state. Teague explained that the University has broadened its affiliate list, and will continue to expand it to provide better coverage to Gopher fans statewide.

Regent Brod asked what the University's corporate partners are saying about their reasons for continued investment and support. Teague responded that the partners are aware of the goals of the University and understand what needs to be done to achieve them. He reported that partners are aware of how important athletic strength is to the overall reputation of the University.

Regent Beeson commented that he feels the department and the administration are doing a good job of partnering with the broader business community and expressed his enthusiasm for the increase in such corporate partnerships. President Kaler stated that the University is becoming widely know as a great partner for the Minnesota business community for many reasons, not only for athletics.

## **TITLE IX PRIMER – TWIN CITIES INTERCOLLEGIATE ATHLETICS**

Johnson invited Tracy Smith, Deputy General Counsel; Kimberly Hewitt, Director of Equal Opportunity and Affirmative Action; and Beth Goetz, Deputy Athletics Director to join Director Teague, and asked President Kaler to provide an introduction to the presentation. Kaler provided background on recent Title IX activities at the University. He reported on an external review commissioned by the University as well as a federal investigation regarding the University's Title IX compliance, noting that his administration is developing a single equity plan to address their recommendations. Kaler reemphasized the University's commitment to Title IX.

Smith presented a comprehensive overview of the Title IX law and its enforcement. She described three key elements to the law as it applies to athletics: participation, financial aid, and various benefits and treatment. She explained that the method the University uses to measure equity in participation is substantial proportionality, which requires intercollegiate-level opportunities be provided for male and female students in numbers proportionate to their respective enrollment. Smith reported that the University measures equity in financial aid with

a similar method, requiring the total amount spent on male and female athletes to be substantially proportionate to their participation rates. She pointed out key differences in the way these two variables are measured, indicating that participation is rated against the entire student body, where financial aid is measured against only student-athletes. Smith noted that Title IX compliance for benefits and treatment is measured by total program comparison, which compares men's and women's programs as a whole, not on a sport by sport basis.

Teague discussed the operational impacts of Title IX at the University. He reported that Title IX compliance is a part of every decision made by the department of athletics. Goetz and Teague discussed data that demonstrates the University's compliance this past year in the areas of participation, financial aid, and benefits and treatment.

Hewitt outlined the ways the University monitors compliance with Title IX, including plans and programs developed in response to a 2007 self study. She explained the role of the Title IX coordinator and the Academic Committee on Athletics (ACA). Hewitt described the committee's recent activities and future goals.

Regent Simmons commented that the language of the Title IX law is subjective, making compliance officers a vital part of the process. She asked about the dynamics involved in interpreting the law and its compliance. Smith agreed that the law is open to interpretation, noting that although the law itself is short, regulations, federal policy guidance, and court decisions are all helpful in determining compliance or non-compliance.

Regent Lucas asked about the size and make-up of the gender and equity subcommittee within the ACA and how frequently it meets. Hewitt responded that the subcommittee has three faculty members, two students, one member from athletic compliance, the athletic coordinator, and a representative from the Office of the General Counsel (OGC). It meets monthly. Lucas asked if the subcommittee was briefed on the findings of the external review into the University's Title IX compliance. Hewitt responded that she herself was briefed, along with the subcommittee and a group of administrators.

Regent McMillan asked if the process for compliance applies to all campuses, or just the Twin Cities campus. Smith responded that the law applies to all parts of the University, but that the process for the system campuses is less elaborate. OGC offers guidance and advice to the system campuses. McMillan observed the importance of a clear process for all campuses.

Regent Hsu asked how many complaints are received each year, and what the presenters perceive to be the University's greatest weakness regarding compliance. Hewitt noted very few complaints about athletic disparities, explaining that there are more complaints about broader Title IX compliance. She reported that a system-wide annual review covers the entire University system. Smith stated that she feels the biggest area for improvement is equity in athletic facilities, noting as an example the absence of a competition facility for track.

Regent Brod asked how the University guarantees equity in all layers of the organization when there can be stark differences between revenue-generating sports and their non-revenue counterparts. Goetz responded that much consideration is placed on market factors, noting coach salaries as an example. She explained that spending does not have to be equal across genders, but it must reflect equivalent opportunity. Goetz added that the same consideration is placed on all areas of compliance, such as the facilities available to each program.

Regent Rosha asked if the Title IX compliance process extends to the spectator experience, wondering if the athletics department tries to provide similar amenities for fans of women's sports as they do for fans of men's sports. Smith stated that the fan experience is considered indirectly. Rosha asked if parking is considered in the compliance process. Smith replied that parking can be a consideration as it relates to scheduling and other factors, but is not a direct measure of compliance.

**TWIN CITIES CAMPUS PLANNING:  
HOUSING STRATEGY AND AHC FACILITIES**

Chair Johnson invited Vice Presidents Pam Wheelock and Brooks Jackson, and Lori McLaughlin, Director of Housing and Residential Life, to present on Twin Cities campus planning, as detailed in the docket.

Wheelock provided an overview of current residential and health sciences facilities, as framed by the 2009 Campus Master Plan. She reviewed the distribution and development of health sciences and housing facilities, and outlined the condition of facilities on campus. She highlighted several health facilities that are in poor or critical condition and explained the strategic facilities plan, which is being implemented in several phases.

McLaughlin discussed the importance of providing a positive residential experience for students, describing the core principles that guide decisions about housing. She emphasized the importance of residential facilities in attracting highly qualified prospective students and explained that the residence hall experience is key to the success of a student's first-year. McLaughlin identified the efforts made by the University's Big Ten peers to improve and update residence facilities. She provided data on the University's graduation rates, highlighting a correlation between four-year graduation rates and first- and second-year on-campus resident experiences.

Jackson provided an overview of the academic health sciences mission, emphasizing the goals of education, research, and outreach. Jackson reported many changes in teaching methods in the health sciences and emphasized the need for state-of-the-art facilities to advance education goals. He noted the importance of clinical care and described several projects underway to advance clinical facilities. He added that certain areas in clinical care still require improvement, such as veterinary medicine and dentistry. Jackson described the need for updates to some of the University's research facilities and highlighted the importance of taking advantage of state and federal funding to promote interdisciplinary research.

Wheelock stressed the importance of clarity and agreement in planning for University facilities and emphasized the need to maintain strong stewardship of resources. She discussed the challenges and uncertainties involved in decisions about housing and academic health sciences and identified specific goals for short- and long-term planning for these facilities.

Regent Simmons suggested that the Board better define its priorities and principles to help guide facilities decisions. She cautioned that without such priorities, the Board runs the risk of making poorly balanced decisions.

Regent Lucas expressed her appreciation for the clarity of the presentation and in plans for future development. She emphasized the importance of having a housing district, such as the super block, adding that it creates a wonderful experience for students.

Regent Beeson stated that the presentation is the first time in his tenure that he has seen a holistic perspective on proposed facilities decisions. He expressed his appreciation for the honesty and realism in the ideas presented. He suggested the idea of hiring in an outside firm to help consider overall, long-term design plans.

Regent McMillan noted his agreement with the request for the Board to better define its priorities and principles regarding facilities.

Regent Hsu asked about the proposal for a new hospital and requested more information about the plans for such a facility. Wheelock responded that University partners have raised concerns

about the competitiveness of the current hospital facilities. She articulated that potential sites for a new hospital facility have been identified on both the East and West Banks of the Twin Cities campus. Jackson added that given the growing elderly population and the rate at which University facilities are becoming out of date, there is a high demand for more and better facilities.

Regent Hsu asked for clarification about the proximity of proposed sites for a new hospital and the current location of housing facilities and sought information on who owns the current hospital facilities. Wheelock explained that while specific sites had not yet been recommended, many could serve as the location for a new hospital. She stated that areas on the edge of campus are more appealing than in the center of campus. Jackson indicated that Fairview owns all of the hospitals on campus, including the newest hospital facility on the West Bank, now named the Masonic Children’s Hospital.

Regent Devine commented on the significant investment required to support current plans and agreed with the suggestion to better articulate the Board’s long-term priorities. He stated his agreement to hire an outside firm or consultant to steer the design.

**REPORT OF THE COMMITTEES**

Chair Johnson reported that the Academic and Student Affairs; Audit and Compliance; Faculty and Staff Affairs; Facilities, Planning and Operations; Finance; and Litigation Review committees did not meet this month.

**NEW BUSINESS**

Chair Johnson recognized new UMPD Chief of Police, Matthew Clark, and welcomed him to the University.

Regent Hsu expressed concern about the affirmative consent policy currently under review and moved that implementation of the revised policy be delayed until the Board can review it and obtain a legal review of the language.

Chair Johnson observed that the policy is an administrative policy, and asked President Kaler for confirmation. Kaler concurred and stated that the Board has delegated authority for administrative policy to the administration.

Regent Simmons stated her belief that the Board can override administrative policy, but expressed a preference that consideration of policy language occur with advance notice through a formal item on the agenda.

Chair Johnson asked Regent Hsu if he would agree to allow the policy to be reviewed by an appropriate committee and defer action to a later date. Hsu agreed as long as the policy not be approved or implemented before that review.

Regent Omari observed that the proposed policy is currently in a 30-day public comment period that is scheduled to end in time to allow implementation before the September Board meeting.

Executive Director Steeves stated that it is within the administration’s discretion to determine when an administrative policy becomes effective. He articulated that once the review period is over, the administration could either implement the policy immediately or postpone implementation.

Chair Johnson observed that a motion was made but not seconded. Regent Rosha seconded the motion.

Steeves re-stated the motion, which was to delay implementation of changes to Administrative Policy: *Sexual Assault, Stalking, and Relationship Violence* until the Board can review the policy and obtain the legal opinion from the Office of the General Counsel.

Regent Simmons stated that she did not support the motion, but asked the Chair to request a delay of implementation to allow the Board time to determine if the administrative policy is in alignment with Board policy.

Chair Johnson asked Regent Hsu if he would withdraw his motion upon a request to the President that the policy changes be delayed. Regent Rosha indicated that if the Chair requested deferment, he would withdraw his second of the motion.

President Kaler stated that he would delay implementation of the administrative policy changes until the Board has time to review and provide its input. He indicated that he would have appreciated an opportunity to discuss objections to the language prior to the motion.

Regent Omari noted that faculty, staff, and students had already considered the policy and supported the changes. He urged the Board to carefully consider the potential risks and consequences of making changes to the proposed policy.

Regent Simmons expressed concern about the Board delaying progress, but offered support for postponing implementation until Regents could better understand and collectively discuss the changes.

Regent Cohen stated her opposition to the request for a delay in implementing the policy, noting that she feels the Board has moved beyond its governance role into management matters.

Regent Brod stated her belief that the Board reached a reasonable compromise in the request to delay implementation. She suggested that some matters need to be considered related to risk, compliance and law, and stated her support for further assessment of the policy.

Regent Devine stated his support for the suggestion to defer implementation. He explained that more information should be considered, and expressed his belief that delaying implementation by a few months would not have a significant impact. He added that he feels it is important to fully understand the legal implications of the proposed changes.

Regent Simmons indicated her agreement with Regent Cohen's comments about the Board moving beyond its governance role.

Regent Beeson stated that an opportunity to discuss the matter seems reasonable but emphasized his agreement with Regent Cohen about the role of the Board. He expressed displeasure in the way the Board is overriding an administrative matter, and explained that he sees no reason to delay.

Regent Brod reminded the Board that student safety was one of its top risk management priorities, noting that the safety implications are enough to bring this to a Board level.

Regent Hsu commented that he believes safety is paramount and the policy should be implemented in the best possible way. He stated his belief that a bit more time for consideration will be worthwhile.

Regent Simmons expressed her desire to draw the discussion to a close. She offered appreciation to the administration for addressing such a serious matter.

The meeting adjourned at 2:49 p.m.

**BRIAN R. STEEVES**

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

**Executive Director  
and Corporate Secretary**



# BOARD OF REGENTS DOCKET ITEM SUMMARY

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**Board of Regents**

**September 11, 2015**

**AGENDA ITEM:** Report of the President

**Review**

**Review + Action**

**Action**

**Discussion**

*This is a report required by Board policy.*

**PRESENTERS:** President Eric W. Kaler

## **BACKGROUND INFORMATION**

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



# BOARD OF REGENTS DOCKET ITEM SUMMARY

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**Board of Regents**

**September 11, 2015**

**AGENDA ITEM:** Report of the Chair

**Review**

**Review + Action**

**Action**

**Discussion**

*This is a report required by Board policy.*

**PRESENTERS:** Regent Dean Johnson

## **BACKGROUND INFORMATION**

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



# BOARD OF REGENTS DOCKET ITEM SUMMARY

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**Board of Regents**

**September 11, 2015**

**AGENDA ITEM:** Receive & File Reports

**Review**

**Review + Action**

**Action**

**Discussion**

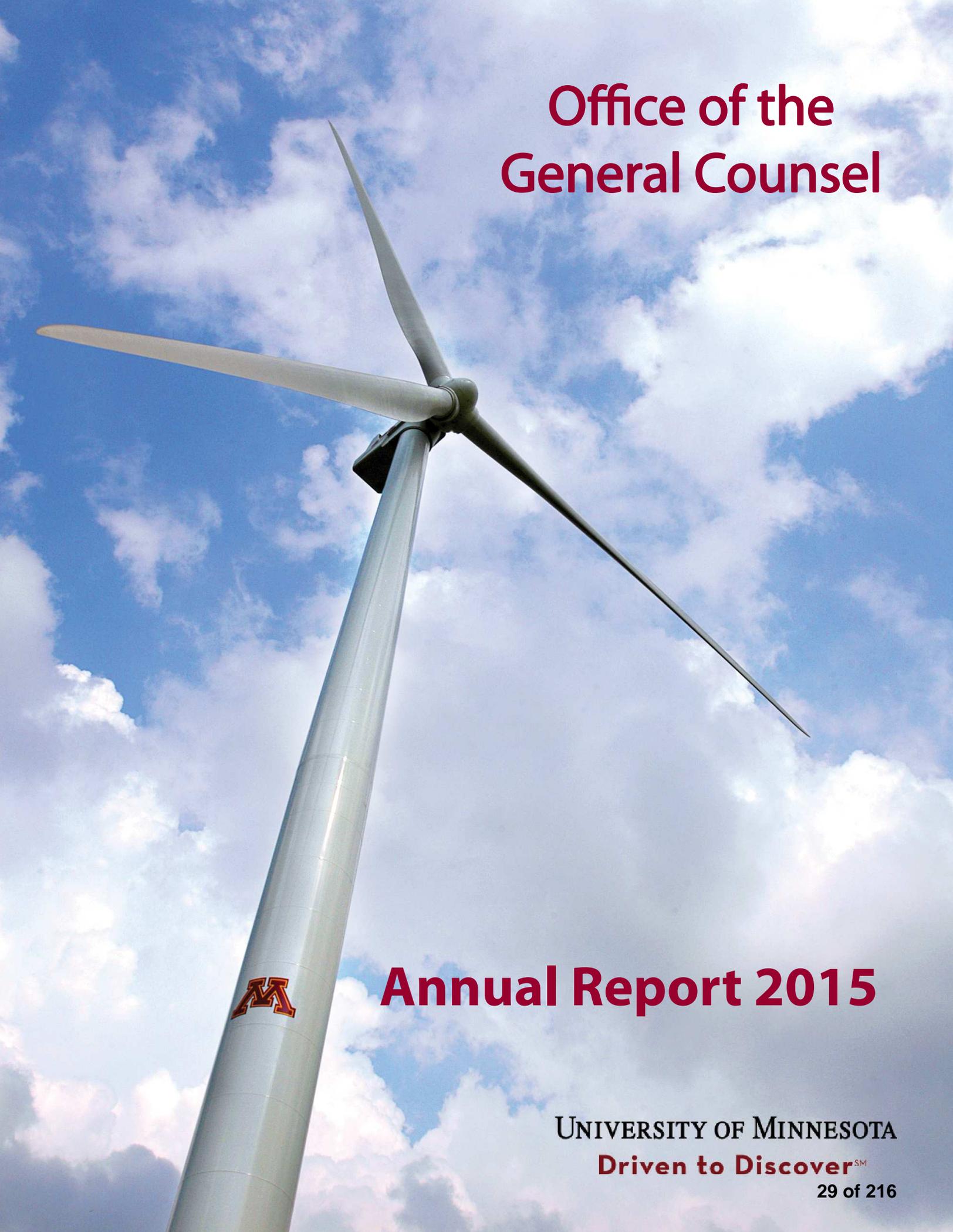
*This is a report required by Board policy.*

**PRESENTERS:** Regent Dean Johnson

## **PURPOSE & KEY POINTS**

The following items are included for receipt and filing:

- A. Annual Report on Legal Matters
- B. Annual Asset Management Report
- C. Quarterly Report of Grant and Contract Activity



**Office of the  
General Counsel**

**Annual Report 2015**

UNIVERSITY OF MINNESOTA

**Driven to Discover<sup>SM</sup>**

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*On the cover:* Wind Turbine on University of Minnesota Morris Campus

## **MISSION STATEMENT OF THE OFFICE OF THE GENERAL COUNSEL**

- To safeguard the constitutional authority of the Board of Regents and those who act in its behalf to govern the University effectively.
- To represent the University in adversarial forums zealously and in accordance with the highest standards of integrity and ethics.
- To protect the University's legal interests in all transactions, thereby protecting the investment of the citizens of Minnesota in the University.
- To provide preventive legal services and counsel to University officials so that all the institution's activities comply with the law and with University policies.
- To protect the principles of due process in the University's treatment of faculty, staff, students and other members of the University community.

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# Letter from the General Counsel



2014-15 was a dramatic year in the Office of the General Counsel (OGC), starting with a series of extraordinary achievements in the first half of the year and then an explosion of activity caused by the beginning of the Office for Civil Rights' investigation into gender equity in Gopher Athletics, the AAHRPP Panel Report and the Office of Legislative Auditor's Report. Throughout the year

the lawyers in OGC continued to provide representation and advice to the University in all areas of this large and sprawling institution.

There were two important administrative changes in OGC that were of significant note. First, JT Bruett, the longtime director of athletic compliance, became the director of academic counseling for the athletics program. JT successfully ran the compliance program for seven years. I have appointed Jeremiah Carter as the interim director while we conduct a search. Jeremiah has been with the Athletic Compliance Office for two years and also worked for six years at the NCAA. Second, OGC has agreed to take on responsibility for the new position of Clery compliance coordinator for the University. We have begun the search for this important position.

As we discuss in this report, in the fall of 2014 OGC recovered \$21.6 million for the University as a result of litigation that was authorized by the Board of Regents Litigation Review Committee. However, perhaps the most important event of the year on the litigation side was the initiation of a claim by the University for patent infringement against the four largest wireless carriers based on patented technology invented at the University by Professor Georgios Giannakis and his colleagues. The lawsuit is currently pending in federal district court in Minnesota and is the largest effort to date by the University to enforce the intellectual property rights of the University and to protect the intellectual property created by our faculty at the University. In addition, OGC has provided representation in a large number of legal claims ranging from slip and falls to discrimination claims and contract claims. Virtually all of this representation is done by "in house" lawyers for the University. The quality of our representation in litigation is still one of the hallmarks of the office, and we have had a great deal of success over a long period of

time.

The transactional practice of OGC also had a very solid year attending to literally hundreds of University transactions ranging from intellectual property to real estate transactions. Among the highlights this year are the following:

- Flipgrid™ Asset Purchase Agreement. The College of Education and Human Development designed and developed Flipgrid, which is a video content presentation platform used primarily in K-12 classrooms, but with applications in post-secondary construction and outside of education services. Transactional lawyers from OGC successfully negotiated for and advised the college, the Office of the Vice President for Research and the Office of Technology Commercialization to effectuate the sale of the software programs for several million dollars.
- Sleeping Beauty License Agreement. Lawyers from OGC successfully advised and negotiated on behalf of the Office of Technology Commercialization for the transfer of license agreements to MD Anderson Hospital in Texas. The license was for intellectual property owned by the University as a result of the work of College of Biological Sciences Professor Perry Hackett.
- Minnesota Global Inc. The Board of Regents authorized the University to create this wholly owned subsidiary to operate many of the University's overseas programs. OGC lawyers advised and created the documents that established this entity, which will simplify and improve our oversight of overseas programs.

Finally, I would also highlight the legal work done by OGC with respect to the First Amendment. As you will recall, in the fall the Vikings played the Washington football team. As a result of the "nickname" of the Washington team, the game spurred the largest demonstration in the United States against the use of Native American nicknames by NFL teams. The demonstration was preceded by literally weeks of controversy about our contract with the Vikings, the First Amendment rights of all parties, and varying claims with respect to all of these matters. Thankfully, the demonstration—because of the efforts of lawyers, administrators and the parties—took place in a peaceful manner that honored First Amendment rights as well as the contractual rights of the Vikings with respect to the use of our stadium.

The Athletic Compliance Office had another good year in dealing with the compliance needs of 25 teams and over 750 student-athletes on the Twin Cities campus. The office conducted 75 educational sessions with over 2,000 individuals attending. It diligently investigated

and reported rules violations to the NCAA and Big Ten and submitted appropriate requests for NCAA and Big Ten rule waivers or variances.

Finally, OGC also is home to the Records and Information Management Office. Susan McKinney coordinates the work in that office. Susan has developed and maintains a University-wide strategic records management plan. She advises and trains on privacy and records laws. Susan also responds to requests for access to public records under the Minnesota Government Data Practices Act, handling over 410 requests in the past year alone.

We look forward to serving you again this coming year.



William P. Donohue  
General Counsel



*Entrance signage to the University of Minnesota Twin Cities Campus*

# LITIGATION ACTIVITY

This year the University's success rate remained high in contested matters in federal and state courts, in arbitrations and grievances, and before administrative agencies. In matters OGC closed that were not settled, the University won 42 and lost 2. Over the past five years, in cases that were not settled, the University won 181, lost 15, and achieved mixed results in 4, for a 90% success rate.

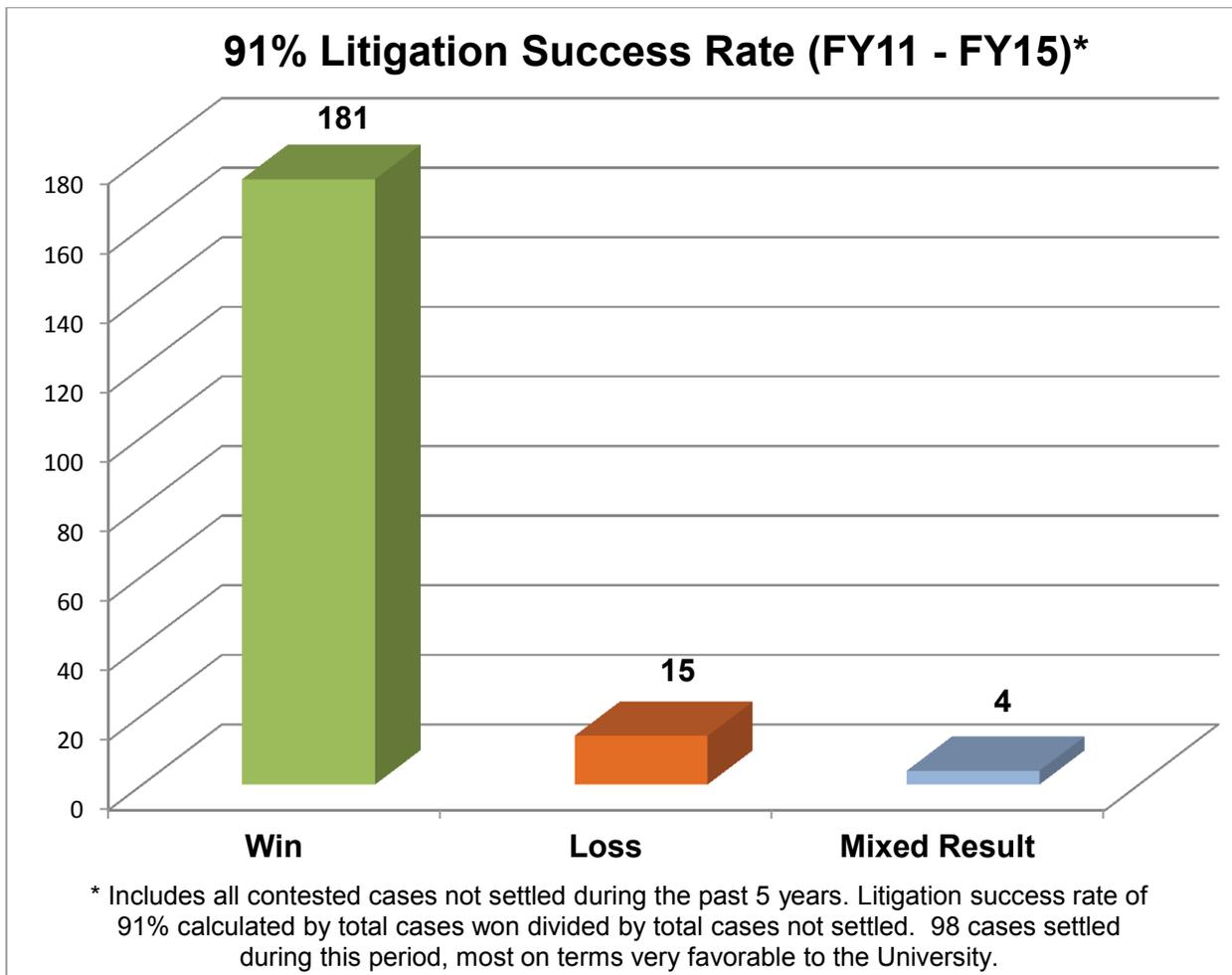
While most of our litigation involves defending the University and its employees against claims, OGC also brings claims on behalf of the University to protect its rights and interests. This past year was an exceptional year in that regard. OGC recovered \$21.6 million for the University on contested claims. Since 1997, OGC has obtained litigation recoveries for the University totaling over \$600 million. Most of this sum has derived from recoveries on patents, with other sums coming from federal tax recoveries, and recoveries on securities, contracts, environmental claims, trusts and estates, and royalties. In addition, this year, with representation by a leading intellectual property law firm, OGC launched patent infringement cases against the four largest wireless

service providers in the U.S., seeking to enforce the University's patents in the field of 4G LTE technology. These cases seek fair compensation to the University and the inventors for the discoveries developed here.

As always, with few exceptions where special expertise or extensive resources are required, the University was represented in litigation by OGC litigators and paralegals, rather than outside counsel. OGC handled cases across a wide spectrum, including labor and employment matters, personal injury, statutory and constitutional issues, and student discrimination claims. Our legal team is one of the few university legal offices in the country with the capacity and skill to handle substantial litigation matters in-house, resulting in cost-effective and high-quality litigation services with very favorable results.

## COURT CASES

Given its size, extraordinary diversity of activities, and large employment base, the University is regularly subject to claims and litigation, despite continued efforts by OGC and our clients to promote best practices, mitigate risk, and prevent disputes. This year OGC directly represented the University in a variety of cases against



it in state and federal district courts. Importantly, OGC not only defended the University in court cases this year this year, it also affirmatively pursued the University's interests in litigation.

**PROTECTING THE UNIVERSITY'S INTERESTS IN PATENTED DISCOVERIES.**

The most significant court cases financially this year were the four patent infringement lawsuits brought by the University against Verizon, AT&T, Sprint and T-Mobile in federal district court in Minnesota. OGC retained the national law firm of Fish & Richardson to represent the University in these large and complex cases. The



OGC managed the launch of four patent infringement cases against the leading 4G LTE wireless service providers.

cases assert infringement of University patents that cover wireless communications innovations developed by University Professor Georgios Giannakis and his co-inventors to improve network reliability and speed.

The innovations are important aspects of the 4G LTE service that all four companies use and promote to their millions of customers nationwide. Professor Giannakis holds an endowed chair in wireless communications, is the director of the University's Digital Technology Center, and is an internationally recognized expert in signal processing, communications, and networking. Professor Giannakis has received millions of dollars in public-sponsored research funding, including from the National Science Foundation and the U.S. Army, which have supported cutting-edge research in wireless communications and related fields at the University.

The lawsuits seek a fair royalty for the use of technology developed by University inventors through University research. The cases were filed in November 2014, and the litigation remains in its early stages.

**DEFENDING THE UNIVERSITY AGAINST EMPLOYMENT CLAIMS.**

As we reported last year, OGC represents the University as well as a professor and administrators in three federal and state court cases brought against them by a former employee. The plaintiff, a former civil service scientist, claimed violation of copyright against her former supervisor—a University cancer researcher—arising out of the work generated in the faculty member's lab. She also asserted numerous claims against the faculty member and other administrators who participated in managing the plaintiff's employment and complaints. Through vigorous motion practice, OGC achieved dismissal of most of the claims this year and is seeking judgment on the remaining claims. The copyright claims, in particular, presented complex legal and constitutional issues, which OGC successfully brought to conclusion in the University's favor. This case is a strong example of the University and OGC standing behind faculty and administrators who are sued because they were doing their jobs.

This year OGC also represented the University in court cases brought by former employees asserting whistleblower, Fair Labor Standards Act, discrimination, due process violations and other claims. Unfortunately, employment suits like these are virtually impossible for a large employer to eliminate entirely. The cases can arise out of any of our campuses, and OGC provides representation and support to administrators across the system in responding to these challenges.

**PROTECTING OUR FACULTY RESEARCHERS.**

University researchers who engage in research opposed by interest groups are occasionally targeted for attacks via social media campaigns, oppressive records requests, or other means. This year, two Medical School faculty members



OGC acted to protect University Medical School researchers harassed because of their work.

who use animals in their research on hearing loss and the reduction and prevention of drug abuse were targeted by protesters with illegal picketing at their home. The protesters also took photos of the researchers and their home and posted the photos and the researchers' address on social media. The protesters vowed to continue picketing their home until the faculty members were forced to move out of their neighborhood. OGC sought and obtained a harassment restraining order against the picketers to keep them a safe and reasonable distance from the researchers' home. The pickets have since stopped.

**DEFENDING THE UNIVERSITY AGAINST CLAIMS BY STUDENTS.** We reported last year that OGC was defending the Medical School in a disability and national origin discrimination lawsuit brought in Hennepin County District Court by a former medical school student. We are happy to report that in June of this year, following extensive discovery, OGC obtained summary judgment for the University on all of the plaintiff's claims. The plaintiff is appealing to the Minnesota Court of Appeals.

OGC also represents the University in a lawsuit by a former graduate student who claims the University did not appropriately respond when she reported that she had been sexually harassed by a non-University employee at a research site in Alaska. OGC has moved for summary judgment on the claims, and a decision on that motion is pending.

**PURSuing THE UNIVERSITY'S INTERESTS IN BANKRUPTCIES.** OGC also protects the University's interests in bankruptcy cases, asserting proofs of claim to recover the University's fair share of proceeds and opposing debt discharges where appropriate.

## **LABOR ARBITRATIONS, ADMINISTRATIVE HEARINGS AND ADMINISTRATIVE AGENCY CHARGES**

During the past year, OGC attorneys represented the University in 20 labor grievances. Four went to hearing. Overall, the University prevailed on 13 cases, settled 2, and lost none. Five remain pending.

In two labor matters involving the denial of promotion to full professor, we successfully defended the University's right to establish the criteria for promotion and general guidelines as to the necessary amount of publications post-tenure, as well as our practice of evaluating, at all levels of review, the substantive and quantitative academic publishing record of applicants from the time they received tenure to the time of their application for promotion. We also successfully defended UMD's process for determining qualified icemakers, as well as its longstanding practice of assignment of overtime for

icemakers.

OGC also represented the University with respect to 43 civil rights agency charges. Fourteen resulted in favorable findings, 1 resulted in an unfavorable finding, and 4 were settled. Others are pending.

One highly publicized and important agency matter is the Title IX investigation by the Office for Civil Rights (OCR) regarding gender equity in Gopher Athletics. OGC is managing the University's response to and participation in that investigation. Before OCR initiated its investigation, the University had already



OGC is helping Gopher Athletics assure gender equity for student-athletes.

commissioned its own external gender equity review of Gopher Athletics. With cooperation and financial support from Gopher Athletics, OGC retained a nationally recognized Title IX expert to perform a comprehensive equity review. Having that expert's work performed is helpful in responding to the OCR's investigation and in assisting the University in charting a course for the future in Gopher Athletics.

## **INTERNAL UNIVERSITY PROCEEDINGS AND INVESTIGATIONS**

OGC represents and provides counsel to University officials involved in internal forums for investigating and adjudicating employee and student disputes. OGC's experience and expertise in the procedures governing these internal forums promotes timely and high-quality case presentation and decision making, serving the interests of employees, students, the institution, and the community.

OGC provided extensive assistance and counsel in several academic and research misconduct proceedings conducted pursuant to Regents' policy and federal regulations. University administrators responsible for these complex and often high-stakes and intensely disputed proceedings depend heavily on OGC to assist

them through the process. Of particular note this year was OGC's support to the University's Institutional Review Board (IRB) in three high-profile investigations of complaints of research misconduct in connection with the broader inquiry into human participant research protection at the University. OGC provided advice to the IRB and the vice president for research on legal issues, and helped the IRB perform thorough, thoughtful and objective investigations while under tremendous public scrutiny.

OGC advised units, hearing panels and appellate decision makers in a number of employment disputes in internal forums. OGC lawyers represented administrators in grievance hearings in the Office for Conflict Resolution where employees were represented by counsel, and advised the Provost as the final decision maker in those cases.

With respect to student issues, OGC provided representation and advice to student behavior committees and administrators on multiple campuses. OGC lawyers assisted with a number of sexual assault cases, and also provided representation and advice to scholastic standing committees and administrators involved in student academic complaints, as well advice to the Provost regarding student appeals.

Final decisions by University administrators in the

University's internal proceedings are subject to direct appellate review by the Minnesota Court of Appeals. These cases can raise difficult procedural and substantive legal issues, and legal counsel by OGC helps assure that the decisions accord with the law and withstand judicial review.

## SETTLEMENTS

The most significant feature of settlements this year was the amount of money OGC recovered for the University in contested matters. OGC achieved settlements totaling \$21.6 million in payments to the University. One highlight was the settlement of claims against the former property owner for environmental contamination on the West Bank. After years of dispute, OGC—through threat of a lawsuit—convinced the former property owner to mediate the claims in December 2014. We achieved a favorable settlement requiring the payment of \$9.1 million to the University for reimburse for past and anticipated future remediation costs and fairly allocating ongoing risks related to contamination on the property.

As for claims against the University, OGC settled 11 legal claims this year involving payments by the University of \$2,000 or more. The total paid by the University in settlements was \$1,741,946. Over \$1 million of that sum was a negotiated settlement of the judgment and fees in the Brenny case—a sexual orientation discrimination case in which the Hennepin County District Court ruled against the University the previous year. The remaining \$700,000 in settlements resolved employment, discrimination, and personal injury claims, with individual payments ranging from \$7,000 to a high of \$250,000. The University paid nothing in medical malpractice claims this year. Of the 11 claims settled, 7 were paid by University insurance, and 4 involved payments by various University units.

## TRANSACTIONAL ACTIVITY

The lawyers and paralegals in OGC advise University faculty, staff and students and colleges, departments and units on commercial transactions. We provide counsel on intellectual property, real estate, construction, sales, and corporate and securities laws and rules. We also help craft University policies, procedures and practices intended to protect the University's property, to advance the University's interests, and in some instances, streamline its operations.

This year OGC's transactional law group began a multi-year project to identify and modify or eliminate ineffectual contracting policies and practices. A goal of the project is to simplify and speed up the negotiation of agreements that would not benefit in all instances from particularized legal involvement and review. We intend



OGC recovered \$9.1 million to remediate environmental contamination around the West Bank's Elmer Andersen Library and Minnesota Library Access Center (MLAC).

to encourage academic departments and administrative units to negotiate and enter into agreements—after OGC offers training and provides needed agreement templates and checklists—with no or minimal legal review. The group made immediate progress. It changed the process for negotiating and entering into agreements to rent hotel rooms.

The University enters into hundreds of agreements each year to rent hotel rooms for University activities around the world. OGC lawyers and a paralegal, working with University departments and units, historically negotiated and documented each of these agreements with hotel companies. This year the transactional law group scrutinized its review and approval process. It found that only a few of the terms in these agreements were negotiated and contested and that the agreements rarely obligated the University to pay large amounts or presented material risks to the University. The group concluded that some University departments and units, with proper training, could negotiate these agreements without OGC involvement. Under authority granted in the Board of Regents Policy: *Legal Review of Contracts and Transactions*, the group authorized selected departments and units that had demonstrated knowledge and competence to enter into hotel rental agreements without having to obtain OGC review and approval. In reviewing the policy change later in 2015, the group learned that agreements were being concluded faster and departments and units were much happier with the additional authority and independence. In reviewing agreements, the group also learned that departments and units had successfully negotiated and documented agreements that complied with applicable law and University policies. The group is looking to expand the program in 2015-16 to other departments and units.

In the upcoming year the transactional law group also will be looking to promulgate an administrative policy to reform the process by which it reviews and approves all contracts. The policy should help by confirming how to seek advice from a lawyer or paralegal, what to expect from OGC, and, importantly, when OGC involvement, review and approval would not materially advance the University's interests and, therefore, should not be required.

OGC will be critiquing the transactional law group's operation in the upcoming year. We will review its patent prosecution and trademark registration practices to make them more effective and efficient. We

will determine which of these legal and administrative services are best provided in OGC and which should be provided by specialized private lawyers or by an administrative unit with subject matter expertise. This initiative is part of a larger OGC project to review the group's practice areas and resources to ensure they support and are aligned with the University's Strategic Plan.

This past year OGC lawyers and paralegals provided very high quality legal services in several complex transactions. We are pleased to report that specialized outside legal counsel was retained in only a few of the deals and only to advise on a part of the transaction.

## NOTEWORTHY DEALS

**TECHNOLOGY TRANSFER.** This year attorneys in the research and intellectual property practice advised the Office for Technology Commercialization (OTC) on an inter-institutional agreement with the University of Texas's MD Anderson Medical Center. The agreement facilitated the commercial development of the University's suite of patents claiming a Sleeping Beauty Transposon system. The agreement bore fruit in January of this year when the patents along with a series of patents directed to a non-viral treatment of cancer were exclusively licensed to Intrexon Corporation and ZIOPHARM Oncology. The University expects to receive at least \$22 million in publicly traded stock from the transaction.

**CORPORATE SPIN-OFF.** The College of Education and Human Development, in February, spun-off its Flipgrid™ operations to Vidku, Inc. The college transferred to the company rights in its course management software, multi-year content development, licensing and hosting



OGC advised on performance agreements to bring internationally recognized musicians to the TCF Bank Stadium.

agreements and other intellectual property. It will be paid \$8 million over the next two years and it has already received 2,250,000 common shares of the company. These shares are now valued at several million dollars. OGC attorneys in the Research and Intellectual Property Practice advised the college, OTC and the vice president for research on the transaction

**REAL ESTATE DEVELOPMENT.** Continuing work from last year on the development of the Ambulatory Care Center on the Twin Cities campus, attorneys and a paralegal in the real estate and construction practice counseled the chief financial officer and the Real Estate Office on the \$25 million acquisition and development of Block 31 in South Minneapolis.

**INTERNATIONAL PROGRAMS.** OGC was instrumental in the creation of Minnesota Global Inc. The University intends to operate many of its international programs through this wholly owned subsidiary. It will soon serve as the University's Registered Office in the People's Republic of China. This then will consolidate and simplify many of the University's non-U.S. operations, improve oversight and compliance and shield the University from many foreign tax, regulatory and administrative burdens.

**EVENT AGREEMENTS.** OGC works hard to promote the arts and culture on campus, too. The group negotiated agreements to bring the Rolling Stones, country singer Luke Bryan and the British pop band One Direction to the TCF Bank Stadium and various musical and performing arts acts to the student unions on the University's campuses.

## ACADEMIC HEALTH CENTER

OGC provides legal advice and support to the Academic Health Center (AHC) in serving its important mission within the complex world of health care. Along with the construction of the new Ambulatory Care Center, the AHC has continued in active discussions with Fairview Health Services and UM Physicians regarding the further integration of the academic and clinical operations and missions of the health care enterprise. OGC has been actively involved in supporting that process.

## REAL ESTATE AND CONSTRUCTION PRACTICE

The OGC real estate practice group advises the central Real Estate Office on purchases and sales of land and buildings, the taking and granting of easement rights to use real property, and lease agreements. Lawyers and a paralegal work with University departments and units in leasing space. OGC also counsels Central Planning and Project Management unit (CPPM) on construction law and agreements.

This year OGC advised CPPM on changes to University policies, practices and documents needed to comply

with a major reform in Minnesota construction law, the Minnesota Responsible Contractor law. We also worked with CPPM to implement the new state American Made Steel law.

Highlights for the real estate practice for the year include:

- \$27 million expansion of the Hormel Institute in Austin, Minnesota;
- Amendment of the TCF Bank Stadium Facilities Use Agreement with the Minnesota Vikings Football, LLC;
- \$7.9 million purchase of 650 - 25th Ave. SE in Minneapolis, the \$1.7 million purchase of a 52-acre parcel near the Landscape Arboretum, and the purchase of 825-827, 907 and 911 Woodlawn Ave. in Duluth; and
- Sublease among Dakota Aggregates, Inc., Harddrives, Inc. and the University to authorize the construction and operation of an asphalt plant in Rosemount, Minnesota at UMore Park.



*With OGC's assistance, the Arboretum acquired 52 new acres.*

## RESEARCH, TECHNOLOGY COMMERCIALIZATION AND INTELLECTUAL PROPERTY LAW PRACTICE

OGC advises the University community on research and intellectual property transactions and law.

**RESEARCH.** OGC lawyers advise faculty, academic units and Sponsored Projects Administration (SPA) on sponsored research grants. We review, negotiate and draft complex sponsored research agreements. We counsel faculty on compliance with federal laws and regulations of academic research. We also advise SPA and others on satisfying federal export control laws.

This year OGC was part of a major national undertaking to improve and quicken the negotiation of clinical trial agreements. An OGC attorney participated in a multi-

university initiative to create and adopt a standard form of clinical trial agreement, the Accelerated Clinical Trial Agreement. The federal National Institutes for Health, in coordination with the University Industry Demonstration Partnership, sponsored the initiative. For more information, see <https://ctsacentral.org/accelerated-clinical-trial-agreement-acta/>.

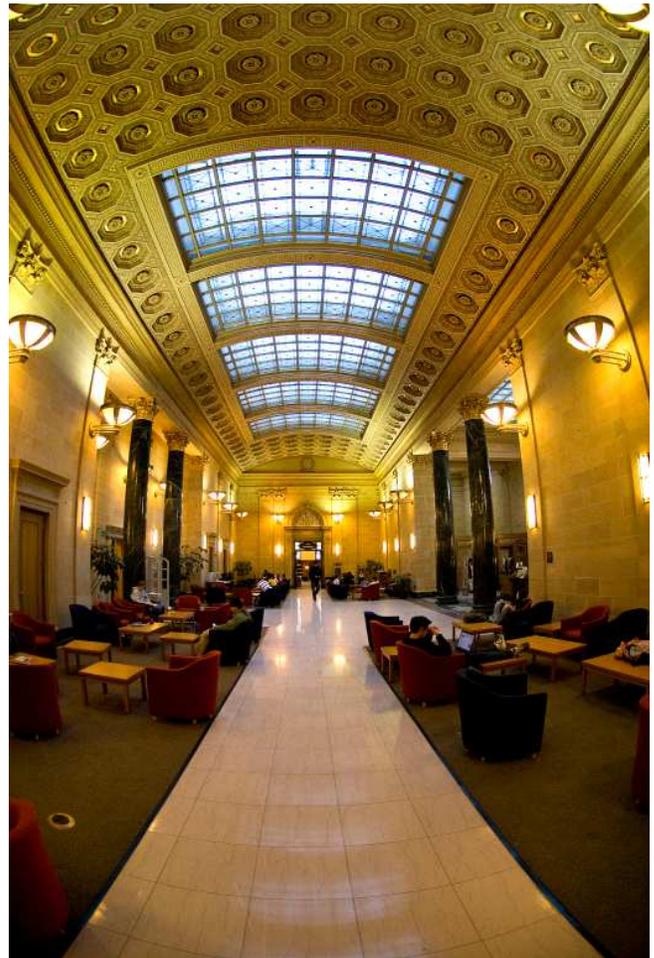
**TECHNOLOGY COMMERCIALIZATION.** OGC advises OTC on technology transfer agreements and commercialization. This year, lawyers in the group counseled OTC and the vice president for research on the creation of the Discovery Capital Program. This program will permit the University to assist in the development of University intellectual property by authorizing the University to invest up to \$350,000 in a University start-up in a round of financing. The Board of Regents reviewed and approved the program in May.

OGC represented OTC and its Venture Center this year in over 13 exclusive licensing deals with start-up companies. We negotiated or drafted, or in some case, both, the license agreements, equity issuance agreements and related shareholder control agreements and provided advice on corporate, contract and securities laws. OGC also represented OTC in many forms of technology transfer agreements. We advised OTC in a tender offer of the shares of a licensee, the issuance of warrants to purchase equity shares in licensees, restructuring of agreements with financially distressed licensees, and the termination of agreements with non-performing licensees.

**INTELLECTUAL PROPERTY.** Professionals in the group advise faculty and students and collegiate and central units of all aspects of intellectual property law. An OGC attorney and an administrative assistant specialize in patent prosecution. This attorney counsels faculty and OTC on the patentability of disclosed inventions, assists in searches for prior art references, and reviews and helps prepare responses to office actions to the U.S. Patent and Trademark Office (USPTO). The administrative assistant directs the office's work in communicating with faculty- and student-inventors, outside specialty legal counsel and the USPTO.

OGC continues to look for ways to improve the patent prosecution practice area. This year OGC and OTC critically reviewed the administrative services OGC provided in this area and developed a plan to rationalize and economize those operations. The recommendations will be implemented in the fall of 2015.

An OGC attorney specializes in copyright law. OGC regularly advises faculty and students on the use of others' copyrighted works and the registration, protection and use of their dissertations, theses, and articles. OGC counsels academic units on the commissioning, creation



OGC worked with the University Libraries on its deal with Google making rare or out-of-print works digitally available.

and distribution of instructional materials and course works. This year, OGC advised:

- the University of Minnesota Press on an agreement with Apple, Inc. that resulted in works published by the Press being sold and distributed by Apple through the iTunes store; and
- the University Libraries on an amendment to its Cooperation Agreement with Google, Inc., which authorized the release by the company of digital copies of hundreds of rare or out-of-print works from the University's collection.

An OGC attorney and an administrative assistant specialize in trademark registration and enforcement. OGC registers marks with the USPTO, counsels OTC on the availability and suitability of names for apples and plant varieties, and enforces University-held marks. This year, OGC represented:

- OTC in enforcing the University' mark SweeTango™ against a company that was using a similar name to promote a Minneapolis-based coaching business, and

- the Twin Cities Athletic Department in an opposition to the University of Tennessee’s registration of the slogan “Brick by Brick.”

## CORPORATE AND COMMERCIAL PRACTICE

OGC provides advice on corporate transactions and law. This year OGC worked with the University of Minnesota Alumni Association to amend its Bylaws. We represented the Medical School in the sale of the International Journal of Eye Banking to the Eye Bank Association of America. And we liquidated and dissolved the five Minnesota regional Area Health Education Centers.

OGC advises on purchases and sales of goods and services. Professionals in this practice area work closely with the Purchasing and the Internal/External Sales departments. This year, OGC reviewed over 600 purchasing agreements. One area should be noted: OGC spent a great deal of time this year negotiating and reviewing software license and development agreements. We will be looking in the upcoming year for ways to make our involvement in negotiating and approving these agreements more efficient, while maintaining sufficient oversight.

## FINANCIAL, GIFT AND TAX PRACTICE

OGC works closely with the Chief Financial Officer, the Director of Debt Management, and the Office of Investments and Banking (OIB), advising on the terms of agreements with underwriters on equity, venture capital and other funds in which the University invests. One lawyer specializes in this area. This year, OGC represented OIB in making investments in over 14 equity funds. And in a significant and complex transaction, OGC advised OIB on an Investment Management Agreement with J.P. Morgan to invest millions of University dollars in a “fund of funds” to hedge the University’s equity risk.

OGC advises the University of Minnesota Foundation, from time to time, on gifts to benefit the University. This year, OGC was counsel to a committee looking into the opportunities and risks of “crowdfunding” support for University research projects.

OGC also works closely with the Tax Management Office. This year, a lawyer in this group worked with outside tax counsel to advise on the

federal limitations on “private use” that are applicable to both the University’s issuance of tax-exempt bonds and its receipt of the proceeds of similar bonds issued by the State of Minnesota. OGC also supported University Services in its efforts to take full advantage of the Section 179D deduction for costs to design energy-efficient buildings.

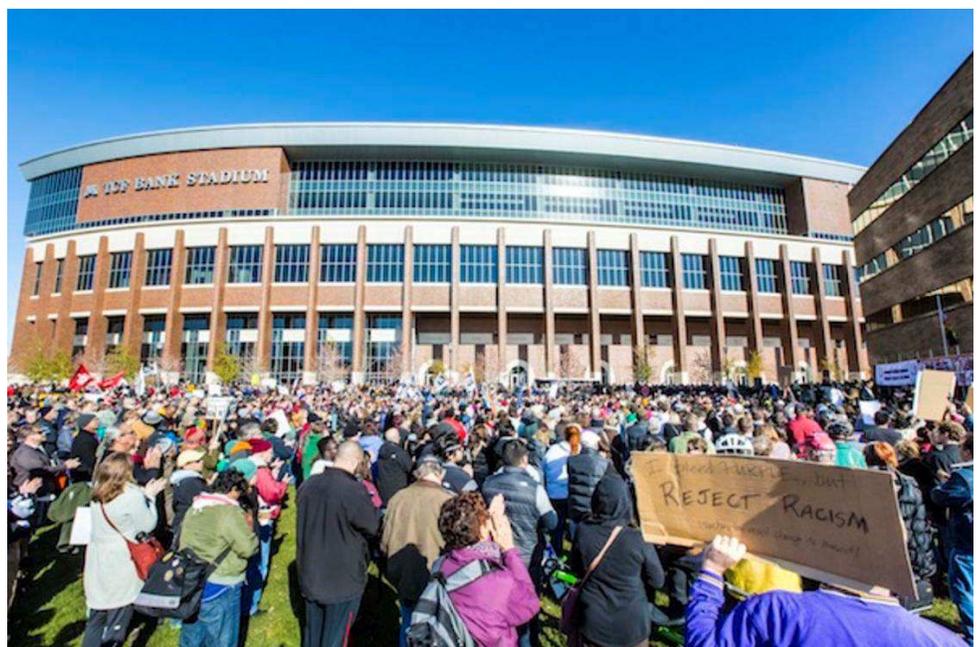
## INTERNATIONAL PROGRAMS PRACTICE

OGC advises the Global Programs and Strategy Alliance (GPSA) and its units on the legal risks and implications of programs conducted outside of the United States. OGC regularly represents GPSA in affiliation agreements with foreign institutions.

## LEGAL ADVICE AND PREVENTIVE LAW ACTIVITIES

OGC devotes substantial time and resources to advising University clients on matters of law and policy, as well as preventing or resolving disputes before they result in costly litigation. OGC’s advice across a broad spectrum of activities helps the University run better and reduces the opportunity for grievances, administrative charges and lawsuits. Some important projects this year:

**PROTECTION OF HUMAN PARTICIPANTS IN RESEARCH.** OGC worked alongside administrators in the enormously complicated and difficult work regarding the protection of human participants in research, particularly in connection with the review by the Office of Legislative Auditor and the review by the External Review Panel.



Protests and programming went smoothly around the Vikings game against the Washington football team at TCF Bank Stadium.

OGC will continue to provide counsel to the University and its IRB as they implement recommendations that have legal components.

**STUDENT AFFAIRS.** OGC helped manage a system-wide project to review and revise policies and practices and to revise or implement training around sexual assault and other crimes to ensure compliance with the Violence Against Women Reauthorization Act of 2013 and the implementing regulations of the Department of Education.

**LABOR AND EMPLOYMENT.** OGC provides daily advice and counsel to senior administration, labor relations, and human resource professionals on a broad range of labor and employment issues. This year, OGC assisted deans in managing disciplinary cases under the Tenure Code against a number of University faculty members. We also provided formal opinions regarding employee reassignment and hiring process issues. OGC supported athletics departments on multiple campuses in negotiating contracts and contract extensions for coaches and athletics personnel, and advised athletics departments on numerous personnel matters.

**PROTESTS ON CAMPUS.** OGC participated actively in responding to objections to, and planning for game-day

protests and events around, the Vikings' game against the Washington football team at TCF Bank Stadium. We provided legal advice regarding contracts law, the First Amendment, and laws against discrimination that were invoked in connection with the event. OGC also assisted administration in planning for and responding to protests and occupation of Morrill Hall by a group called Whose Diversity. In both instances, the opportunity for free expression was preserved while the University provided a safe and productive environment for students, faculty, staff, and visitors.

## ATHLETIC COMPLIANCE OFFICE

The Athletic Compliance Office, which reports to the General Counsel, works with all of intercollegiate athletics regarding The National Collegiate Athletic Association (NCAA), Big Ten Conference, and Western Collegiate Hockey Association (WCHA) rules. This consists of working with 25 teams and over 750 student-athletes. In addition, the Athletic Compliance Office works closely with the McNamara Academic Center, Admissions, Financial Aid, and Academic Support Resources on campus. The functions of the



The Gophers brought home the Little Brown Jug for the 23<sup>rd</sup> time on November 29, 2014 by defeating Michigan 30-14 in Ann Arbor.

Athletic Compliance Office include education, policy and procedure development, monitoring and auditing for NCAA rules compliance, and investigation and enforcement of rules.

Over the course of the 2014-15 academic year, the Athletic Compliance Office conducted over 60 educational sessions regarding rules compliance to units within athletics, across campus, and in the Twin Cities area. Close to 1600 individuals attended these sessions. In addition, the Athletic Compliance Office met with every team to review the NCAA rules during the first and second weeks of the fall 2014 semester.

This past year, the Athletic Compliance Office conducted over 14 external and internal audits and monitoring procedures. This was done with the full support of the Athletics Director and the senior staff in the athletics department.

The Athletic Compliance Office investigated in excess of 40 potential rule infractions in 2014-15 and ultimately submitted reports of 23 violations to the NCAA and Big Ten Conference. Under NCAA guidelines, all of these violations were considered to be level III and IV infractions. The Athletic Compliance Office also submitted 26 requests for waivers of either NCAA or Big Ten rules.

## **RECORDS AND INFORMATION MANAGEMENT OFFICE**

The Records and Information Management Office, which reports to the General Counsel, coordinates the development and implementation of a strategic plan for departmental and University-wide records management; provides advice, training and direction on federal, state and institutional records management requirements; and oversees the collection, use and dissemination of data in accordance with the Minnesota Government Data Practices Act and other state and federal information disclosure laws.

This year the office responded to 410 public record requests for information about University contracts, bids, budgets, salaries, athletics, research, construction, audits and other matters. Most data requests ask for multiple items, and in some cases, the same requester makes numerous data requests. This year, we had numerous requests from Fox 9's investigative team, as well as many requests for information on animal research and human participant research. The office is committed to responding fully to requests for public data, while diligently protecting private information that is not subject to disclosure. In addition to handling requests for public information, the office also responds

to subpoenas for University records and numerous reference requests for University employees.

Each year, the University is required to evaluate and update the public data access policy in accordance with Minnesota Statutes Chapter 13. The Public Access to University Information policy was updated, and new procedures for requesting information from the University and on the rights of subjects of data were added to keep the University in compliance with applicable changes in laws and regulations.

The Records and Information Management Office is responsible for not only the Twin Cities Campus, but also works with each of the system campuses. This year, trainings were held at the Morris and Duluth Campuses, and included records management, data practices and privacy issues.

The office has continued its work with University units to develop tailored records retention schedules and help them clean out files and storage areas while appropriately maintaining institutional records. The University-Wide Records Retention Schedule and the Managing University Records and Information Policy were updated this year, and new procedures on Retention of University Records and Destruction of University Records were created.

The Coordinator of the Records and Information Management Office, Susan McKinney, CRM, co-chairs the University's privacy committee, which addresses increasing public concern about privacy protection for electronic and traditional paper-based data. Susan serves as the Compliance Partner for Privacy and is a member of the Enterprise Data Management and Reporting (EDMR) committee. She is also active in her professional organization, ARMA International.

## **USE OF OUTSIDE COUNSEL**

The total sum paid from OGC's budget to outside counsel for FY15 was \$1,390,741. This amount is virtually identical to FY14 spending. Total outside counsel legal expenditures incurred by the University during this fiscal year were \$5,272,156, an increase of \$631,860 over FY14. This increase was primarily attributable to increased patent prosecution expenses for OTC. About one-third of the institution's outside legal fees are for insurance defense and are paid by RUMINCO.

Board of Regents policy requires OGC to carefully manage the cost of all outside counsel retained to provide legal services to the University. While professional qualifications are the foremost criteria we use to select outside counsel, OGC also seeks attorneys who provide reasonable rates and demonstrate economical use of attorney and staff resources. We routinely request and

receive discounted hourly rates from our outside counsel. OGC typically requires written budgets from outside counsel on matters that may incur substantial fees, and strictly enforces the University's expense limitation and payment policies.

The use of in-house counsel is far more economical for the University, as costs per hour for comparable legal services performed are approximately 50% less than those of outside counsel. In addition, and beyond the issue of cost, the quality of legal services the University receives is enhanced by OGC's comprehensive knowledge of the University's particular structure, operations, strategic priorities and mission. This reduces costly preparation time that would be needed by outside counsel less familiar with the University and provides more focused counseling tailored to the unique issues facing particular the University. Client feedback suggests that OGC provides high quality legal services on a level at least equal to that provided by leading private firms.



*Holstein, one of the many bovines residing at University of Minnesota Morris.*

# STAFF BIOS

## GENERAL COUNSEL

**WILLIAM P. DONOHUE.** Bill was appointed as General Counsel, the University's Chief Legal Officer, in May 2013. He is responsible for providing legal counsel and representation for the University including the Board of Regents, the President, Deans and all other University officials. He is also responsible for administration of the OGC and oversight of the Athletic Compliance Office.

Bill has served in the Office of the General Counsel (OGC) since 1982. For many years he served as the primary litigator representing the University in state and federal courts. From the early 1990's to 2013 he served as the Director of Litigation and Deputy General Counsel, during which time he continued to represent the University, but was also responsible for overall administration of the OGC and the supervision and direction of all University litigation by OGC litigators and outside lawyers.

Prior to coming to OGC, Bill was on the staff of the Minnesota Attorney General. Bill is a graduate of Carleton College, and received his law degree cum laude from the University of Minnesota in 1974. He is a lecturer in the College of Education and Human Development and has for many years taught The Law and Post-Secondary Institutions to graduate students. He is also a member of the NACUA Annual Program Committee and a frequent presenter at their Annual Conference on topics involving employment law, athletics and coach contracts. For six years (2008–2014) he was also a member of the Minnesota Lawyers Professional Responsibility Board, which is responsible for oversight of the professional ethics requirements for attorneys.

## DEPUTY GENERAL COUNSEL

**TRACY M. SMITH.** Tracy has served in the OGC since 1994. In 2013, she became Deputy General Counsel. She practices in litigation and provides advice in the areas of student affairs, employment, privacy and data practices. Prior to coming to OGC, she served as law clerk to Judge Max Rosenn, United States Court of Appeals for the Third Circuit. Tracy was also an Assistant Attorney General for the State of Minnesota. She is a cum laude graduate of Georgetown University and received her law degree magna cum laude from the University of Minnesota in 1988, where she was articles editor of the Minnesota Law Review and a member of the Order of the Coif.

## DIRECTOR, TRANSACTIONAL LAW SERVICES GROUP

**GREGORY C. BROWN.** Greg joined OGC in 1991 and is Director, Transactional Law Services Group. His primary areas of practice are technology transfer, copyright, intellectual property, and business matters. Prior to coming to the University, he practiced at the law firm of Stinson, Leonard, Street. Greg graduated from the University of Michigan Ross School of Business and its Law School. He is an Adjunct Professor at the University of Minnesota Law School and teaches a seminar on Intellectual Property Transactions.

## OGC ATTORNEYS

**DONALD M. AMUNDSON, SENIOR ASSOCIATE GENERAL COUNSEL.** Don joined OGC in 1996. He is a member of the Transactional Law Services Group, and focuses his work on international and general business matters, as well as external sales issues. Prior to joining OGC, Don practiced law at Dorsey & Whitney and worked as in-house counsel for several corporations. Don graduated with a baccalaureate degree summa cum laude from St. Olaf College and received his law degree cum laude from the University of Minnesota in 1980.

**BRENT P. BENRUD, SENIOR ASSOCIATE GENERAL COUNSEL.** Brent joined OGC in 2005. He practices in the areas of labor, employment and litigation. Before joining OGC, Brent was a shareholder in the law firm of Stettner, Miller and Cohn, P.C., in Denver, Colorado. He represented public school districts, community colleges and school-related professional organizations in a variety of labor, employment, litigation and school law matters. Brent received his B.A. magna cum laude in 1989 from Luther College, in Decorah, Iowa and his J.D. cum laude from the University of Minnesota Law School in 1992.

**MARK A. BOHNHORST, SENIOR ASSOCIATE GENERAL COUNSEL.** Mark has served in the OGC since 1992. From 1992 to 2000, his practice focused on civil litigation, including health science and research matters. Since 2001, Mark has been part of the Transactional Law Services Group; his practice focuses on research contracts and compliance. From 2011 to 2014, Mark also served as Director of the Transactional Law Services Group. Prior to joining OGC, Mark was the litigation coordinator for Southern Minnesota Regional Legal Services. He is a graduate of the University

of Chicago, received his law degree magna cum laude from the University of Minnesota Law School in 1975, and served as law clerk to U.S. District Judge Earl Larson.

**GARY L. BRISBIN, SENIOR ASSOCIATE GENERAL COUNSEL.** Gary joined OGC's Transactional Law Services Group in 2006. His practice is focused primarily on general commercial matters, especially purchasing, software and telecommunications. Before joining OGC, Gary was General Counsel of McQuay International and before that Director of Legal Affairs, Strategic Development, and Community Relations at Cummins Power Generation. He received a B.S. with high honors from the University of Minnesota College of Education in 1971, and a J.D. cum laude from the University of Minnesota Law School in 1979.

**SHELLEY CARTHEN WATSON, SENIOR ASSOCIATE GENERAL COUNSEL.** Shelley joined OGC in 1999. Her practice is primarily devoted to providing advice, counsel, and training in labor relations and employment issues, as well as defense of the University in collective bargaining and internal grievance arbitrations, and administrative matters before the EEOC, Minnesota Department of Human Rights and Department of Labor. Prior to coming to the University, Shelley was a partner with the law firm of Robins, Kaplan, Miller & Ciresi, where her practice focused on business litigation and employment counseling and litigation. The former Deputy Commissioner of the Minnesota Department of Human Rights, Shelley also served as Executive Director of the Hennepin County Bar Association and Hennepin County Bar Foundation. An honors graduate of Macalester College, she received her law degree from Northwestern University School of Law in 1985. Shelley is a former member of the Board of Directors of the National Association of College and University Attorneys (NACUA), and is a past recipient of their First Decade Award that recognizes university attorneys who have been NACUA members for 10 or fewer years and have made "a significantly innovative contribution, or provided outstanding service, to the association and to the practice."

**KEITH A. DUNDER, ACADEMIC HEALTH CENTER COUNSEL.** Keith has served as Academic Health Center Counsel, and formerly the University's Hospital Counsel, since 1990, and practices in the areas of health care law and tort litigation. He is a former member of the Governing Council of the Health Law Section of the Minnesota State Bar Association and former co-chair of the Medical-Legal Committee of the Hennepin County Bar Association. Keith graduated cum laude from the University of Minnesota Law School in 1978. He served as an associate and partner at Mahoney, Doherty & Mahoney, and as a partner at Rossini & Dunder, where he concentrated in litigation and health care law.

**ARNIE H. FRISHMAN, SENIOR ASSOCIATE GENERAL COUNSEL.** Arnie joined OGC in 1998. He is a member of the Transactional Law Services Group whose primary areas of practice involve sponsored research and technology transfer. Prior to coming to OGC, he was an associate with the law firm of Dorsey & Whitney. He is a summa cum laude graduate of the University of the South at Sewanee, and received his law degree from Columbia University School of Law in 1992, and a master's in Education from Harvard University in 1988. During his sabbatical in Israel in 2007, Arnie practiced with the law firm of Pearl, Cohen, Zedek, Latzer in the field of patent licensing and software development and was admitted to the Israel Bar.

**ROSALIE W. O'BRIEN, SENIOR ASSOCIATE GENERAL COUNSEL.** Rosalie joined OGC's Transactional Law Services Group in 2004. Her practice includes financing, investment, tax, and regulatory matters, trademark protection and infringement prosecution and defense; complex business transactions; the gifting process; and supporting University Libraries and Museums and University Extension. Before coming to the University, she was a partner practicing corporate law in the St. Louis office of Sonnenschein Nath & Rosenthal (now Dentons). Rosalie also practiced law with firms in Chicago, Illinois and Richmond, Virginia, and is a certified public accountant. She earned her B.S. in accounting from the University of Illinois, with college honors and high distinction in accounting, and her J.D. in 1987 from Northwestern University School of Law, where she was a member of the Law Review. Before embarking on her legal and accounting career, Rosalie was a violinist in the Milwaukee Symphony Orchestra.

**DANIEL A. PIPER, SENIOR ASSOCIATE GENERAL COUNSEL.** Dan joined OGC in December 2011. He practices in the areas of real estate and construction law. Prior to joining OGC, Dan was an attorney at Fredrikson & Byron, P.A. in Minneapolis. He received his B.A. summa cum laude from Saint Olaf College in 1999 and his M.B.A. from Carlson School of Management in 2003. In 2006, Dan received his J.D. magna cum laude from the University of Minnesota Law School, where he served as a Managing Editor of the Minnesota Law Review and was a member of the Order of the Coif. Dan also served as a law clerk to Chief Justice Lorie S. Gildea on the Minnesota Supreme Court.

**TIMOTHY J. PRAMAS, SENIOR ASSOCIATE GENERAL COUNSEL.** Tim is a skilled and seasoned civil trial attorney who possessed over 20 years of experience, both at law firms and in-house, at the time he joined the OGC in 2014. His practice is devoted primarily to litigation. Since 2010 Tim has served as a Legal Writing and Moot Court Instructor at the

University of Minnesota Law School. He is also an active member of the Minnesota E-Discovery Working Group and co-chair of its Sub-Group on Cost-Effective Review Technologies. The Minnesota Supreme Court appointed Tim to its Civil Justice Reform Task Force and its Advisory Committee on the Rules of Civil Appellate Procedure. Tim graduated with honors from Macalester College where he won many intercollegiate debate tournaments as a member of Macalester's debate team. He graduated with honors from the University of Minnesota Law School in 1993 and was a member of the Minnesota Law Review.

**PAUL B. SAVEREIDE, SENIOR ASSOCIATE GENERAL COUNSEL.** Paul joined the OGC in 2012. He is a member of the Transactional Law Services Group and practices in the area of intellectual property, predominantly patent matters. Prior to joining OGC, Paul practiced patent law for over 20 years. He served as in-house counsel at Chiron Corporation and Cargill, Inc., and was in private practice at Dorsey & Whitney; Patterson, Thunte, Skaar & Christensen; and Viksnins Harris & Pady PLLP. Paul graduated from Saint Olaf College with a Bachelor of Arts degree. In 1991 he received both a Ph.D. in Cell and Developmental Biology and his J.D., cum laude, from the University of Minnesota.

**BARBARA L. SHIELS, SENIOR ASSOCIATE GENERAL COUNSEL.** Barbara has served in OGC since 1983, including past service in the University Hospital Counsel's Office. Her practice focuses on health sciences research, including human and animal subject regulations, conflict of interest, academic misconduct, and student issues. Barbara recently served as a member of the board of directors of the National Association of College and University Attorneys. She is a summa cum laude graduate of Gustavus Adolphus College and received her law degree cum laude from the University of Minnesota in 1983.

**BRIAN J. SLOVUT, SENIOR ASSOCIATE GENERAL COUNSEL.** Brian joined OGC in 2003 and practices primarily in the area of litigation. Before joining OGC, he was a partner in the law firm of Hinshaw & Culbertson in Minneapolis, and an associate with Popham Haik. He received his law degree magna cum laude from the University of Minnesota Law School in 1993, where he served as an Associate Editor of the Minnesota Law Review and was a member of the Order of the Coif. Brian also served as a law clerk on the Minnesota Supreme Court.

**ELIZABETH C. ZAMZOW, SENIOR ASSOCIATE GENERAL COUNSEL.** Beth joined OGC in September 2010. She practices in the areas of real estate and construction law. Prior to joining OGC, Beth was an attorney at Fredrikson & Byron, P.A. in Minneapolis. She received her B.A. summa cum laude from St. Cloud State University in 1990 and her M.A. magna cum laude from Miami University in Oxford, Ohio in 1993. She served as a Note and Comment/Research Editor of the Minnesota Law Review at the University of Minnesota Law School, where she received her J.D. magna cum laude in 2001. Beth is certified as a Real Property Specialist by the Minnesota State Bar Association and has been selected as a Rising Star by Minnesota Law & Politics.

## **ATHLETIC COMPLIANCE OFFICE**

**JEREMIAH CARTER, INTERIM DIRECTOR.** In July of 2015, Jeremiah was appointed as the Interim Director of Athletic Compliance. Jeremiah started his employment with the Athletic Compliance Office in October 2013, coming from the National Collegiate Athletic Association (NCAA) where he worked in various positions within Academic and Membership Affairs since September 2007. Previous to that he was a graduate assistant in the University of Minnesota football program. Jeremiah is a former Gopher football student-athlete where he received his Bachelor of Arts degree and a Masters of Education graduate degree.

**JAMES PRASKA, ASSOCIATE DIRECTOR.** Jim joined the Athletic Compliance Office in October 2001. Previously, he worked as the Student Accounts Manager at the College of St. Catherine and, prior to that, worked in Student Accounts at Hamline University, both in St. Paul. He had interned in the Athletic Compliance Office from 1997-1999. He graduated with a bachelor's degree from Wartburg College in Waverly, Iowa and received his master's degree in Public Administration from Hamline University. Jim's primary duties involve all aspects of coordinating and processing athletic scholarships for the Intercollegiate Athletics Department.

**CHELSEA LAMBERSON, ASSISTANT DIRECTOR.** Chelsea joined the Athletic Compliance Office in December 2014, coming from Eastern Washington University where she was the Compliance Coordinator. Chelsea also spent time as a graduate assistant in the University of New Hampshire's Compliance Office while she attended Law School. She received her bachelor's degree in Journalism at the University of Oregon, where she competed for Oregon's club ski team, and her J.D. from the University of New Hampshire.

**ANDREW NELSON, ASSISTANT DIRECTOR.** Andrew became a member of the Athletic Compliance Office in October 2011, coming from the University of Colorado where he was an intern in the Compliance Office. He has also held a compliance intern position at Iowa State University. He received his bachelor's degree in Political Science at the University of Iowa and his J.D. from the University of Denver Sturm College of Law.

## **RECORDS AND INFORMATION MANAGEMENT OFFICE**

**SUSAN MCKINNEY, COORDINATOR.** Susan has been the Coordinator of Records and Information Management since 1995. She previously served for ten years as the Director of Records Management at the University of Florida. Susan received her M.A. in History with an archival, museum and editing studies concentration from Duquesne University in 1982, and Certification in Records Management in 1993. Coordinator McKinney has served as President and Chair of the Board of ARMA International, a professional association of over 11,000, and is currently the newsletter editor for the Twin Cities ARMA Chapter. She also serves as host of the records management listserv, and is an internationally known speaker on records management issues.

## **ADMINISTRATIVE STAFF**

### ***DIRECTOR OF ADMINISTRATION***

Karen Wagner

### ***SENIOR PARALEGALS***

Robert Amos

Elizabeth Anderson

Kathy Bitterly

Mary Ford

Diane Krawczynski

Beverly Moe

Sherry Popowski

### ***EXECUTIVE ASSISTANT TO THE GENERAL COUNSEL***

Nancy Larson

### ***EXECUTIVE SECRETARY***

Lynnette Nygren

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Nola Breen

Terry Hindt

Marcy Hoyles

Jean Schatz

Sarah Shaftman

### ***RECEPTIONIST***

Laura Nelson

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Page 11: From University of Minnesota Athletics Website, featuring Josh Champion  
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# Annual Asset Management Report

Stuart Mason, CIO



UNIVERSITY OF MINNESOTA

**Driven to Discover<sup>SM</sup>**

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4. Targeted Investment Managers
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# Overview – All Funds

OIB Managed Funds (\$ millions)	June '15	June '14	June '13	June '12	June '11
Consolidated Endowment Fund (CEF)	\$ 1,293.6	\$ 1,272.5	\$ 1,079.7	\$ 977.6	\$ 956.8
Long-Term Reserves (GIP) <sup>1</sup>	52.7	45.9	46.4	44.7	44.3
Short-Term Reserves (TIP) <sup>2</sup>	911.5	1,054.6	1,031.4	972.2	824.9
RUMINCO Ltd.	39.6	39.2	35.8	32.6	32.3
Invested Assets Related to Indebtedness	148.3	66.9	87.0	189.7	181.9
<b>Total Managed Assets</b>	<b>2,445.7</b>	<b>2,479.1</b>	<b>2,280.3</b>	<b>2,216.8</b>	<b>1,963.5</b>

Other Funds (\$ millions)	Mar '15	June '14	June '13	June '12	June '11
U of M Foundation Fund	1,985.5	1,928.2	1,610.0	1,560.1	1,564.4
Faculty Retirement Plans	4,955.7	4,769.7	4,199.8	3,807.9	3,709.3

<sup>1</sup> Market value excludes \$14.4 currently invested in CEF. This value is included in the remainder of the report, for purposes of performance calculation.

<sup>2</sup> Market value excludes \$138.5 currently invested in CEF. This value is included in the remainder of the report, for purposes of performance calculation.

# CEF Investment Policy Objectives:

## 1. Maintain Inflation Adjusted Endowment Value

- Implementation of appropriate investment strategy
- Outperformance against appropriate benchmarks and inflation

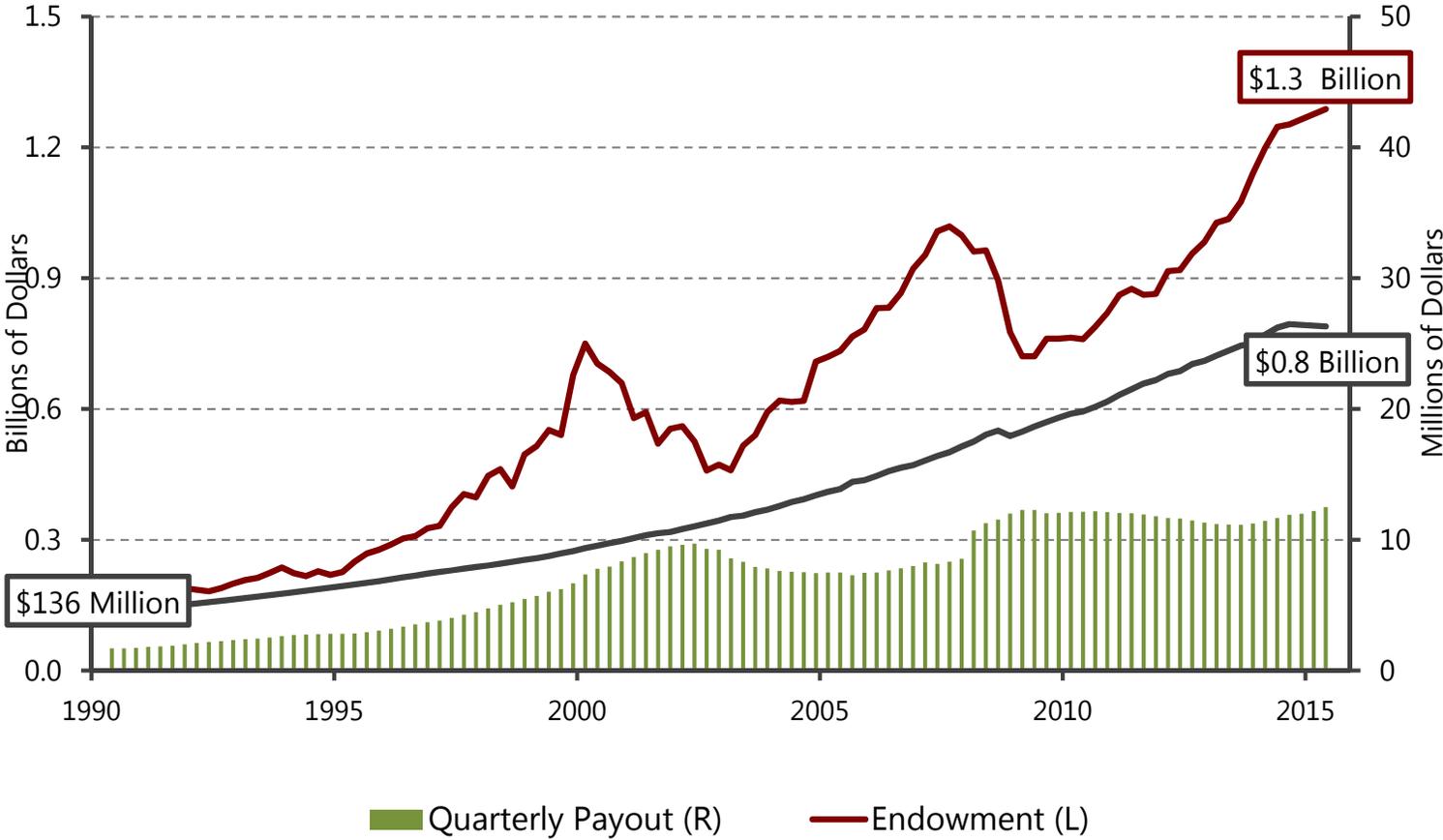
## 2. Acceptable Risk Parameters

- Appropriate liquidity profile
- Avoid high concentrations to investment firms and individual funds
- Diversified geographic exposure

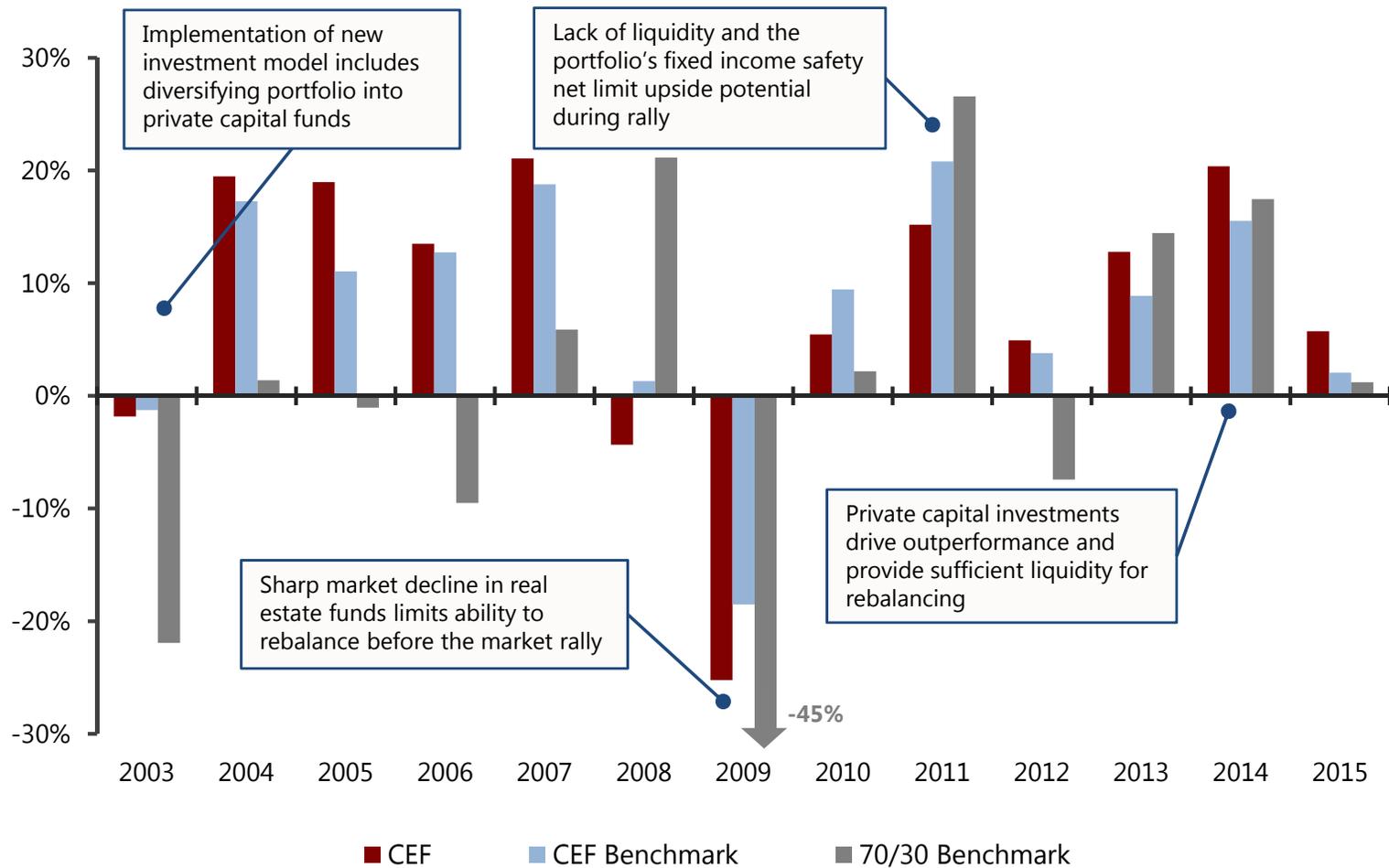
## 3. Stable Distributions

- Preserve a stable distribution profile to University constituents

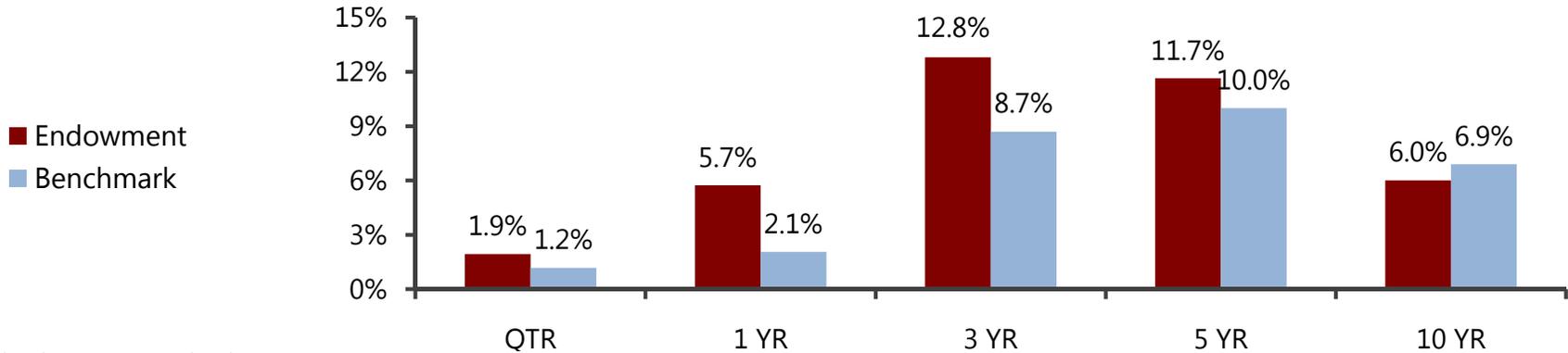
# Maintain Inflation Adjusted Value



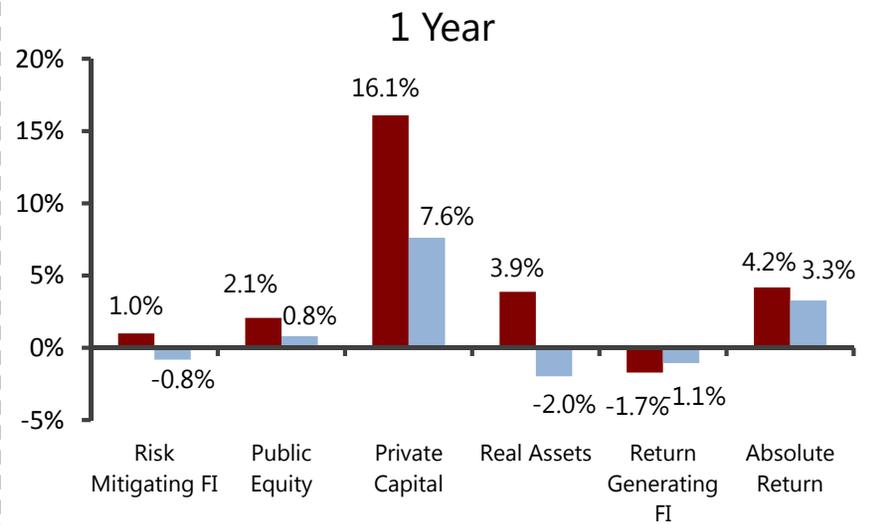
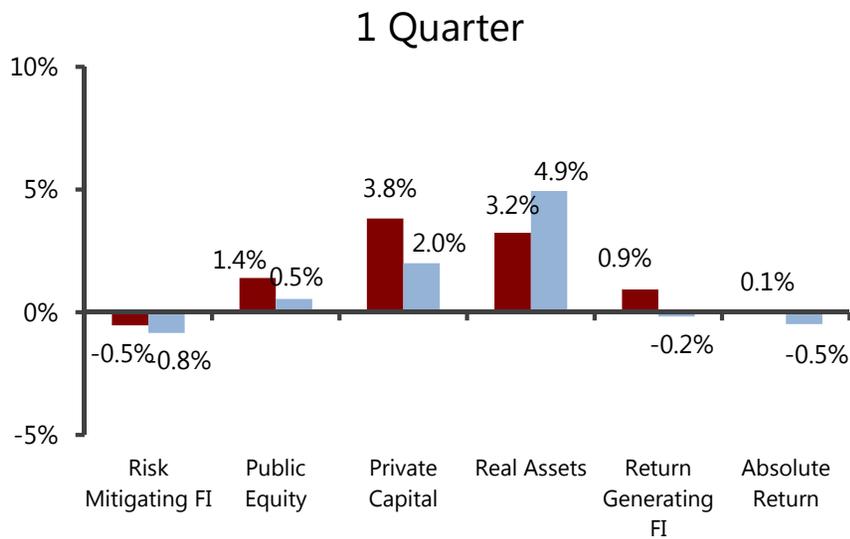
# Annual Performance



# Performance Detail

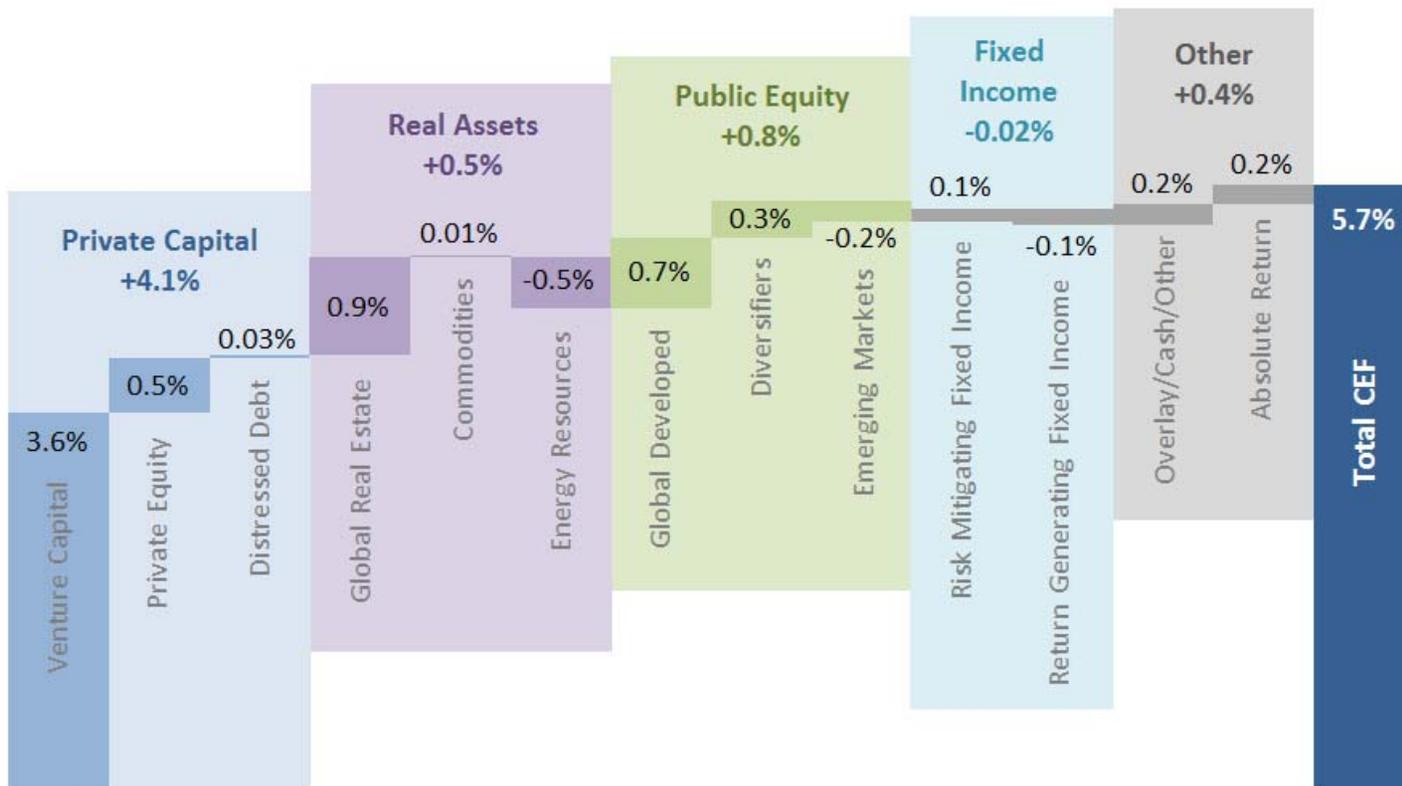


Benchmark: CEF Custom Benchmark



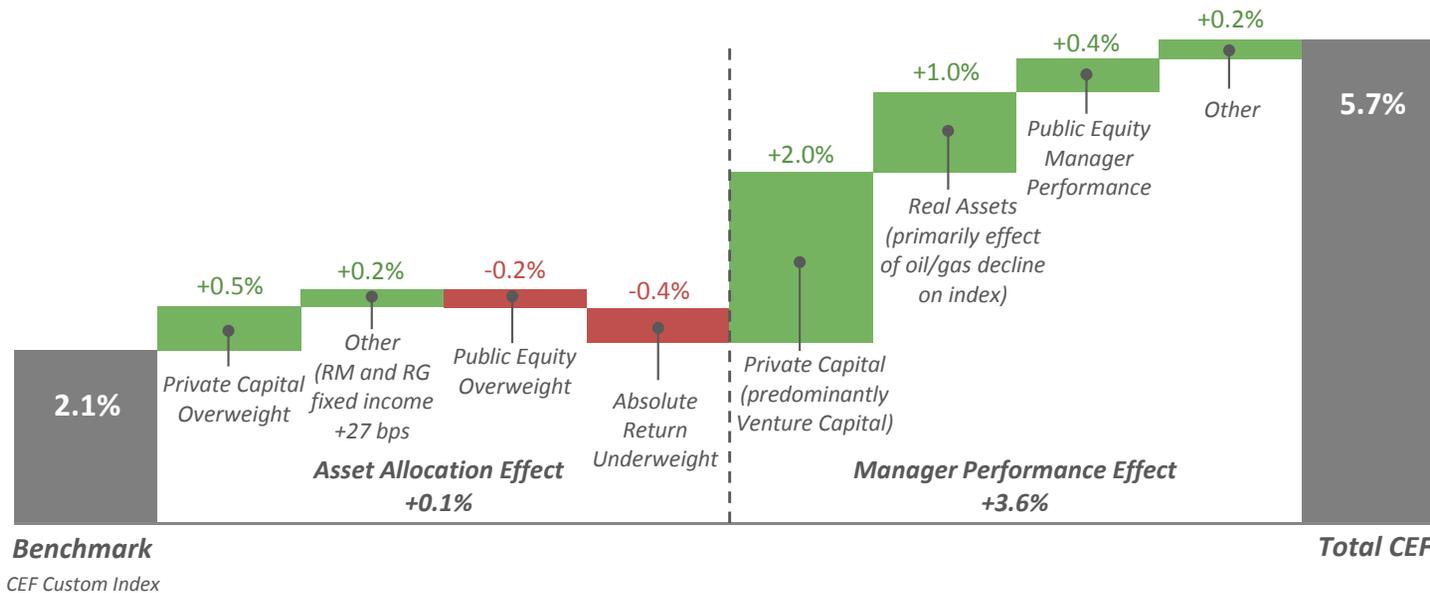
# Performance Attribution

- Venture Capital returned 28% for the year which, given its 14% portfolio weight, helped drive a significant portion of the 1-year return, followed by global real estate and domestic equities
- The oil price decline caused a drag on energy manager returns, while the continued strength of the U.S. dollar relative to many foreign currencies negatively impacted international equity and fixed income returns



# Contribution to Return

- Private capital was the greatest contributor to the 1-year relative return due to strong performance from Venture Capital; the positive relative return from the real assets portfolio was driven by the effect of the oil price decline on the index (-45%) vs. actual energy manager returns (-25%)
- Detractors included an underweight to hedge funds and an overweight to public equities, which have been relatively flat over the last year

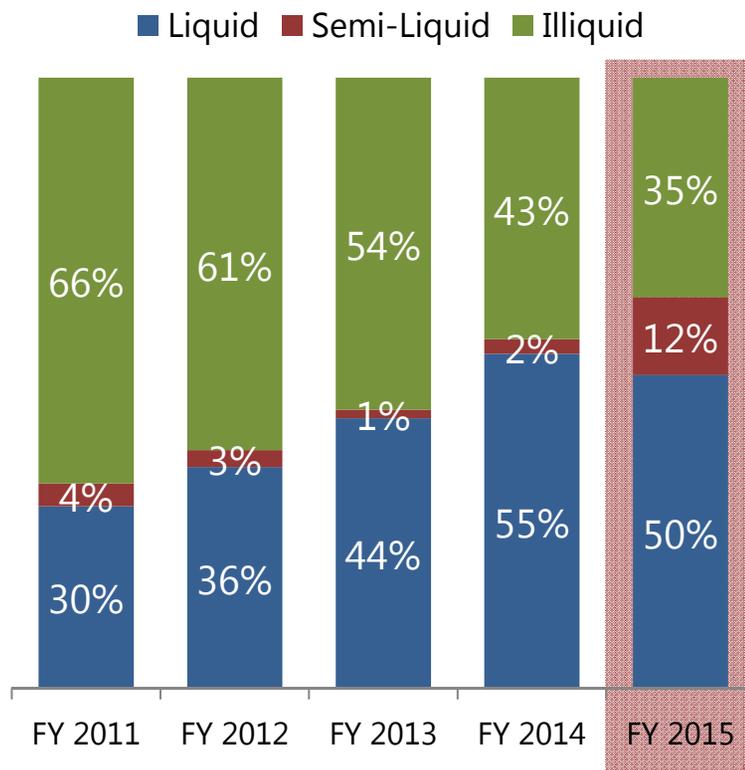


\* Attribution analysis derived from data provided by State Street and internal analysis

# Acceptable Risk Parameters

## Endowment Liquidity Profile

**Policy:** Range of 30% to 40% invested in illiquid assets.



## Manager Concentration

**Policy:** Fund limit of 10% / Manager limit of 20%

Manager	Total Market Value (\$M)	% of Total Fund
Blackrock <sup>1</sup>	247.3	19.1
TCW	90.9	7.0
Parametric Clifton	58.3	4.5
Acadian	55.1	4.3
Goldman Sachs	54.7	4.2
Qiming	41.1	3.2
Emergence	38.1	2.9
Reams	34.9	2.7
Pembroke	33.3	2.6
Lazard	25.2	1.9

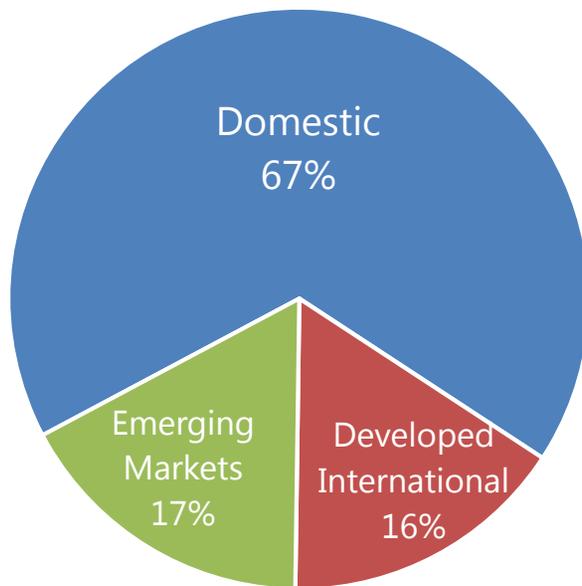
<sup>1</sup>Blackrock investment consists of four funds, the largest of which is a Russell 1000 index fund at 8.0% of the endowment

# Acceptable Risk Parameters

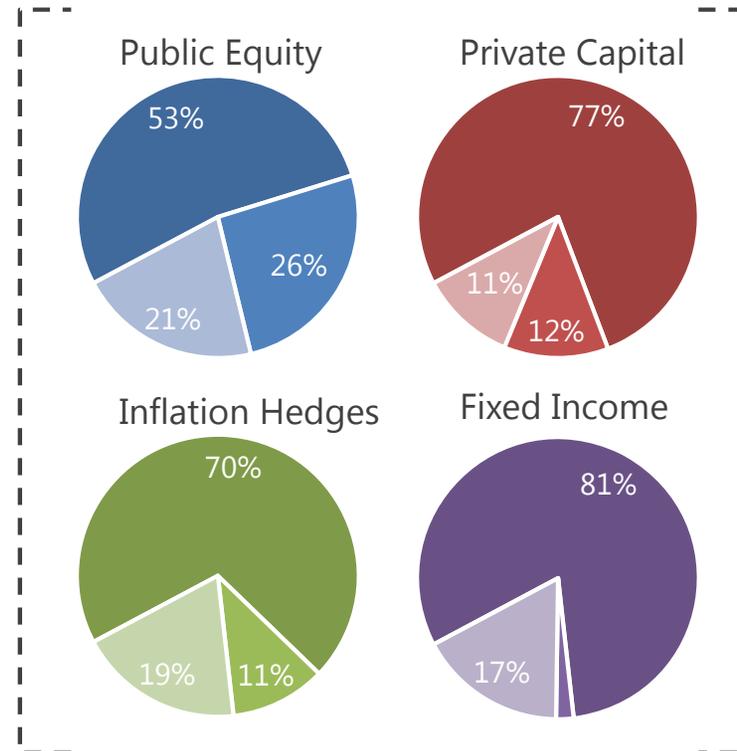
## Geographic Diversification Profile

**Policy:** Diversified geographic exposure for each asset class

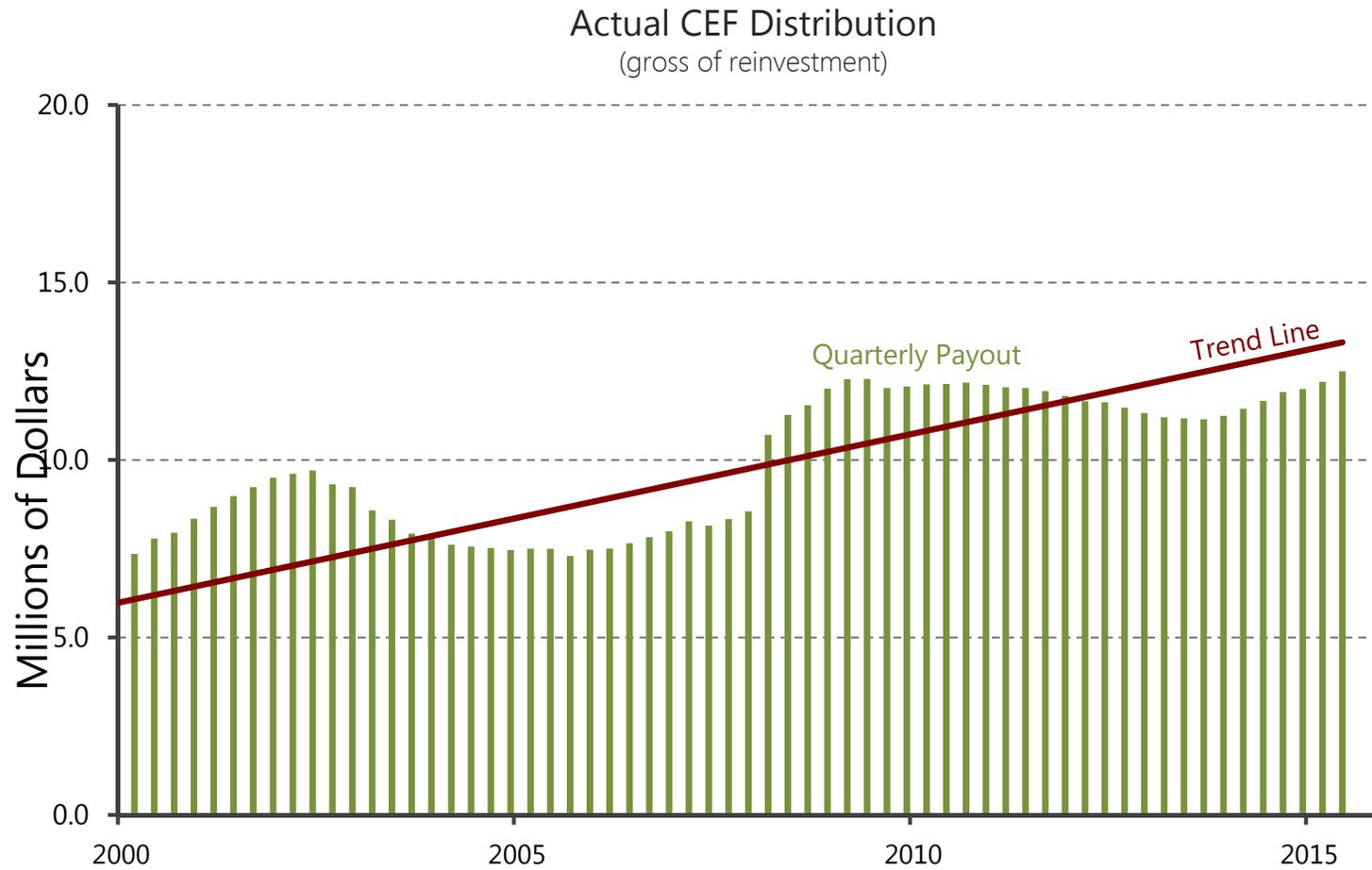
### CEF Portfolio



### Underlying Asset Classes



# Stable Distributions



# Endowment Portfolio Exposure

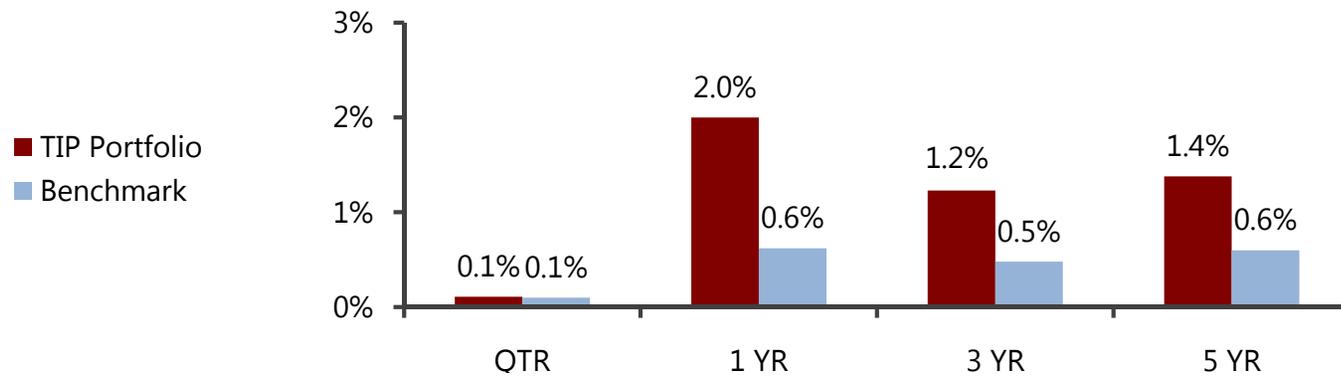
- Venture Capital returns have increased Private Capital exposure above target range. This allocation will be reduced significantly, as funds liquidate their holdings over the next year .
- The oil price decline caused a drag on energy manager returns, while the continued strength of the U.S. dollar relative to many foreign currencies negatively impacted international equity and fixed income returns

Exposure	6/30/2013 Portfolio	6/30/2014 Portfolio	6/30/2015 Portfolio	Long-Term Policy	Ranges
Risk Mitigating Fixed Income	9.2	9.5	10.1	12.0	9 - 15
Public Equity	26.7	30.8	32.9	30.0	25 - 35
Private Capital	31.1	27.7	26.1	20.0	15 - 25
Inflation Hedges	20.0	15.1	11.6	15.0	10 - 20
Return Generating Fixed Income	8.6	7.1	7.0	12.0	9 - 15
Absolute Return	0.8	0.8	8.9	11.0	8 - 14
Derivatives + Cash	3.6	9.0	3.4	-	-
<b>Total</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>	

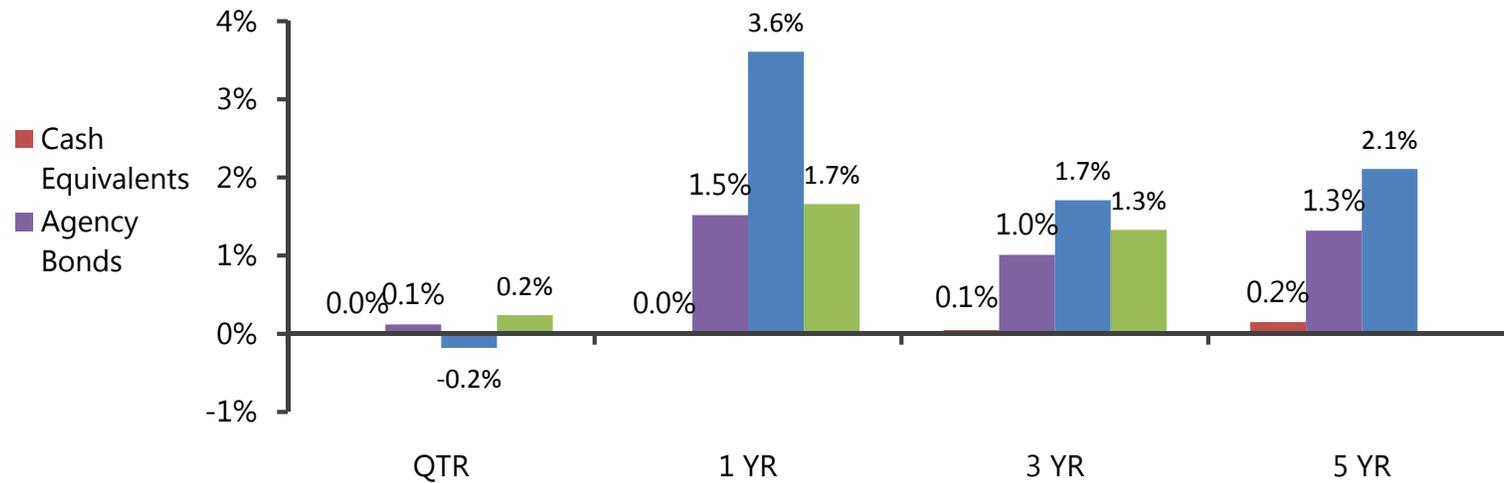
# TIP Review

# TIP Portfolio – Performance

Market Value: \$911.5M



Benchmark: 70% BofAML U.S. Treasuries 1-3 Yr / 30% 91 Day T-Bill

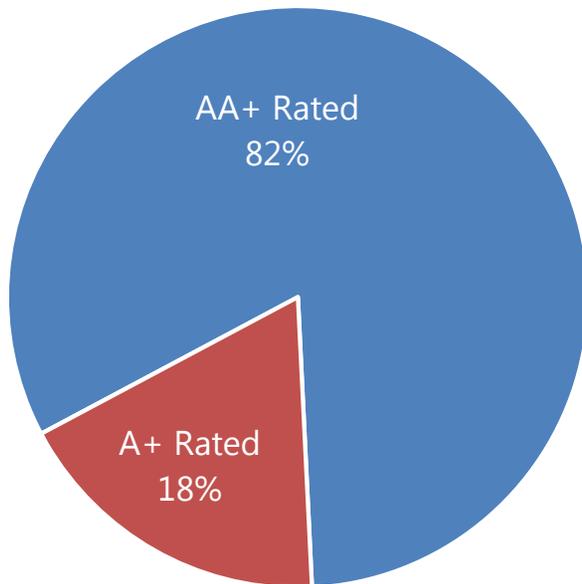


# TIP Portfolio – Asset Allocation

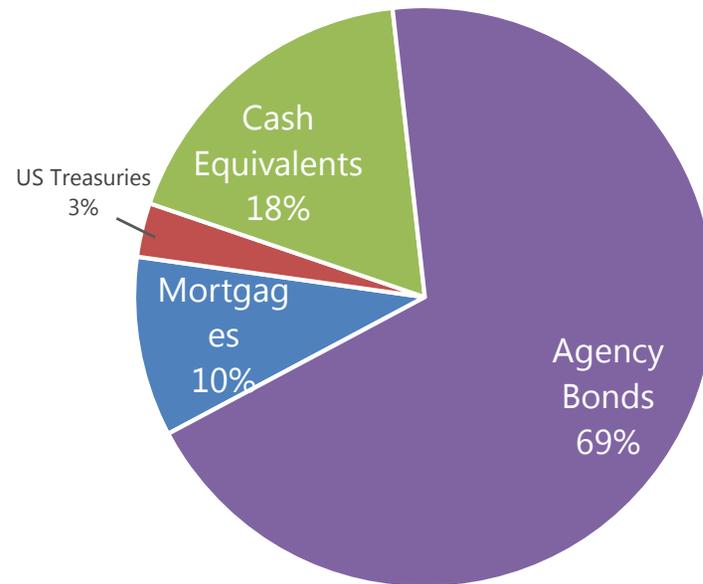
Market Value: \$911.5M

Statistic	Portfolio	Benchmark
Average Duration	1.67	1.40
Average Credit Rating	Govt/Agency	Govt/Agency
Current Yield	0.79%	0.44%

Credit Quality



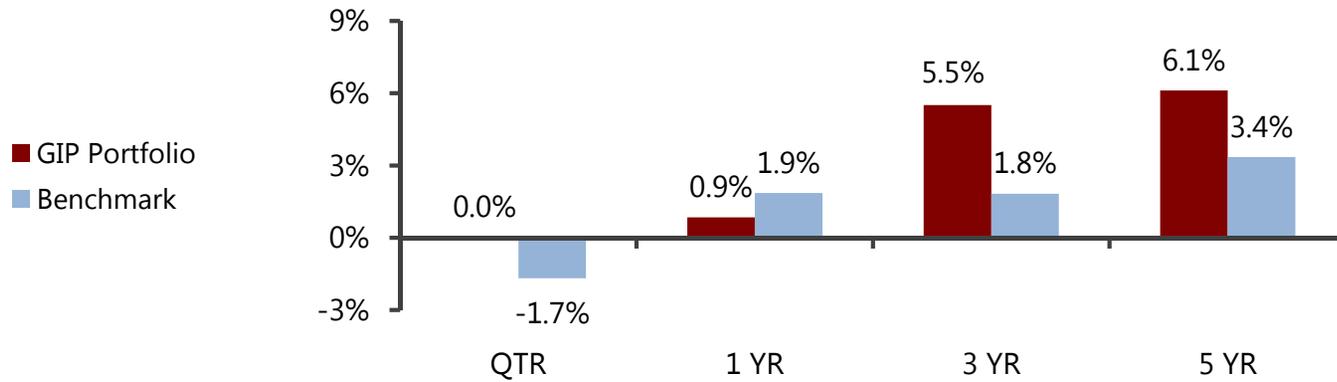
Sector Exposure



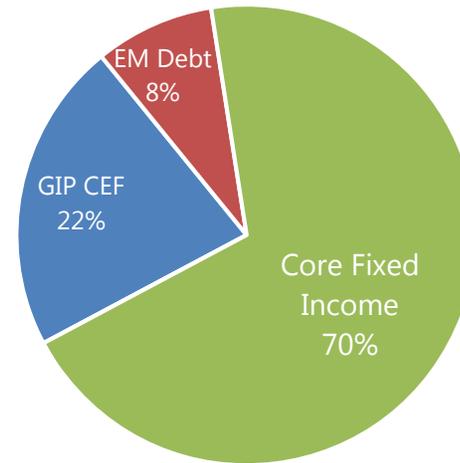
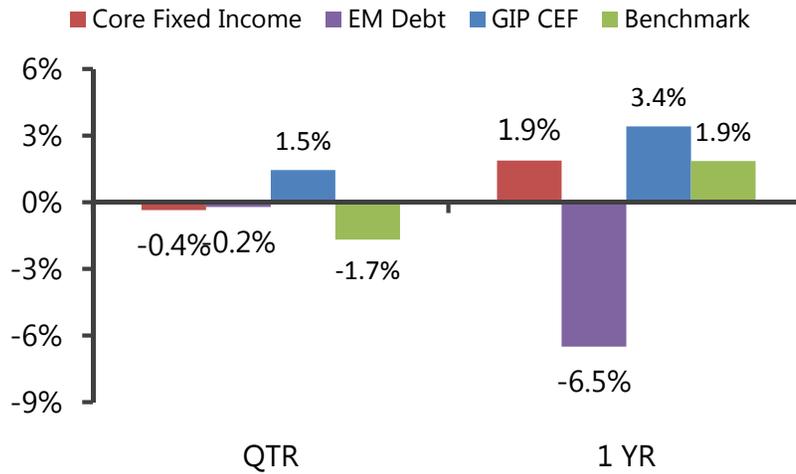
# GIP Review

# GIP Portfolio

Market Value: \$67.4M



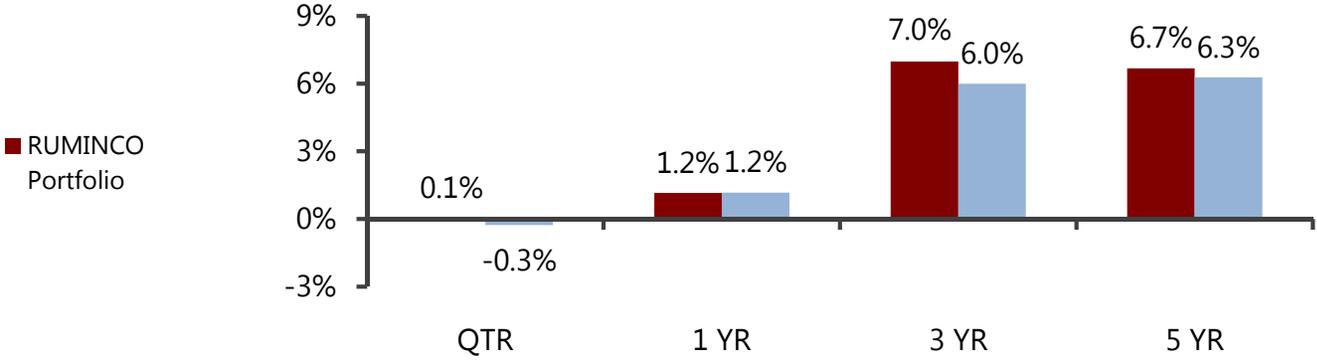
Benchmark: 60% MSCI ACWI, 30% Barclays Aggregate Bond, 10% BofAML US Treasuries 1-3 year



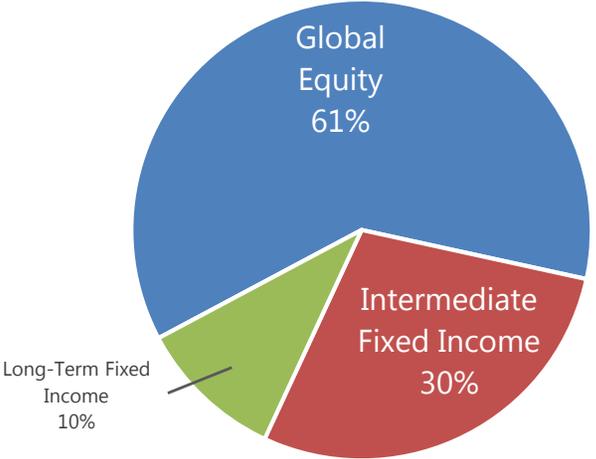
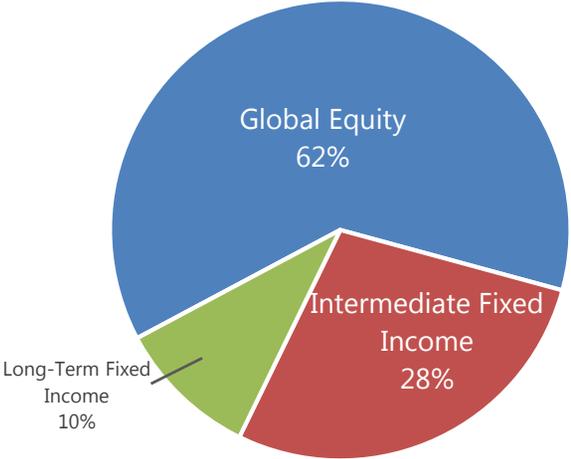
# RUMINCO Review

# RUMINCO Portfolio

Market Value: \$39.6M



Benchmark: 60% MSCI ACWI, 30% Barclays Aggregate Bond, 10% BofAML US Treasuries 1-3 year



# FY 2015 Investment Manager Changes

## New Managers:

- JP Morgan Absolute Return
- Monashees
- Hamilton Lane Distribution Management
- TI Platform
- Stone Arch Capital

## Terminated Managers:

- none

# Targeted Investment Managers

The University and the Office of Investments & Banking (OIB) recognizes the opportunity of working with targeted investment managers which are defined as emerging investment managers (less than \$250 million under management) and minority / women owned investment firms.

The OIB has an open door policy when interviewing investment managers and makes every effort to consider targeted managers consistent with the financial and fiduciary responsibilities of the University.

**In the last year, OIB held initial meetings or preliminary due diligence sessions with 22 targeted managers, of which 5 were hired:**

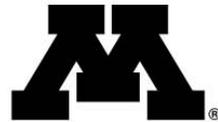
- Rally Ventures
- Trusted Insight
- Monashees Capital
- Stone Arch Capital
- Ignition Ventures

# Social Responsibility

The Regents Policy, Endowment Fund, establishes an investment management guideline which states "The University shall consider social responsibility in its investment decisions."

The Office of Investments & Banking (OIB) recognizes that investments which are socially responsible, including those that support a healthy environment, energy conservation, and prudent use of natural resources can also meet the financial and fiduciary requirements for the fund.

In the past year OIB evaluated 5 investment managers/funds meeting these criteria. In June 2015, the University invested \$50 million in the iShares MSCI ACWI Low Carbon Target ETF, which significantly reduces exposure to public companies with high carbon emissions and reserves.



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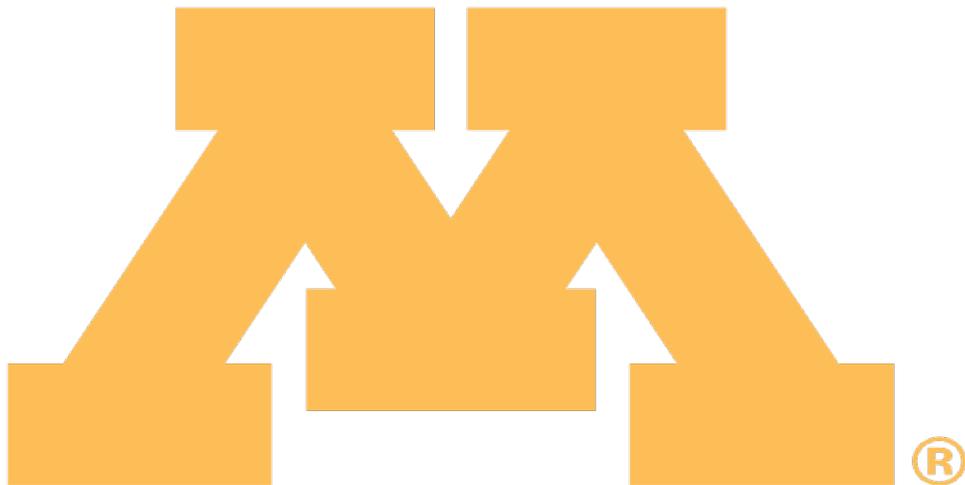


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*Meeting of the Board of Regents*



*Quarterly Report of Grant/Contract Activity*

Fiscal Year 2015

Fourth Quarter Data: April - June, 2015

**University of Minnesota**  
**Quarterly Report of Grant and Contract Activity**  
 Fiscal Year 2015 Fourth Quarter: April - June, 2015

**Quarter 4 Summary**

**Key Findings**

**\*Number of awards and total award amount are down** from Q4 last year. The average award amount is \$153K versus \$157K this quarter last year.

**\*NIH funding decreased fourth quarter** largely due to awards to Jim Neaton of *School of Public Health*. He received \$28M from NIH in FY2014 for his HIV study compared with \$664K in FY2015. A significant new NIH award is expected on this project in September (\$20M+). NIH awards to *Medical School* are down 9% (\$2.8M), *CFANS* down 72.1% (\$1.7M), *CBS* down 42.5% (\$1M), *Other Health Sciences* 21.9% (\$3.5M) as well.

**\*Other Federal is up 114.8% (\$21.1M)** due to the USAID award to *Veterinary Medicine* which results in the 210.3% (\$20.6M) increase in *Dentistry, Nursing, Pharmacy & Vet Med*.

**\*B&I funding is up 63.7% (\$7.2M)** due to two large awards to Richard Bianco and Jianping Wang.

**\*State of Minnesota is down 44.2% (\$7.2M)** due to receipt of an LCMR award totaling \$8.7M to *CFANS* during Q4 FY2014 without similar activity this quarter.

**Award Highlights**

**\*"One Health Workforce (OHW) Project"** awarded to John Deen in *Veterinary Medicine* by USAID for \$20M.

**\*"A Preclinical Feasibility Study to Evaluate Novel Polymer Aortic and Mitral Valves in the Sheep Model"** awarded to Richard Bianco of the *Medical School* for \$4.3M by W.L. GORE & ASSOCIATES, INC. (B&I)

**\*"C-SPIN: Center for Spintronic Materials, Interfaces and Novel Architectures"** awarded to Jianping Wang of *CSE* for \$2.9M by Microelectronics Advanced Research Co. (B&I).

**\*VP for Research is up 136%** this quarter having received more awards over \$500K including two over \$1M (*NIH* and *USDOT*) and one totaling \$2M (*NSF*).

**Comparison of FY15 Q4 to FY14 Q4**

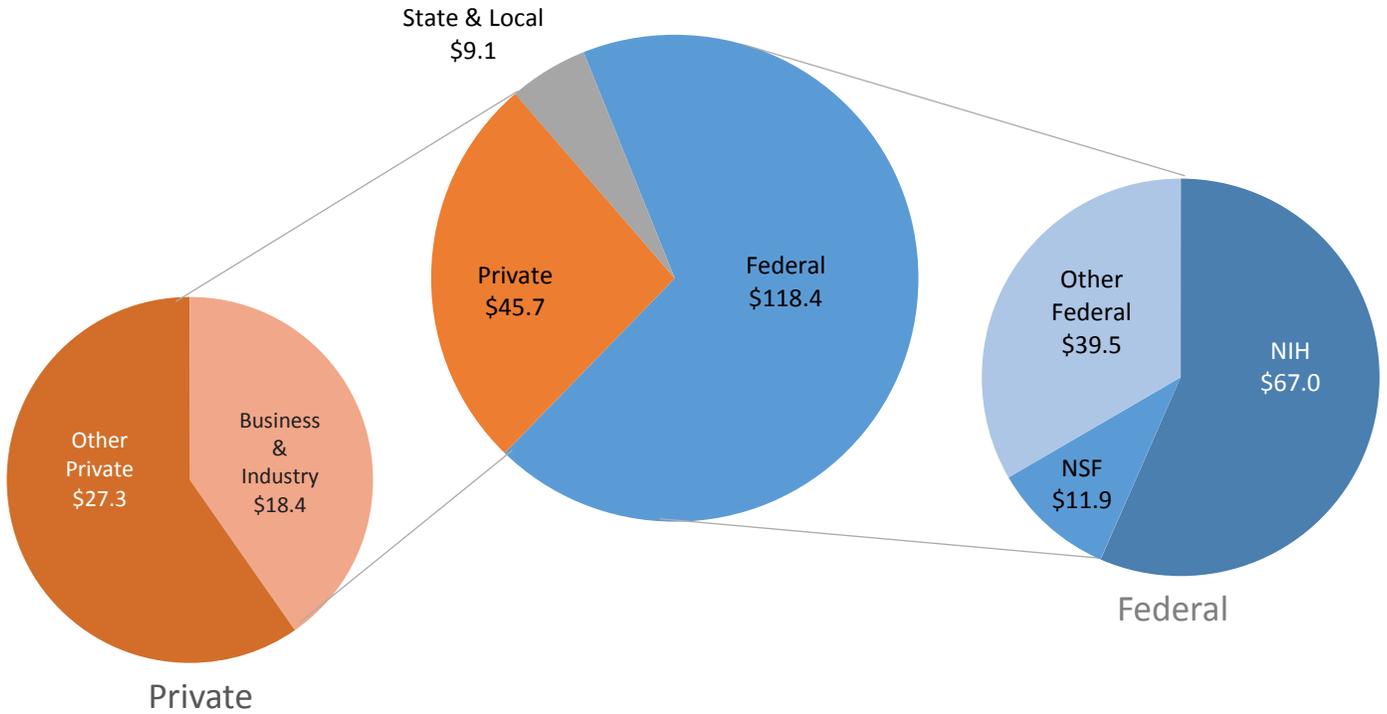
(Amounts shown in Millions)

by Source		FY14 Q4		FY15 Q4		\$ Change (Amount)		\$ Change (%)	
Sponsor Group	Sponsor	Number	Amount	Number	Amount				
Federal	NIH	225	102.7	174	67.0		-35.7		-34.8%
Federal	NSF	104	15.7	69	11.9		-3.8		-24.3%
Federal	Other Federal	112	18.4	100	39.5		21.1		114.8%
Private	Business & Industry	332	11.2	320	18.4		7.2		63.7%
Private	Other Private	385	33.5	360	27.3		-6.2		-18.6%
State & Local	State & Local	101	16.3	108	9.1		-7.2		-44.2%
<b>Total</b>		<b>1259</b>	<b>197.8</b>	<b>1131</b>	<b>173.1</b>		<b>-24.7</b>		<b>-12.5%</b>

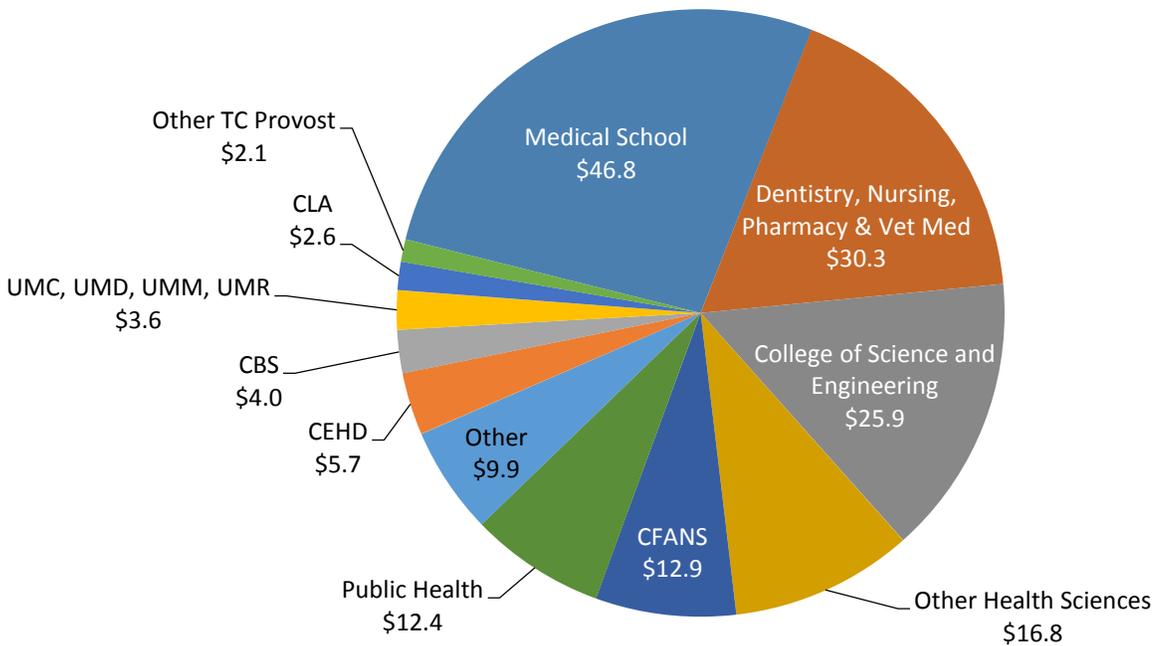
by College-Campus	Number	Amount	Number	Amount				
Medical School	417	45.4	383	46.8		1.5		3.2%
College of Science and Engineering	201	30.8	156	25.9		-4.9		-16.0%
Other	38	5.1	40	9.9		4.8		95.9%
Public Health	52	42.3	47	12.4		-29.9		-70.6%
CFANS	159	20.9	167	12.9		-8.0		-38.2%
Other Health Sciences	113	20.0	130	16.8		-3.2		-16.0%
CBS	49	5.2	27	4.0		-1.2		-23.5%
Dentistry, Nursing, Pharmacy & Vet Med	68	9.8	66	30.3		20.6		210.3%
CEHD	44	7.2	37	5.7		-1.4		-20.0%
Other TC Provost	40	3.0	25	2.1		-0.9		-30.1%
UMC, UMD, UMM, UMR	55	5.4	34	3.6		-1.8		-33.1%
CLA	23	2.8	19	2.6		-0.2		-8.5%
<b>Total</b>	<b>1259</b>	<b>197.8</b>	<b>1131</b>	<b>173.1</b>		<b>-24.7</b>		<b>-12.5%</b>

**University of Minnesota**  
**Quarterly Report of Grant and Contract Activity**  
 Fiscal Year 2015 Fourth Quarter: April - June, 2015

**Figure 1: FY15 Q4 Award Dollars by Funding Source**  
 (in millions)

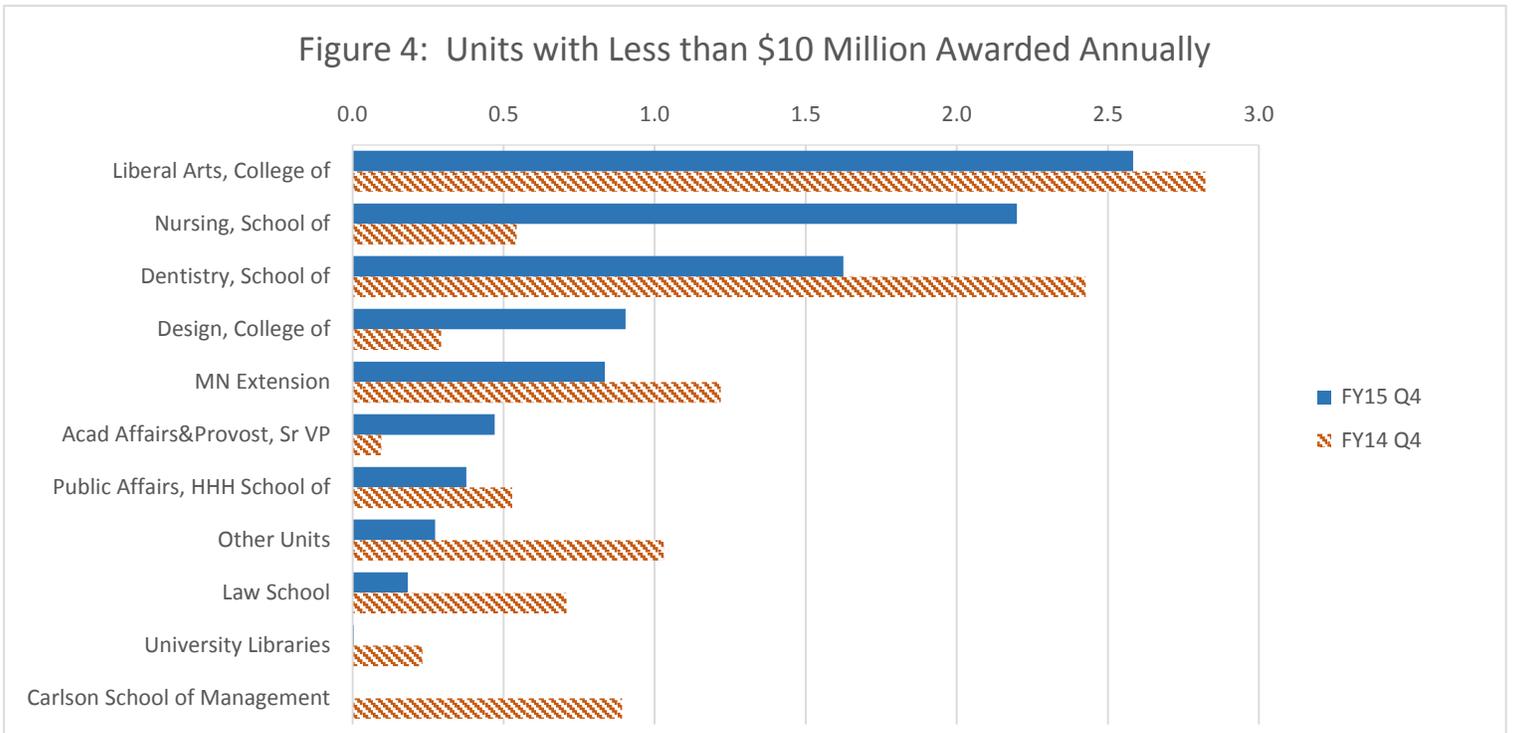
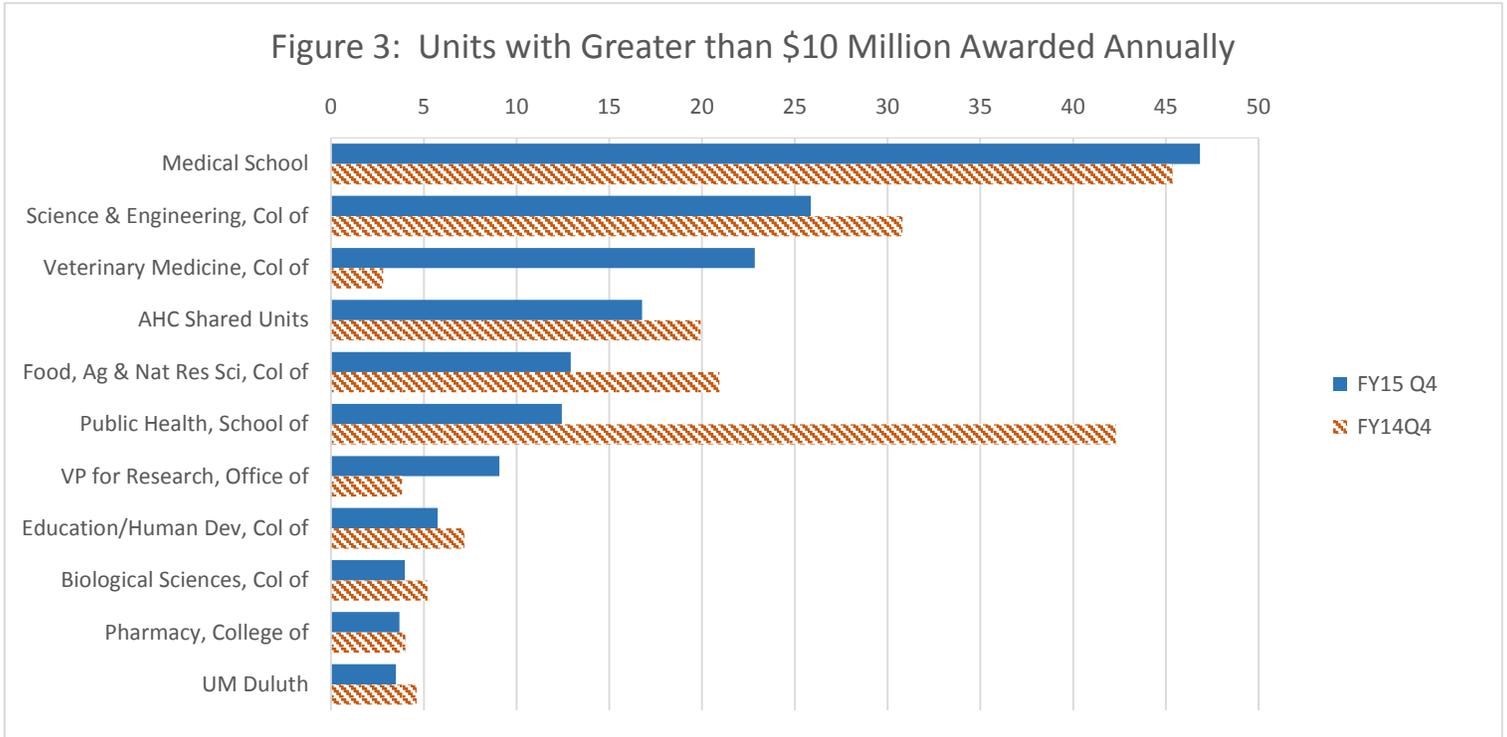


**Figure 2: FY15 Q4 Award Dollars by College-Campus**  
 (in millions)



**University of Minnesota**  
**Quarterly Report of Grant and Contract Activity**  
 Fiscal Year 2015 Fourth Quarter: April - June, 2015

**Quarter 4 Award Dollars by College-Campus**



\*Other Units includes: College of Continuing Education, Global Programs & Strategy, Health Sciences Administration, Office of Information Technology, VP for Student Affairs, The Graduate School, UMN-Crookston, UMN-Morris, UMN-Rochester.

**University of Minnesota**  
**Quarterly Report of Grant and Contract Activity**  
 Fiscal Year 2015 Fourth Quarter: April - June, 2015

**Fiscal Year-to-Date Summary**

**Key Findings**

- \***Fiscal year 2015 award activity is up 1.8% for a total of \$13M for the year.** The average FY2015 award amount is \$165K versus \$157K last year.
- \***Similar to earlier quarters, NIH funding is down which affects the Medical School and School of Public Health most significantly.** The institution received 219 fewer *NIH* awards which equates to a \$67M drop in overall funding although \$20M+ in delayed funding is expected to Jim Neaton for his HIV study. Increases in awards from other sponsors compensated for this drop. Both these trends align with FY2014 proposal activity: *NIH* proposals were down 15 percent mirroring the drop in FY2015 awards; FY2014 proposals were up to *B&I, DOD, NASA, NSF, USDA* sponsors mirroring increased FY2015 funding from those sponsor groups.
- \***There was a notable increase in NSF funding.** There were 17 \$1M+ NSF awards this year compared with 13 in FY2014.
- \***Funding is up from Other Federal sponsors due to receipt of a \$27.9M award to John Deen in Veterinary Medicine.**
- \***B&I funding is up significantly with 13 \$1M+ awards totaling \$39M in FY2015 compared with 6 totaling \$16.4M last year.** FY2015 awards span 7 colleges: *AHC Shared Units, College of Education and Human Development, Medical School, College of Science and Engineering, Public Health, CFANS,* and *CEHD.*
- \***The large increase in State & Local funding** is due to two large (\$8M each) awards to the "Minnesota Supplemental Nutrition Assistance Program" (Shirer) in FY2015. The additional difference is largely explained by two large grants to *AHC Shared Units*.
- \***UM Duluth is up due to a \$3.2M NSF award to John Goodge** for his project "Collaborative Research: Phase 2 Development of a rapid access ice drilling (RAID) platform for research in Antarctica."

**Comparison of FY15 Fiscal Year-to-Date (Q4) to FY14 Fiscal Year-to-Date (Q4)**  
 (Amounts shown in Millions)

by Source		FY14 YTD		FY15 YTD		\$ Change (Amount)	\$ Change (%)
Sponsor Group	Sponsor	Number	Dollars	Number	Dollars		
Federal	NIH	802	287.3	583	219.8	-67.6	-23.5%
Federal	NSF	339	79.0	306	92.3	13.3	16.8%
Federal	Other Federal	524	123.8	528	151.0	27.3	22.0%
Private	Business & Industry	1190	55.2	1239	78.0	22.8	41.3%
Private	Other Private	1467	130.6	1497	133.1	2.6	2.0%
State & Local	State & Local	378	64.6	421	79.3	14.7	22.7%
<b>Total</b>		<b>4700</b>	<b>740.6</b>	<b>4574</b>	<b>753.6</b>	<b>13.0</b>	<b>1.8%</b>

by College-Campus							
Medical School		1784	201.4	1592	194.5	-6.9	-3.4%
College of Science and Engineering		731	140.2	688	141.9	1.7	1.2%
Other Health Sciences		337	64.3	435	71.2	6.8	10.6%
Public Health		225	94.5	225	65.1	-29.4	-31.2%
CFANS		463	56.2	503	58.6	2.4	4.3%
CEHD		166	44.8	194	42.2	-2.6	-5.7%
Other		152	32.7	177	48.0	15.3	46.8%
Dentistry, Nursing, Pharmacy & Vet Med		270	38.0	273	62.3	24.2	63.7%
UMC, UMD, UMM, UMR		190	16.1	164	19.1	3.0	18.4%
CBS		135	21.2	93	21.2	0.0	0.1%
Other TC Provost		150	19.2	134	18.6	-0.6	-2.9%
CLA		97	12.0	96	11.0	-1.0	-8.2%
<b>Total</b>		<b>4700</b>	<b>740.6</b>	<b>4574</b>	<b>753.6</b>	<b>13.0</b>	<b>1.8%</b>

**University of Minnesota**  
**Quarterly Report of Grant and Contract Activity**  
 Fiscal Year 2015 Fourth Quarter: April - June, 2015

**Quarter 4 Award Dollars with ARRA**  
 (in millions)

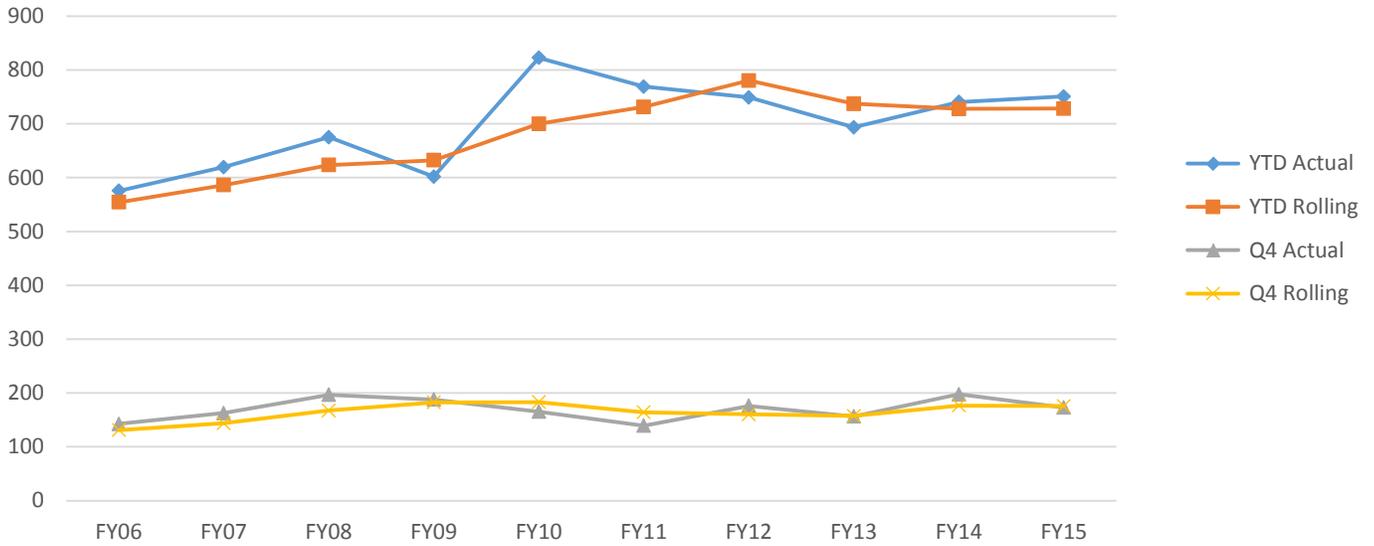


Figure 5: 10-year trend of fourth quarter award dollars.  
 Showing actual amount and rolling 3-year average.  
 Includes ARRA awards.

**Quarter 4 Award Dollars without ARRA**  
 (in millions)

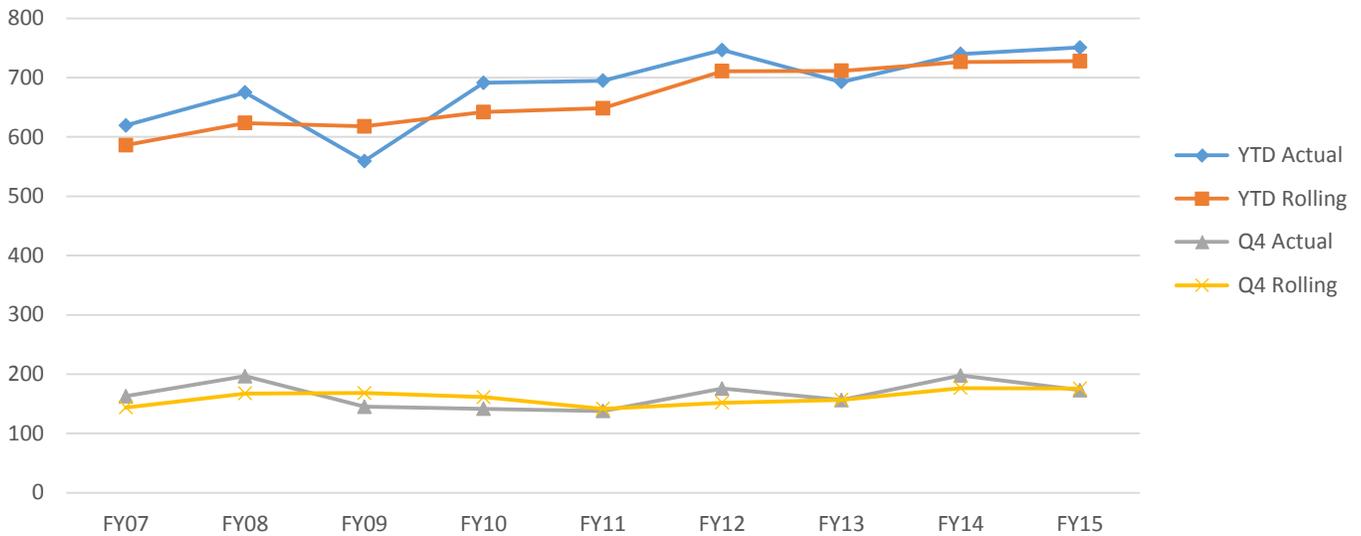


Figure 6: 10-year trend of fourth quarter award dollars.  
 Showing actual amount and rolling 3-year average.  
 Excludes ARRA awards.



# BOARD OF REGENTS DOCKET ITEM SUMMARY

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**Board of Regents**

**September 11, 2015**

**AGENDA ITEM:** Consent Report

**Review**

**Review + Action**

**Action**

**Discussion**

*This is a report required by Board policy.*

**PRESENTERS:** President Eric W. Kaler

## **PURPOSE & KEY POINTS**

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

Items for consideration:

### **A. Gifts**

The President recommends approval of the Summary Report of Gifts to the University of Minnesota through July 31, 2015 (attached).

### **B. Summary of Expenditures**

The President recommends approval of the Summary of Expenditures Report (attached).

## **PRESIDENT'S RECOMMENDATION**

The President recommends approval of the Consent Report.

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

September 2015 Regents Meeting

	June		Year-to-Date	
	2015	2014	07/01/14 06/30/15	07/01/13 06/30/14
<b>U of M Gift Receiving</b>	\$ 158,736	\$ 76,943	\$ 13,135,360	\$ 8,528,488
<b>4-H Foundation</b>	74,629	69,078	1,309,868	558,120
<b>Arboretum Foundation</b>	812,333	2,030,033	8,058,929	18,872,832
<b>Univ of MN Foundation</b>	29,966,001	35,718,898	328,342,666	253,937,286
<b>Total Gift Activity</b>	<b>\$ 31,011,699</b>	<b>\$ 37,894,952</b>	<b>\$350,846,823</b>	<b>\$ 281,896,726</b>

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

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

## Gifts to benefit the University of Minnesota

### Gifts received in June 2015

<u>Donor</u>	<u>Rec'd by</u>	<u>Gift/Pledge</u>	<u>Purpose of gift</u>
<b><u>\$1 Million and Over</u></b>			
The Curtis L. Carlson Family Foundation	UMF	Pledge	Carlson School of Management
William G. Van Dyke Estate	UMF	Gift	Carlson School of Management
Childrens Cancer Research Fund	UMF	Gift	Academic Health Center
Hormel Foundation	UMF	Gift	Hormel Institute
<b><u>\$500,000 - \$1,000,000</u></b>			
Kenneth R. Talle	UMF	Pledge	College of Liberal Arts
Ardice L. Hanson Estate	UMF	Gift	University of Minnesota Duluth
David A. Goldberg	UMF	Pledge	University of Minnesota Duluth
Holiday Companies	UMF	Pledge	Intercollegiate Athletics
<b><u>\$250,000 - \$500,000</u></b>			
Hill's Pet Nutrition Inc.	UMF	Gift	College of Veterinary Medicine
Dr. Wayland E. Noland	UMF	Gift	College of Science and Engineering
3M Foundation	UMF	Gift/Pledge	Various Colleges
Frances R. LeClair Estate	UMF	Gift	College of Veterinary Medicine
<b><u>\$100,000 - \$250,000</u></b>			
Esri	UMF	Gift	College of Design
Grace B. Wells Estate	UMF	Gift	Scholarships
Scrooby Foundation	UM	Gift	Minnesota Landscape Arboretum
Institute for Basic and Applied Research in Surgery	UMF	Pledge	Medical School
Medica	UMF	Gift	Office of Economic Development
Coleman Family Foundation Inc.	UMF	Gift	College of Science and Engineering
Minnesota Crop Improvement Association	UMF	Gift	College of Food, Agricultural and Natural Resource Sciences
The McKnight Foundation	UMF	Gift	University of Minnesota Extension, Institute on the Environment
3M Co.	UMF	Gift	School of Dentistry, Medical School
Dorsey and Whitney Foundation	UMF	Pledge	Law School
Anonymous	UMF	Gift	College of Biological Sciences
Bruce A. Richard	UMF	Pledge	Carlson School of Management
Dr. Lynn Y. S. Lin	UMF	Pledge	College of Liberal Arts
Helen D. Harris	UMF	Gift	Academic Health Center

**\$100,000 - \$250,000**

Rogue Foundation-Signature Fund the Mpls Foundation	UMF	Gift	Academic Health Center, College of Veterinary Medicine, Intercollegiate Athletics
Starkey Hearing Foundation	UMF	Gift	Medical School
United Health Foundation	UMF	Gift	Humphrey School of Public Affairs
WM Foundation	UMF	Gift	College of Veterinary Medicine

**\$50,000 - \$100,000**

Edelstein Family Foundation	UMF	Gift	College of Liberal Arts
Mitchell J. Rosenholtz Estate	UMF	Gift	Medicine and Health
Paul and Patricia Guehler Fund-Fidelity Charitable Fund	UMF	Gift	College of Science and Engineering
Robert B. Henton Residuary Trust	UMF	Gift	College of Food, Agricultural and Natural Resource Sciences
Duane W. Long Estate	UMF	Gift	University of Minnesota Duluth
Elanco Animal Health	UMF	Pledge	College of Veterinary Medicine
Lake Minnetonka Garden Club	UM	Gift	Minnesota Landscape Arboretum
Ames Construction Inc.	UMF	Gift	Intercollegiate Athletics
Gary J. and Patricia K. Ray	UMF	Gift	Hormel Institute
Dr. Gerald W. Timm	UMF	Gift	Medical School
Dr. Sara J. Shumway	UMF	Pledge	Medical School
Fahning Heritage Fund	UMF	Gift	Academic Health Center
Honeywell International Inc.	UMF	Gift	College of Science and Engineering
Jabil Circuit Inc.	UMF	Gift	College of Science and Engineering
Michael W. Yost	UMF	Gift	College of Food, Agricultural and Natural Resource Sciences
Seiberlich Family Foundation	UMF	Gift	Medical School
Starkey Hearing Technologies Inc.	UMF	Gift	Medical School
Target Foundation	UMF	Gift	Weisman Art Museum
The Delta Air Lines Foundation	UMF	Gift	Humphrey School of Public Affairs
Upsher-Smith Laboratories Inc.	UMF	Gift	College of Science and Engineering

**\$25,000 - \$50,000**

Cardinal Health Foundation	UMF	Gift	College of Pharmacy
Johnson Brothers Liquor Co.	UMF	Gift	Intercollegiate Athletics
Syngenta Crop Protection LLC	UMF	Gift	College of Food, Agricultural and Natural Resource Sciences
Target Corp.	UMF	Gift	Carlson School of Management, Scholarships
General Mills Inc.	UMF	Gift	Intercollegiate Athletics, College of Food, Agricultural and Natural Resource Sciences
Adopt A Room Foundation	UMF	Gift	Academic Health Center

**\$25,000 - \$50,000**

Dr. Louis F. Lawrence Estate	UMF	Gift	College of Veterinary Medicine
Dr. Narinder K. Dhir Estate	UMF	Gift	College of Food, Agricultural and Natural Resource Sciences
Boston Scientific Corp.	UMF	Gift	College of Science and Engineering
John R. and Diane Houle	UMF	Gift	Carlson School of Management
Kraft Foods Group	UMF	Gift	College of Food, Agricultural and Natural Resource Sciences
Marie H. Ankeny Legacy Fund-Mpls Foundation	UM	Gift	Minnesota Landscape Arboretum
ERJ Dining	UM	Gift	Academic Health Center
Anonymous	UMF	Gift	College of Food, Agricultural and Natural Resource Sciences
Harold V. Pedersen	UMF	Gift	Medical School
Olga B. Hart Education Foundation	UMF	Gift	Intercollegiate Athletics
Arvid Olson Estate	UMF	Gift	Medical School
H. B. Fuller Co. Foundation	UMF/UM	Gift	Carlson School of Management, Minnesota Landscape Arboretum, Bell Museum of Natural History
Andersen Family Foundation	UMF	Pledge	Intercollegiate Athletics
Anonymous	UMF	Gift	College of Liberal Arts
Friends United for Juvenile Diabetes	UMF	Gift	Medical School
Kima Private Foundation	UM	Gift	Minnesota Landscape Arboretum
Otto Bremer Foundation	UMF	Gift	Academic Health Center
Minnesota Section-Institute of Food Technologists	UMF	Gift	College of Food, Agricultural and Natural Resource Sciences
Steel King Industries Inc.	UM	Gift	Weisman Art Museum
Marguerite H. Ylvisaker	UMF	Gift	College of Liberal Arts
Anne N. Kersey	UMF	Gift	Academic Health Center
Sarah J. and Todd A. Salava	UMF	Gift	Academic Health Center
Alport Syndrome Foundation Inc.	UMF	Gift	Medical School
Eric and Karen Kaler	UMF	Gift	College of Science and Engineering
J. and S. Haugo Living Endowed Fund-ELCA	UMF	Gift	College of Education and Human Development
Jerry and Lisa O'Brien Family Fund-MN Community Foundation	UMF	Gift	Weisman Art Museum
John and Sharon Haugo Donor Advised Fund II	UMF	Gift	Medical School
Lois A. Rood Estate	UMF	Gift	University of Minnesota Foundation
Mary Ann Bower	UMF	Gift	College of Science and Engineering
The Markowitz Family Philanthropic Fund	UMF	Gift	College of Education and Human Development
UnitedHealth Group Inc.	UMF	Gift	Carlson School of Management

**\$25,000 - \$50,000**

William Daley/Bernadette Keller Gift Fund UMF Gift Humphrey School of Public Affairs

**\$10,000 - \$25,000**

Cheminova Inc. UMF Gift College of Food, Agricultural and Natural Resource Sciences

Robertet Flavors Inc. UMF Gift College of Food, Agricultural and Natural Resource Sciences

Nicholson Family Foundation UMF Gift University of Minnesota Duluth

Alfred W. Erickson Foundation UMF Gift Medical School

Charlotte G. Westberg Estate UMF Gift Carlson School of Management, College of Liberal Arts

Lillian Wright and C. Emil Berglund Foundation UMF Gift Bell Museum of Natural History

Minnesota Turf and Grounds Foundation UMF Gift College of Food, Agricultural and Natural Resource Sciences

R. and J. Rubin Fund-Bessemer National Gift Fund UMF Gift Humphrey School of Public Affairs

Rob and Barb Schaller Charitable Fund of Fidelity UMF/UM Gift College of Science and Engineering, Minnesota Landscape Arboretum

American Bar Association UMF Gift University of Minnesota Foundation

Julia L. Pettibone Estate UMF Gift College of Education and Human Development

H. William and Judy Walter UMF Gift Carlson School of Management

Twin Town Trading UMF Gift Intercollegiate Athletics

Joan K. Bartz UM Gift Minnesota Landscape Arboretum

Blythe A. Brenden UMF Gift Medical School

Elizabeth C. Wagner Trust UMF Gift Scholarships

John S. Anderson UMF Gift Intercollegiate Athletics

Dr. Rusdu Saracoglu UMF Gift College of Liberal Arts

Mark and Muriel Wexler Foundation UMF Gift College of Liberal Arts

Mary L. Aufderheide UMF Gift University of Minnesota Duluth

Michael G. Seyfer UMF Pledge University of Minnesota Duluth

McCauley-Brown Fund-Community Foundation Sarasota County UMF Gift Academic Health Center

Patrick D. Wenning UMF Gift Intercollegiate Athletics

Cargill Inc. UMF Gift/Pledge Various Colleges

Hugh J. Andersen Foundation UMF Gift College of Veterinary Medicine

Ion Corp. UMF Gift Intercollegiate Athletics

Cummins NPower LLC UMF Gift Intercollegiate Athletics

Bruce B. Dayton Revocable Trust UMF Gift Center for Spirituality and Healing

Michael C. Nowakowski UMF Gift Intercollegiate Athletics

**\$10,000 - \$25,000**

Edith W. and Robert Jones Endowmnt Fund- Mpls Foundation	UMF	Gift	College of Biological Sciences
Mozo-Grau	UMF	Gift	School of Dentistry
Mary Kay Cosmetics	UM	Gift	Academic Health Center
Genz-Ryan Plumbing and Heating Co.	UMF	Gift	Intercollegiate Athletics
Justin Carroll	UMF	Gift	Intercollegiate Athletics
James M. Bye	UMF	Pledge	University of Minnesota Duluth
ETH Zurich	UMF	Gift	Graduate School
Albert and Anne Mansfield Foundation	UMF	Gift	Law School
Dr. Eldore B. Nash	UMF	Gift	Medical School
Gary W. Temte	UMF	Gift	Intercollegiate Athletics
Arthur A. and Judy C. Anderson	UMF	Gift	Carlson School of Management
Blythe Brenden-Mann Foundation	UMF	Gift	Medical School
Thomson Reuters	UMF	Gift	Humphrey School of Public Affairs
Stacy Weidner	UM	Gift	College of Liberal Arts
Cynthia M. Page	UM	Gift	Minnesota Landscape Arboretum
PriceWaterhouseCoopers LLP	UMF	Gift	Carlson School of Management
RBC Wealth Management	UM	Gift	Minnesota Landscape Arboretum
James E. Rufener Estate	UM	Gift	4H Foundation
A. Hubbard and G. Kehoe Fund-MN Community Foundation	UMF	Gift	College of Food, Agricultural and Natural Resource Sciences
Alvan L. Schrader	UMF	Gift	Intercollegiate Athletics
Caroline Amplatz Giving LLC	UMF	Gift	College of Liberal Arts
CHS Foundation	UMF	Gift	College of Food, Agricultural and Natural Resource Sciences
Delta Air Lines Inc.	UMF	Gift	Humphrey School of Public Affairs
Doris M. Moeller	UM	Gift	4H Foundation
Dr. William F. Hueg Jr. and Hella Mears Hueg	UMF	Gift	College of Food, Agricultural and Natural Resource Sciences
Gerson Lehrman Group Inc.	UMF	Gift	Medical School
Gregory P. Joseph	UMF	Gift	Law School
Gus A. Chafoulias	UMF	Gift	Intercollegiate Athletics
John P. Moore	UMF	Gift	Medical School
Kathleen M. Schmidlkofer	UMF	Gift	University of Minnesota Foundation
LG Academy	UMF	Gift	Carlson School of Management
Martha and Donald Farley Jr. Family Fund	UMF	Gift	Student Parent HELP Center
Max Fund-Fidelity Charitable Gift Fund	UMF	Gift	Humphrey School of Public Affairs
Nathan A. and Jennifer J. Laible	UMF	Pledge	Bell Museum of Natural History
Puretein Bioscience LLC	UMF	Gift	College of Veterinary Medicine
Rehael Fund-Roger Hale/Nor Hall-Mpls Foundation	UMF	Gift	Humphrey School of Public Affairs

**\$10,000 - \$25,000**

Rickeman/Murphy Family Fund-Mpls Foundation	UM	Gift	Minnesota Landscape Arboretum
Roman Fund-Fidelity Charitable Gift Fund	UMF	Gift	Carlson School of Management
Simon Ka-Wo Wong	UMF	Gift	Scholarships
Slaggie Family Foundation	UMF	Gift	Medical School
The Blake Foundation	UMF	Gift	Carlson School of Management
The Carter Family Foundation	UMF	Gift	University of Minnesota Duluth
UnitedHealthCare	UM	Gift	Minnesota Landscape Arboretum

**\$5,000 - \$10,000**

John K. Lamoreaux Jr.	UMF	Gift	Intercollegiate Athletics
Paul and Elaine Campbell	UMF	Gift	Medical School
Dr. Hugh A. Edmondson Jr.	UM	Gift	Minnesota Landscape Arboretum
Fast Break Club	UMF	Gift	Intercollegiate Athletics
Jane Lonquist	UMF	Gift	College of Pharmacy
Syvilla M. Turbis Estate	UMF	Gift	Medical School, Academic Health Center
Brian Obert	UMF	Gift	Intercollegiate Athletics
Vivid Seats	UMF	Gift	Intercollegiate Athletics
The Orthopedic Center of St Louis	UMF	Gift	Intercollegiate Athletics
Jeffrey G. and Mary S. Scott	UMF	Gift	Carlson School of Management, College of Liberal Arts
Jennifer L. Martin	UM	Gift	University of Minnesota Duluth
Mark Peer	UMF	Gift	Intercollegiate Athletics
The Wine Company	UMF	Gift	Medical School
Mayclin Dental Studio Inc.	UM	Gift	School of Dentistry
Brian Posey	UMF	Gift	Intercollegiate Athletics
Muriel M. Orcutt Estate	UMF	Gift	Libraries
Robert F. Crosby	UMF	Gift	Intercollegiate Athletics
Minnesota Veterinary Medical Foundation	UMF	Gift	College of Veterinary Medicine
Pennsylvania Cystic Fibrosis, Inc.	UMF	Gift	Medical School
Jeannine M. Rivet	UM	Gift	Minnesota Landscape Arboretum
KPMG Foundation	UMF	Pledge	Carlson School of Management
Faegre Baker Daniels Foundation	UMF	Pledge	Law School
Arcanum Alloys Inc.	UMF	Gift	College of Science and Engineering
Dorsey and Whitney LLP	UM	Gift	Minnesota Landscape Arboretum
John C. Goetz	UMF	Gift	Law School
Kelle Co.	UMF	Gift	College of Design
Panasas Inc.	UMF	Gift	MN Supercomputing Institute
Youth Philanthropy Fund-Mpls Foundation	UMF	Gift	Bell Museum of Natural History

**\$5,000 - \$10,000**

Patrick W. Archbold	UMF	Gift	Intercollegiate Athletics
Karen B. Nowakowski	UMF	Gift	Intercollegiate Athletics
Bentson Foundation	UMF	Gift	College of Liberal Arts
Allison A. Cedarholm Estate	UMF	Gift	Academic Health Center, Medical School
Duluth Engineers Club	UMF	Gift	University of Minnesota Duluth
Minnesota Vikings Football LLC	UMF	Gift	Intercollegiate Athletics, Medical School
The Coca-Cola Co.	UMF	Gift	Intercollegiate Athletics
Oppenheimer Wolff and Donnelly LLP	UMF	Pledge	Law School
June L. Cook-Lapidus	UMF	Gift	School of Nursing
The K Foundation	UMF	Gift	Various Colleges
Alkire Family Foundation	UMF/UM	Gift	Minnesota Landscape Arboretum, Medical School
Erin Twohig	UMF	Gift	Intercollegiate Athletics
Lee S. and Dorothy N. Whitson Fund-St. Paul Foundation	UMF	Gift	College of Food, Agricultural and Natural Resource Sciences
Scott A. Harris	UMF	Gift	Medical School
Bailey Nurseries Inc.	UM	Gift	Minnesota Landscape Arboretum
David and Leni Moore Family Foundation-Signature Fund of Mpls Foundation	UMF	Gift	College of Liberal Arts, Northrop
Ryan Colich	UMF	Gift	Intercollegiate Athletics
Kathleen W. Bryant and Jonathan K. Lindfors	UMF	Gift	Academic Health Center
Alton Foundation	UMF	Gift	Medical School, College of Veterinary Medicine
Anonymous	UM	Gift	Minnesota Landscape Arboretum
BioActive Regenerative Therapeutics Inc.	UMF	Gift	College of Veterinary Medicine
Boss Foundation	UM	Gift	Minnesota Landscape Arboretum
Cloverfields Foundation	UMF	Gift	Medical School
Corn Capital Innovations	UM	Gift	4H Foundation
Dellwood Foundation Inc.	UM	Gift	Minnesota Landscape Arboretum, Bell Museum of Natural History, College of Veterinary Medicine
Dr. Stephanie C. Van D'Elden	UMF	Gift	College of Liberal Arts, Libraries, Weisman Art Museum
Minnesota County Engineers Association	UMF	Gift	College of Science and Engineering
Ostara USA LLC	UMF	Gift	College of Food, Agricultural and Natural Resource Sciences

**\$5,000 - \$10,000**

Pioneer Hi-Bred International Inc.	UMF	Gift	College of Food, Agricultural and Natural Resource Sciences
Timothy J. McGrath	UMF	Gift	Intercollegiate Athletics
Victor Landweber	UM	Gift	University of Minnesota Duluth
Mervin N. Kiryluik and Nancy Grossman Kiryluik	UMF	Pledge	University of Minnesota Duluth
Anonymous	UMF	Gift	Intercollegiate Athletics
Carol Lamb Berg Estate	UMF	Gift	University of Minnesota Morris
Harvey B. Mackay	UMF	Gift	Intercollegiate Athletics
World Class Wines	UMF	Gift	Medical School
Frederick and Eleanor Winston CLAT	UM	Gift	Minnesota Landscape Arboretum
Anthony Tortorice	UMF	Gift	Intercollegiate Athletics
Royal D. and Karen Alworth	UMF	Gift	University of Minnesota Duluth
Chris H. Jewett	UMF	Gift	Intercollegiate Athletics
General Mills Foundation	UMF	Pledge	Various Colleges
Camille M. Tuite	UMF	Gift	Medical School
Albert L. Roy	UMF	Gift	University of Minnesota Duluth
Allan C. Tappe	UMF	Gift	Intercollegiate Athletics
Allina Health System	UMF	Gift	Medical School
Alvaro Alonso	UMF	Gift	School of Public Health
American Crystal Sugar Co.	UM	Gift	4H Foundation
Anonymous	UMF	Gift	Medical School
Anonymous	UMF	Gift	College of Food, Agricultural and Natural Resource Sciences
Art and Martha Kaemmer Fund-HRK Foundation	UMF	Gift	Weisman Art Museum
Bradley J. and Beth L. Martinson	UMF	Gift	Medical School
C. H. Robinson International Inc.	UMF	Gift	Medical School
Chorzempa Family Foundation	UM	Gift	Minnesota Landscape Arboretum
CoBank	UM	Gift	4H Foundation
ConocoPhillips Co.	UMF	Pledge	College of Science and Engineering
Daniel A. Whalen	UMF	Gift	Humphrey School of Public Affairs
Darryl Curran	UM	Gift	University of Minnesota Duluth
Deluxe Corp.	UMF	Gift	College of Veterinary Medicine
Dougherty and Co. LLC	UMF	Gift	Medical School
Dr. Charles C. Mosher	UMF	Gift	College of Science and Engineering
Dr. Edgar L. Turcotte	UMF	Gift	University of Minnesota Duluth
Dr. George M. Logan	UMF	Gift	Medical School
Dr. Leonard V. and Evangeline M. Ackermann	UMF	Gift	School of Dentistry
Dr. Lois A. Anselment	UM	Gift	Minnesota Landscape Arboretum
Dr. Neil Cannon	UMF	Pledge	Medical School
Dr. Thomas H. Stone	UMF	Gift	College of Liberal Arts

**\$5,000 - \$10,000**

Dr. Thomas Hakala	UMF	Gift	Medical School
Dwight W. and Georgia E. Day	UMF	Gift	University of Minnesota Crookston
Fairview Health Services	UMF	Gift	Medical School
George C. and Sylvia A. Roman	UMF	Gift	College of Food, Agricultural and Natural Resource Sciences
JBS United Inc.	UMF	Gift	College of Food, Agricultural and Natural Resource Sciences
Jeffrey M. and Jennifer E. Dickman	UMF	Pledge	Carlson School of Management
Joanne L. Blatt	UMF	Gift	College of Science and Engineering
Jon and Susan Campbell	UM	Pledge	Minnesota Landscape Arboretum
Kaplan Strangis and Kaplan PA	UMF	Gift	Law School
Kjell Bergh	UMF	Gift	Humphrey School of Public Affairs
Mark E. Johnson Agency	UM	Gift	4H Foundation
NCGS Inc.	UMF	Gift	Office of Economic Development
North Highland	UMF	Gift	Office of Economic Development
Northern Canola Growers Association	UMF	Gift	College of Food, Agricultural and Natural Resource Sciences
P. S. Poehler and W. E. Stremel Charitable Trust	UM	Gift	Minnesota Landscape Arboretum
Patricia A. Erlandson Fund-Fidelity Gift Fund	UMF	Gift	Medical School
Pete and Margie Ankeny Fund of The Mpls Fdn	UM	Gift	Minnesota Landscape Arboretum
Quality Pork Processors Inc.	UMF	Gift	Hormel Institute
Robert D. Mussey Estate	UMF	Gift	Unrestricted
Ross and Bridget Levin Charitable Gift Fund-Mpls Foundation	UM	Gift	Minnesota Landscape Arboretum
St. Jude Medical Foundation	UMF	Gift	Medical School
Stephen Duncan	UMF	Gift	Medical School
Stinson Leonard Street LLP	UMF	Gift	Medical School
Susan Erickson Ash	UM	Gift	Libraries
Susan J. Forstrom	UMF	Gift	School of Nursing
The CAG Foundation	UMF	Gift	University of Minnesota Duluth
Thomas E. and Dorothy J. Ferguson	UMF	Pledge	University of Minnesota Duluth
Thomas L. Hanson	UMF	Gift/Pledge	College of Liberal Arts
Valerie K. Doherty	UMF	Gift	Law School

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

**September 2015 Regents Meeting**

	<u>July</u>		<u>Year-to-Date</u>	
	<u>2015</u>	<u>2014</u>	<u>07/01/15 07/31/15</u>	<u>07/01/14 07/31/14</u>
<b>U of M Gift Receiving</b>	\$ 125,904	\$ 20,843	\$ 125,904	\$ 20,843
<b>4-H Foundation</b>	27,828	170,232	27,828	170,232
<b>Arboretum Foundation</b>	3,054,465	331,291	3,054,465	331,291
<b>Univ of MN Foundation</b>	<u>28,234,104</u>	<u>8,726,646</u>	<u>28,234,104</u>	<u>8,726,646</u>
<b>Total Gift Activity</b>	<u><u>\$ 31,442,301</u></u>	<u><u>\$ 9,249,012</u></u>	<u><u>\$ 31,442,301</u></u>	<u><u>\$ 9,249,012</u></u>

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

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

## Gifts to benefit the University of Minnesota

### Gifts received in July 2015

<u>Donor</u>	<u>Rec'd by</u>	<u>Gift/Pledge</u>	<u>Purpose of gift</u>
<b><u>\$1 Million and Over</u></b>			
Richard M. Schulze Family Fdn	UMF	Gift/Pledge	Medical School, Intercollegiate Athletics
Polaris Industries Inc.	UMF	Pledge	Intercollegiate Athletics
<b><u>\$500,000 - \$1,000,000</u></b>			
Herbert M. Hanson Jr. Estate	UMF	Gift	Carlson School of Management
Virginia C. Anderson Estate	UMF	Gift	College of Education and Human Development
Anonymous	UMF	Gift	Medical School
Glen and Alisha Perkins	UMF	Pledge	Intercollegiate Athletics
Gus A. Chafoulas	UMF	Pledge	Intercollegiate Athletics
<b><u>\$250,000 - \$500,000</u></b>			
Regis Foundation for Breast Cancer Research	UMF	Gift	Academic Health Center
Dougherty Family Fdn	UMF	Gift	Medical School
Marian P. Congdon	UMF	Gift	University of Minnesota Duluth
Prospect Creek Fdn	UMF	Gift	Academic Health Center
Dr. Joseph Tashjian and Kay Savik	UM	Pledge	Minnesota Landscape Arboretum
Melrose/Toro Community Fund-Mpls Fdn	UMF	Gift	Carlson School of Management
Richard A. and Rene L. Zona	UMF	Pledge	Medical School
Kenneth E. Hjelm and Andrea Hricko Hjelm	UMF	Pledge	Intercollegiate Athletics
<b><u>\$100,000 - \$250,000</u></b>			
Joseph E. Schwartzberg	UMF	Pledge	Humphrey School of Public Affairs, Global Programs and Strategy Alliance
The Longview Foundation	UMF	Gift	Intercollegiate Athletics
Richard and Helen Swalin Advised Fund-Seattle Fdn	UMF	Gift	College of Science and Engineering
Dr. Norman D. Olson Estate	UMF	Gift	Medical School
3M Co.	UMF	Gift	Various Colleges
William H. Dudley	UMF	Pledge	College of Veterinary Medicine
Dr. Joseph D. Martin Estate	UMF	Gift	Medical School

**\$100,000 - \$250,000**

Millicent Atkins Estate	UMF	Gift	College of Food, Agricultural and Natural Resource Sciences
Beverly N. Grossman	UMF	Pledge	Weisman Art Museum
Doris Duke Charitable Fdn	UMF	Gift	College of Liberal Arts, Libraries
Gopher Sports Properties	UMF	Gift	Intercollegiate Athletics
Dennis D. and Mary L. Erickson	UMF	Gift	University of Minnesota Duluth
Duane L. Ottenstroer Charitable Fund-Community Fdn Inc.	UMF	Gift	Carlson School of Management
R. Carolyn Hunter	UMF	Pledge	College of Food, Agricultural and Natural Resource Sciences

**\$50,000 - \$100,000**

Huawei Technologies	UMF	Gift	College of Science and Engineering
The Mosaic Company	UMF	Gift	Institute on the Environment, College of Food, Agricultural and Natural Resource Sciences
George Family Foundation	UMF	Gift/Pledge	Humphrey School of Public Affairs
Olivers Army Foundation	UMF	Pledge	Medical School
Stryker Instruments	UM	Gift	Medicine and Health
Muriel Whiteside Estate	UMF	Gift	Medical School
Katherine R. Lillehei Charitable Lead Unitrust	UMF	Gift	Medical School, School of Nursing
Integra Life Sciences Sales LLC	UM	Gift	Medical School
Michael P. Wesp Estate	UMF	Gift	Medical School
Muliple District 5M Lions Hearing Fdn Inc.	UMF	Gift	Medical School
Claire K. Hartley Estate	UMF	Gift	Academic Health Center
Hinda and Thomas Litman	UMF	Gift	Academic Health Center, Medical School
John S. Mendesh IV and Judith K. Mendesh	UMF	Gift	Scholarships, College of Science and Engineering
National Sports Center	UMF	Gift	Academic Health Center
Cummins Business Services	UMF	Gift	College of Science and Engineering
Patricia S. Kane	UMF	Gift	School of Nursing, Medical School
Dr. James P. Wire	UMF	Pledge	College of Science and Engineering
BASF Corp.	UMF	Gift	College of Science and Engineering
Becton Dickinson and Company	UMF	Gift	College of Science and Engineering
Dr. David A. Rothenberger	UMF	Pledge	Medical School
Emerson Process Management	UMF	Pledge	College of Science and Engineering
Jack and Patsy Martin	UMF	Pledge	Humphrey School of Public Affairs
Keith F. Mueller	UMF	Pledge	Intercollegiate Athletics
Kitty and David Crosby Restricted Family Fund-Longview Fdn	UMF	Gift	Intercollegiate Athletics

**\$50,000 - \$100,000**

Pentair Inc.	UMF	Gift	Carlson School of Management
The Swaminathan and Garg Fdn	UMF	Pledge	College of Science and Engineering

**\$25,000 - \$50,000**

Lori Morrow	UMF	Gift	Medical School
Ajinomoto Co. Inc.	UMF	Gift	College of Food, Agricultural and Natural Resource Sciences
Alvin S. and June Perlman	UMF	Gift	College of Veterinary Medicine
Precast/Prestressed Concrete Institute	UMF	Gift	College of Science and Engineering
Virginia Johnston Wimmer Charitable Trust	UMF	Gift	College of Liberal Arts
Julia L. Pettibone Estate	UM/UMF	Gift	Minnesota Landscape Arboretum, College of Education and Human Development
Syngenta Crop Protection LLC	UMF	Gift	College of Food, Agricultural and Natural Resource Sciences
George F. Reilly	UMF	Gift	School of Nursing
Hill's Pet Nutrition Inc.	UMF	Gift	College of Veterinary Medicine
Ingersoll-Rand Co.	UMF	Gift	College of Science and Engineering
Katharine E. Dumas	UMF	Gift	University of Minnesota Duluth
CoBank	UMF	Gift	College of Food, Agricultural and Natural Resource Sciences
Edmund P. Peltier	UMF	Gift	Medical School
MN Golf Course Superintendents Assn Inc.	UMF	Gift	College of Food, Agricultural and Natural Resource Sciences
Origination Inc.	UMF	Gift	College of Food, Agricultural and Natural Resource Sciences
Michael J. Gair	UMF	Gift/Pledge	College of Design
UMMC Medical Staff Services	UMF	Gift	Medical School
Ecolab Inc.	UMF	Gift	College of Science and Engineering
Microsoft Corp.	UMF	Gift	College of Science and Engineering
Dr. Gary B. Silberstein	UMF	Gift	College of Biological Sciences
Dr. Gregory J. Beilman	UMF	Pledge	Medical School
LaVerne I. Colness	UMF	Gift	University of Minnesota Duluth
Minnesota Project	UMF	Gift	University of Minnesota Extension
Stratasys Inc.	UMF	Gift	College of Science and Engineering
The Mortenson Family Foundation	UMF	Gift	College of Biological Sciences
University of Minnesota Women's Club	UMF	Gift	Scholarships

**\$10,000 - \$25,000**

Dr. Walter L. and Virginia A. Bailey	UMF	Gift	Medical School
Anonymous	UMF	Gift	Unrestricted
Arvid Olson Estate	UMF	Gift	Medical School
Robert Nygren Fund-Renaissance Charitable Fund Inc.	UMF	Gift	Scholarships
Boston Scientific Corp.	UMF	Gift	Medical School, College of Science and Engineering
Everyday Miracles	UMF	Gift	Center for Urban and Regional Affairs
Graco Foundation	UMF	Gift	College of Science and Engineering
St. Jude Medical Inc.	UMF	Gift	College of Science and Engineering
Winfield Solutions LLC	UMF	Gift	College of Food, Agricultural and Natural Resource Sciences
Network for Good	UMF	Gift	Various Colleges
Medtronic Inc.	UMF	Gift	Medical School, Carlson School of Management
Grace B. Wells Estate	UMF	Gift	Scholarships
MN Annual Conference-United Methodist Church	UMF	Gift	College of Food, Agricultural and Natural Resource Sciences
Target Corp.	UMF	Gift	Multicultural Center for Academic Excellence, Carlson School of Management, College of Pharmacy
Bayer Corp.	UMF	Gift	College of Food, Agricultural and Natural Resource Sciences
Nancy and Warren MacKenzie Fdn	UMF	Gift	Weisman Art Museum, College of Liberal Arts
Syvilla M. Turbis Estate	UMF	Gift	Medical School, Academic Health Center
White Earth Reservation Tribal Council	UMF	Gift	University of Minnesota Duluth
Mathers Hydraulics	UMF	Gift	College of Science and Engineering
Dr. Matthew R. Monsein	UM	Gift	Libraries
Edson W. and Valerie C. Spencer Jr.	UMF	Gift	Humphrey School of Public Affairs
B. M. Sperl and J. B. McCormick	UMF	Gift	Medical School
Anonymous	UMF	Gift	Humphrey School of Public Affairs
Cavendish Farms Inc.	UMF	Gift	College of Food, Agricultural and Natural Resource Sciences
Conklin Co Inc.	UMF	Gift	College of Food, Agricultural and Natural Resource Sciences
Harlan Boss Fdn for the Arts	UMF	Gift	College of Liberal Arts
Institute for Basic and Applied Research in Surgery	UMF	Gift	Medical School
Dow International Finance S.a.r.l	UMF	Gift	College of Food, Agricultural and Natural Resource Sciences
Steven J. Thomas Jr.	UMF	Gift	Scholarships

**\$10,000 - \$25,000**

Center for Computer-Assisted Legal Instruction	UMF	Gift	Law School
Cabot Corp.	UMF	Gift	College of Science and Engineering
Julie Matonich and Robert Bras	UMF	Gift	College of Liberal Arts
Shapiro Family Philanthropic Fdn	UMF	Gift	Medical School
Phyllis L. Dow Estate	UMF	Gift	School of Nursing
Rubicon Mortgage Advisors LLC	UMF	Gift	Medical School
Seagate Techology	UMF	Gift	College of Science and Engineering
Barbara L. Hoese	UMF	Pledge	Intercollegiate Athletics
Yvonne P. Oaks Trust	UMF	Gift	Medical School
Diane K. and Thomas P. Lentz	UMF	Gift	Intercollegiate Athletics
James and Gwendolyn Traficant	UMF	Gift	Medical School
Dr. Seth C. Janus	UMF	Gift	Medical School
Anonymous	UMF	Gift	Scholarships
Central Society For Clinical and Translational Research	UMF	Gift	Medical School
Dennis E. Pederson	UMF	Gift	Medical School
Dorothy M. Thorbeck Estate	UMF	Gift	College of Food, Agricultural and Natural Resource Sciences
Dow AgroSciences LLC	UMF	Gift	College of Food, Agricultural and Natural Resource Sciences
Dr. Christopher E. Sager	UMF	Gift	College of Liberal Arts
Drs Wayne A. and Carol A. Pletcher	UMF	Gift	College of Biological Sciences
IBM Corp.	UMF	Gift	Carlson School of Management
Johnson Charitable Fdn - American Endowment Fdn	UMF	Gift	Humphrey School of Public Affairs
Marc Gilmartin, M.A.	UMF	Gift	Medical School
Pelican Lake Association of Crow Wing County	UMF	Gift	College of Food, Agricultural and Natural Resource Sciences
UnitedHealth Group Inc.	UMF	Gift	Academic Health Center

**\$5,000 - \$10,000**

Allen and Linda Saeks-Signature Fund Mpls Fdn	UMF	Gift	Law School
Charles F. Wiser Jr.	UMF	Gift	Medical School
Eagle Mine LLC	UMF	Gift	University of Minnesota Duluth
Alice B. O'Connor	UMF	Gift	University of Minnesota Duluth
Travelers	UMF	Gift	Carlson School of Management
The James Ford Bell Foundation	UMF	Gift	College of Veterinary Medicine
Institute for Humane Studies	UMF	Gift	University of Minnesota Duluth
Jane T. Adams	UMF	Gift	Intercollegiate Athletics
Diamond Shamrock Corp.	UM	Gift	4H Foundation
Anonymous	UMF	Gift	Academic Health Center
Cargill Inc.	UMF	Gift	Carlson School of Management

**\$5,000 - \$10,000**

Andersen Corp.	UMF	Gift	College of Food, Agricultural and Natural Resource Sciences
Dorsey and Whitney LLP	UM	Gift	Minnesota Landscape Arboretum
ECO Finishing Co.	UMF	Gift	School of Public Health
Genomic Health Inc.	UMF	Gift	Academic Health Center
Kathryn W. Gough	UMF	Gift	College of Liberal Arts
Melanie Walker	UM	Gift	University of Minnesota Duluth
Minnesota Power Foundation	UMF	Gift	University of Minnesota Duluth
Ostara USA LLC	UMF	Gift	College of Food, Agricultural and Natural Resource Sciences
Emerson Electric Co.	UMF	Gift	Intercollegiate Athletics
Mark H. Wingerd	UMF	Gift	Intercollegiate Athletics
Accredited Investors Inc.	UMF	Gift	Center for Spirituality and Healing
Advanced Food Products LLC	UMF	Gift	College of Food, Agricultural and Natural Resource Sciences
Charles J. B. Mitchell Jr.	UMF	Gift	Medical School
CHS Foundation	UMF	Gift	University of Minnesota Crookston
Dr. Brent E. and Cynthia A. Larson	UMF	Gift	School of Dentistry
Dr. David M. Wark	UMF	Gift	Center for Spirituality and Healing
Dr. Fred A. and Ms. Mavis E. Donath	UMF	Gift	College of Science and Engineering
Dr. John E. Larkin Jr. and Ms. Colles B. Larkin	UMF	Gift	Medical School
Dr. Robert D. and Frances J. Leff	UM	Gift	University of Minnesota Duluth
Eric B. Schultz	UMF	Pledge	Law School
H. B. Fuller Co. Fdn	UMF	Gift	College of Education and Human Development
James P. du Bois	UMF	Gift	University of Minnesota Alumni Association
Kaplan Strangis and Kaplan PA	UMF	Gift	Law School
L. W. and C. V. Collins Charitable Fund-Vanguard Charitable	UMF	Gift	College of Pharmacy
Natalie A. and Burton R. Galaway	UMF	Gift	College of Liberal Arts
Norwest Equity Partners	UMF	Gift	Medical School
Seth Elsen and Madeline L. Moyer	UMF	Pledge	University of Minnesota Morris
Theodore C. Johnson	UMF	Gift	College of Design
Theodore V. Galambos	UMF	Gift	College of Science and Engineering
Thomas M. Davidson Jr.	UMF	Gift	College of Veterinary Medicine
Timothy Wong and Jodi Pope	UMF	Pledge	Carlson School of Management
Valeant Pharmaceuticals N A	UMF	Gift	Medical School
Vance K. Opperman	UMF	Gift	College of Liberal Arts
Virginia H. Morris	UMF	Gift	Scholarships
Wells Enterprises Inc.	UMF	Gift	College of Food, Agricultural and Natural Resource Sciences
West Central Initiative	UMF	Gift	Carlson School of Management
Ximedica LLC	UMF	Gift	College of Science and Engineering

UNIVERSITY OF MINNESOTA  
 BOARD OF REGENTS  
 SUMMARY OF EXPENDITURES  
 GENERAL OPERATIONS & MAINTENANCE FUND  
 SIX MONTHS ENDING JUNE 30, 2015

	FY 2015			FY 2014		
	Budgeted Revenues / Expenditures	Actual Revenues / Expenditures	Percentage Expended	Budgeted Revenues / Expenditures	Actual Revenues / Expenditures	Percentage Expended
Beginning Balance (Prior Year Carryforward)	\$ 305,374	\$ 319,047		\$ 291,768	\$ 313,134	
<b><u>Revenues</u></b>						
Total Allocation	\$ 879,537	\$ 879,537		\$ 849,567	\$ 849,567	
Net Transfers	\$ -	\$ -		\$ -	\$ -	
<b>Total Resources</b>	<b>\$ 1,184,911</b>	<b>\$ 1,198,584</b>		<b>\$ 1,141,335</b>	<b>\$ 1,162,701</b>	
<b><u>Expenditures</u></b>						
Salaries	\$ 539,605	\$ 517,486	95.9%	\$ 502,238	\$ 497,970	99.2%
Fringe Benefits	\$ 178,246	\$ 167,928	94.2%	\$ 174,200	\$ 169,961	97.6%
Supplies, Equipment, Board Expenses, etc.	\$ 187,021	\$ 189,722	101.4%	\$ 180,889	\$ 175,744	97.2%
<b>Total Expenditures</b>	<b>\$ 904,872</b>	<b>\$ 875,135</b>	<b>96.7%</b>	<b>\$ 857,327</b>	<b>\$ 843,676</b>	<b>98.4%</b>
<b>Ending Balance</b>	<b>\$ 280,039</b>	<b>\$ 323,449</b>		<b>\$ 284,008</b>	<b>\$ 319,025</b>	

UNIVERSITY OF MINNESOTA  
 PRESIDENT'S OFFICE  
 SUMMARY OF EXPENDITURES  
 GENERAL OPERATIONS AND MAINTENANCE FUND  
 12 MONTHS ENDING JUNE 30TH, 2015  
 (Unaudited)

	<b>CURRENT YEAR</b>		<b>PRIOR YEAR</b>	
	CURRENT BUDGET 2014/2015	REVENUES/ EXPENDITURES YTD 2014/2015	CURRENT BUDGET 2013/2014	REVENUES/ EXPENDITURES YTD 2013/2014
<b>Beginning Balance (Prior Year Carry forward)</b>	\$520,545	\$645,365	\$654,748	\$654,748
<b>Revenues</b>				
Total Year Allocation	\$3,271,893	\$3,271,893	\$3,278,256	\$3,278,256
Transfers In		\$25,217		\$189,322
<b>Total Resources</b>	<u>\$3,792,438</u>	<u>\$3,942,475</u>	<u>\$3,933,004</u>	<u>\$4,122,326</u>
<b>Expenditures</b>				
President's Office Salaries	\$1,681,138	\$1,659,531	\$1,640,247	\$1,631,944
President's Office Fringe Benefits	\$690,019	\$662,688	\$654,796	\$648,958
Supplies, Expense, Equipment Ofc of the President-General Operations	\$135,202	\$127,058	\$173,604	\$159,913
President's Travel&External Relations	\$31,000	\$27,294	\$23,800	\$27,529
Academic/Programmatic Initiatives	\$335,897	\$475,410	\$431,851	\$380,113
University Wide Memberships	\$334,212	\$472,513	\$334,212	\$422,058
Earned retirement benefit payment*				\$175,000
<b>Sub Total Expenditures-President's Ofc</b>	<u>\$3,207,468</u>	<u>\$3,424,494</u>	<u>\$3,258,510</u>	<u>\$3,445,514</u>
Eastcliff Management Office Salaries	\$51,736	\$53,644	\$51,575	\$21,364
Eastcliff Management Office Fringe Benefits	\$10,967	\$9,586	\$11,145	\$4,777
Supplies, Expense, Equipment Eastcliff Management Ofc-General Operations	\$7,904	\$9,293	\$8,299	\$5,307
<b>Sub Total Expenditures-Eastcliff</b>	<u>\$70,607</u>	<u>\$72,523</u>	<u>\$71,019</u>	<u>\$31,447</u>
<b>Total Expenditures</b>	<u>\$3,278,075</u>	<u>\$3,497,017</u>	<u>\$3,329,529</u>	<u>\$3,476,962</u>
<b>Ending Balance</b>	<u><u>\$514,363</u></u>	<u><u>\$445,458</u></u>	<u><u>\$603,475</u></u>	<u><u>\$645,365</u></u>

\*Contractual obligation to Mark Yudof; transferred to OHR

University of Minnesota  
 Facilities Management and President's Office Summary of Expenditures for Eastcliff  
 General Operations and Maintenance Fund  
 12 MONTHS ENDING JUNE 30TH, 2015  
 (unaudited)

	<i>CURRENT YEAR</i>			<i>PRIOR YEAR</i>		
	FM Eastcliff Management 2014/15	Eastcliff event Management 2014/15	TOTAL	FM Eastcliff Management 2013/14	Eastcliff event Management 2013/14	TOTAL
<b>Beginning Balance (Prior Year Carry forward)</b>		\$238,061	\$238,061		\$181,662	\$181,662
<b>Revenues</b>						
Total Year Allocation	\$259,686	\$68,619	\$328,305	\$258,945	\$87,847	\$346,792
Transfer from Office of the President			\$0			\$0
Transfer from Facilities Management				\$54,396		
Transfer from the general contingency fund			\$0			\$0
Transfer from Central Reserves			\$0			\$0
<b>Total Resources</b>	<u>\$259,686</u>	<u>\$306,680</u>	<u>\$566,366</u>	<u>\$313,341</u>	<u>\$269,509</u>	<u>\$582,850</u>
<b>Expenditures</b>						
Salaries and Fringe Benefits	\$18,972	\$63,230	\$82,202	\$63,525	\$26,141	\$89,666
Supplies, Expense, Equipment	\$236,112	\$9,293	\$245,405	\$249,816	\$5,307	\$255,122
Transfer to FM			\$0			\$0
Transfer to/(from) the Eastcliff Project Reserve	\$4,602		\$4,602			\$0
<b>Total Expenditures</b>	<u>\$259,686</u>	<u>\$72,523</u>	<u>\$332,209</u>	<u>\$313,341</u>	<u>\$31,447</u>	<u>\$344,789</u>
<b>Ending Balance</b>	<u>\$0</u>	<u>\$234,157</u>	<u>\$234,157</u>	<u>(\$0)</u>	<u>\$238,061</u>	<u>\$238,061</u>



# BOARD OF REGENTS DOCKET ITEM SUMMARY

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**Board of Regents**

**September 11, 2015**

**AGENDA ITEM:** Administrative Policy: *Sexual Assault, Stalking and Relationship Violence*

Review       Review + Action       Action       Discussion

This is a report required by Board policy.

**PRESENTERS:** President Eric W. Kaler

## **PURPOSE & KEY POINTS**

To ratify revisions to the Administrative Policy: *Sexual Assault, Stalking and Relationship Violence*.

At its July 8, 2015 meeting, the Board requested that the administration delay implementation of amendments to this policy, which was then in a 30-day review process, in order to complete a legal review of the proposed amendments related to affirmative consent. In response to the legal review and further consultation with student government groups, the administration proposed additional revisions to the policy’s appendix to clarify the definitions of “affirmative consent” and “clear and unambiguous words and actions.” The three primary student government groups on the Twin Cities campus (Minnesota Student Association, Council of Graduate Students, and Professional Student Government) have endorsed the policy and additional revisions to the appendix.

To ensure student-focused training and education programs for the upcoming academic year reflect the policy revisions, Board leadership granted authority to the administration to immediately implement the revised policy and welcomed a request from the President for Board ratification of the policy.

## **BACKGROUND INFORMATION**

Administrative Policy: *Sexual Assault, Stalking and Relationship Violence* is found at: <http://policy.umn.edu/operations/sexualassault>.

The appendix to the policy is found at: <http://policy.umn.edu/operations/sexualassault-appa>.

## **PRESIDENT’S RECOMMENDATION**

The President recommends ratification of Administrative Policy: *Sexual Assault, Stalking and Relationship Violence*.



# BOARD OF REGENTS DOCKET ITEM SUMMARY

Board of Regents

September 11, 2015

**AGENDA ITEM:** University Progress Card

- Review**
                 
  **Review + Action**
                 
  **Action**
                 
  **Discussion**
- This is a report required by Board policy.*

**PRESENTERS:** President Eric W. Kaler  
 Lincoln Kallsen, Director, Institutional Analysis

**PURPOSE & KEY POINTS**

The purpose of this item is to review the work of the Board and University leadership to develop a University “progress card.” As envisioned, the progress card will:

1. Focus oversight on a limited number of strategically measurable goals (Gold measures) that establish an at-a-glance roadmap for the future.
2. Provide insights into important trends (Maroon measures) that are a signal of institutional strength.
3. Inform and help align operational metrics and strategic plan implementation.
4. Be frequently referenced and updated annually.

	<b>Progress Card</b>	<b>Operational Metrics &amp; Strategic Plan Implementation</b>
<b>Purpose</b>	Focus is on governance and moving the organization forward. Limited number of strategic but measurable goals.	Focus is on implementing the strategic plan, including establishment of numerous operational metrics that will sustain strategic plan momentum over a long period.
<b>Measures</b>	Sets clear targets and measures that connect to establish a strategy roadmap for the future. Uses a mix of leading indicators (or performance drivers) and lagging indicators (or outcomes).	Tracks data points to assist management and articulate how the University community will know if implementation of the plan is having the desired impact. In some cases, may use small groups of proxy metrics since cultural change can be difficult to measure.

	<b>Progress Card</b>	<b>Operational Metrics &amp; Strategic Plan Implementation</b>
<b>Timeframe</b>	5- to 8-year goals; progress reviewed annually.	Establish 2014-15 baseline and track progress throughout the strategic plan horizon.

Included in the docket are the proposed final measures for the progress card and definitions for each measure. To clarify the Board’s expectations and establish clear targets for measuring success, the progress card includes a limited number of focused measures – 9 Gold and 16 Maroon.

Gold measures are defined by the following:

- Well-understood and agreed-upon data sources.
- Ability to set a quantifiable goal for 2021.
- Reasonable historic data and accuracy.
- University can take actions to influence.

Maroon measures are defined by the following:

- Directional goals, or goals may change.
- May only need to be monitored.
- May need to be developed/added/deleted.
- University action alone does not significantly influence.

## **BACKGROUND INFORMATION**

Beginning with a work session at its May 2015 meeting, the Board discussed a progress card framework to drive performance and support oversight. The discussion focused on answering the question: In what areas should the Board set specific aspirational goals? This provided a platform for the Board to draft appropriate goals and measures, in consultation with the administration, at its retreat in July 2015. The administration subsequently clarified metrics and set ambitious goals.

University of Minnesota Progress Card



Gold Measures

4 year graduation rate	Entering year	2007	2008	2009	2010	Goal/Year
Crookston		33.5%	35.5%	34.7%	42.5%	45%/2017 cohort
Duluth		32.9%	37.4%	37.5%	38.2%	45%/2017 cohort
Morris		51.7%	57.4%	53.2%	53.4%	60%/2017 cohort
Rochester		NA	NA	50.0%	50.0%	60%/2017 cohort
Twin Cities		54.5%	58.1%	59.1%	60.9%	65%/2017 cohort
6 year graduation rate	Entering year	2005	2006	2007	2008	Goal/Year
Crookston		52.2%	53.4%	46.6%	51.7%	60%/2015 cohort
Duluth		60.4%	59.6%	66.7%	65.5%	68%/2015 cohort
Morris		67.1%	64.2%	68.2%	73.5%	80%/2015 cohort
Rochester		NA	NA	NA	NA	60%/2015 cohort
Twin Cities		70.7%	73.2%	75.7%	78.7%	82%/2015 cohort
4 year graduation rates of Pell-eligible students (system)	Entering year	2007	2008	2009	2010	Goal/Year
		35.8%	41.7%	41.9%	43.9%	54%/2017 cohort
		2010-11	2011-12	2012-13	2013-14	Goal/Year
Institutional Gift Aid		\$177M	\$209M	\$217M	\$224M	\$275M/2021
		FY2010	FY2011	FY2012	FY2013	Goal/Year
R&D expenditures		\$786M	\$847M	\$826M	\$858M	\$900M/2021
		FY11	FY12	FY13	FY14	Goal/Year
Medical School ranking		29	28	27	30	Top 20/2021
		2008-09	2009-10	2010-11	2011-12	Goal/Year
Faculty awards (N and Rank:Public Universities)		23 (16th)	34 (7th)	25 (10th)	33 (5th)	35+ (Top 10)
				2013	2014	Goal/Year
% Participation Employee Engagement Survey				57%	64%	68%/2021
			FY2014	FY2015	FY2016	Goal/Year
Op Ex -- continued progress on \$90M			\$18.8M	\$40.4M	\$57.8 M	\$90M/FY19

University of Minnesota Progress Card



Maroon Measures

Strategic Focus	Performance Drivers/Outcomes	2011-12	2012-13	2013-14	2014-15	Goal
Undergraduate Education	Twin Cities freshman average ACT	27.5	27.7	27.9	27.9	>28.0
	Entering Year	2008	2009	2010	2011	Goal
	Twin Cities transfer student 3-year graduation rate	60.1%	57.1%	59.3%	62.5%	>65%
		2010-11	2011-12	2012-13	2013-14	Goal
Graduate Education	Graduate and professional degrees awarded	5,309	5,291	5,242	5,270	>5250
		2010-11	2011-12	2012-13	2013-14	Goal
Financial Accessibility	Median undergraduate debt at graduation - system	\$24,730	\$25,186	\$24,880	\$24,854	Grow no faster than CPI; Correct for federal/state policy changes
		2011-12	2012-13	2013-14	2014-15	Goal
Health Sciences	Enrollment in in-demand health science specialties (Nursing, Pharmacy, Dentistry)	2021	1988	2000	2051	>2,100
	The total combined fall enrollments in the Academic Health Center schools and the AHC Center for Allied Health	6176	6268	6292	6194	>6,350
		2010-11	2011-12	2012-13	2013-14	Goal
Research	National public research ranking	8	8	9	9	Maintain top 10
	MN-IP agreements	NA	14	41	51	10% annual growth
		2010-11	2011-12	2012-13	2013-14	Goal
Public Service and Outreach	Public service expenditures	\$225M	\$245M	\$249M	\$253M	>\$245M
		2010-11	2011-12	2012-13	2013-14	Goal
Academic Excellence	Citations per faculty member	111	127	126	124	>125
	National scholarships awarded to students		31	52	75	>80 from 2015-2020
		2000-05	2005-2010	2010-2015		Goal
		FY11	FY12	FY13	FY14	Goal
Operational Excellence	Spending on leadership & oversight vs. mission and mission support (%)	NA	8.8%	8.6%	8.3%	Decrease over time
	GSF in poor or critical condition (facility condition assessment)	7.43M	7.33M	7.61M	7.78M	Decrease over time
	Sustainability -- Metric tons of greenhouse gasses (2008 base level: 728,000)	NA	556,200	569,200	573,100	50% reduction from 2008 levels by 2021 (364,000)
	Credit rating	Aa1	Aa1	Aa1	Aa1	Maintain per Board policy
		2001-04	2002-05	2003-06	2004-07	Goal
Athletics	Graduation Success Rate (GSR)	79.8%	83.1%	83.8%	86.4%	Maintain recent gains

## PROGRESS CARD MEASURES DEFINITIONS

### GOLD MEASURES

**Measure:** 4- and 6-year graduation rates, by campus

**Definition:** The percentage of first-time, full-time new entering freshmen that graduated within four or six years. The University counts as a successful completion a student that first enrolls at any U of M campus and graduates from any U of M campus in the given timeframe.

**Measure:** 4-year graduation rates of Pell-awarded students (system)

**Definition:** The percentage of first-time, full-time new entering freshmen who received federal Pell grants their first year and graduated within four years. This is a system-level measure of undergraduates at all campuses.

**Measure:** Institutional gift aid (system)

**Definition:** The total amount of student gift aid provided by the University across all campuses. Gift aid includes Promise scholarships, admissions scholarships, collegiate and department scholarships, athletic scholarships, Regents scholarships, and graduate assistant tuition benefits. This measure does not include state or federal grants, student employment, or loans.

**Measure:** R&D expenditures

**Definition:** The total dollar amount of research and development expenditures defined and collected annually by the National Science Foundation through the Higher Education Research & Development Survey. All institutions receiving federal research funding are required to participate in the survey, and the data is comprehensive of all sources of R&D expenditures.

**Measure:** Medical School ranking

**Definition:** An annual ranking based on the total amount of grants from the National Institute of Health to medical schools as analyzed by the Blue Ridge Institute for Medical Research.

**Measure:** Faculty awards

**Definition:** The number of prestigious national awards received by faculty in the arts, humanities, sciences, engineering, and health fields as measured annually by the Center for Measuring University Performance at Arizona State University.

**Measure:** Participation in the employee engagement survey (system)

**Definition:** The system-level survey response rates for faculty and staff on the biennial Employee Engagement survey.

**Measure:** Operational excellence

**Definition:** The President has set as a goal a minimum of \$90M in cost savings over a six-year period (FY14-FY19). The cost savings identified annually in the budget process must come from categories not directly related to mission activities of instruction, research, or public service.

### **MAROON MEASURES**

**Measure:** Twin Cities entering freshman average ACT

**Definition:** The composite score on the ACT for entering students. The ACT uses a 36-point scale on four multiple-choice testing areas: Math, English, Science, and Reading.

**Measure:** Twin Cities transfer student 3-year graduation rate

**Definition:** The percentage of students who previously attended a postsecondary institution outside the University system and graduated within three years of transferring to the Twin Cities campus.

**Measure:** Graduate and professional degrees awarded (system)

**Definition:** The total number of master's, doctoral, and professional degrees awarded annually across the University.

**Measure:** Median undergraduate debt at graduation (system)

**Definition:** The median amount of student debt accumulated by undergraduates with student debt at the time of their graduation.

**Measure:** Health sciences

**Definition:** The annual fall enrollments in health sciences fields identified by the Minnesota Department of Employment and Economic Development's Labor Market Information Office as leading to Occupations in Demand in Minnesota.

**Measure:** Health sciences enrollment

**Definition:** The total combined fall enrollments in the Academic Health Center schools of Dentistry, Medicine, Nursing, Pharmacy, Public Health, and Veterinary Medicine, and the Center for Allied Health. This measure includes enrollments on the Twin Cities, Duluth, and Rochester campuses.

**Measure:** National public research university ranking

**Definition:** The annual ranking by the National Science Foundation of public higher education institutions according to total annual research and development expenditures. The rankings are compiled from the Higher Education Research & Development Survey completed by all institutions receiving federal research funding.

**Measure:** Minnesota intellectual property agreements

**Definition:** The total number of intellectual property agreements executed annually through the MN-IP Program. MN-IP is designed to improve access to university-developed technology while reducing the risk and cost associated with licensing intellectual property (IP) and sponsoring research.

**Measure:** Public service expenditures (system)

**Definition:** The University's total annual expenditures on public service. The University records its mission-related expenditures into instruction, research, and public service categories.

**Measure:** Average citations per faculty member

**Definition:** The number of times a recent faculty publication is cited by scholars during a five-year period as measured by Academic Analytics, a data analytics source provider. The total number of citations is averaged across all faculty at the institution and pertains to works published within that same five-year period.

**Measure:** National scholarship awards to UM students

**Definition:** The number of prestigious national awards annually received by University undergraduates. The seven leading student awards included in this measure are the Beinecke, Churchill, Truman, Rhodes, Fulbright, Goldwater, and Astronaut awards.

**Measure:** Spending on leadership & oversight vs. mission and mission support

**Definition:** The percentage of University expenditures on leadership and oversight as determined by the University's internal cost benchmarking study, which has divided all University expenditures into mission, mission-support, and leadership & oversight categories since 2012.

**Measure:** University square feet considered in "poor" or "critical" condition

**Definition:** The number of gross square feet of University facilities system wide rated through the Facilities Condition Assessment as being of "poor" or "critical" condition.

**Measure:** Sustainability – Metric tons of greenhouse gasses

**Definition:** The number of metrics tons of greenhouse gasses produced annually across the University.

**Measure:** University credit rating

**Definition:** Moody's Investors Services routinely monitors the University's credit rating and takes into account factors related to the University's overall financial health, student demand, financial statement analysis, state support, and analysis of the University's management strength. Moody's credit ratings range from a high of Aaa to C.

**Measure:** Athletics graduation success rate (GSR)

**Definition:** The percentage of first-time, full-time undergraduates in Division I athletics who begin at the Twin Cities campus as freshmen or transfers, receive athletic aid their first year, and graduate within six years of their first term at any institution. The GSR excludes student athletes who leave the university in good academic standing with remaining athletic eligibility.

# University Progress Card

Eric W. Kaler, President  
Board of Regents  
September 11, 2015



UNIVERSITY OF MINNESOTA

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## Purpose

- To focus oversight on a limited number measurable goals and trends that indicate or drive excellence
- Provides roadmap for the future
- Inform and help align operational metrics and strategic plan implementation
- Focus is on governance and moving the organization forward
- Be frequently referenced and updated annually



## Gold Measures

- Indicators of academic and organizational excellence
- Well understood and agreed upon data sources
- Ability to set a quantifiable goal for 2021
- Reasonable historic data and accuracy
- University can take actions to influence



# Maroon Measures

- Important trends and indicators
- Directional goals, or goals may change
- May only need to be monitored
- May need to be developed/added/deleted over time
- University action alone does not significantly influence

## Gold Measures

Draft September 1, 2015

<b>4 Year Graduation Rate</b>	<b>Entering Year</b>	<b>2007</b>	<b>2008</b>	<b>2009</b>	<b>2010</b>	<b>Goal/Year</b>
Crookston		33.5%	35.5%	34.7%	42.5%	45%/2017 cohort
Duluth		32.9%	37.4%	37.5%	38.2%	45%/2017 cohort
Morris		51.7%	57.4%	53.2%	53.4%	60%/2017 cohort
Rochester		NA	NA	50.0%	50.0%	60%/2017 cohort
Twin Cities		54.5%	58.1%	59.1%	60.9%	65%/2017 cohort
<b>6 Year Graduation Rate</b>	<b>Entering Year</b>	<b>2005</b>	<b>2006</b>	<b>2007</b>	<b>2008</b>	<b>Goal/Year</b>
Crookston		52.2%	53.4%	46.6%	51.7%	60%/2015 cohort
Duluth		60.4%	59.6%	66.7%	65.5%	68%/2015 cohort
Morris		67.1%	64.2%	68.2%	73.5%	80%/2015 cohort
Rochester		NA	NA	NA	NA	60%/2015 cohort
Twin Cities		70.7%	73.2%	75.7%	78.7%	82%/2015 cohort
	<b>Entering Year</b>	<b>2007</b>	<b>2008</b>	<b>2009</b>	<b>2010</b>	<b>Goal/Year</b>
4 Year Graduation Rates of Pell-Eligible Students (system)		35.8%	41.7%	41.9%	43.9%	54%/2017 cohort
		<b>2010-11</b>	<b>2011-12</b>	<b>2012-13</b>	<b>2013-14</b>	<b>Goal/Year</b>
Institutional Gift Aid		\$177M	\$209M	\$217M	\$224M	\$275M/2021
		<b>FY2010</b>	<b>FY2011</b>	<b>FY2012</b>	<b>FY2013</b>	<b>Goal/Year</b>
R&D Expenditures		\$786M	\$847M	\$826M	\$858M	\$900M/2021
		<b>FY11</b>	<b>FY12</b>	<b>FY13</b>	<b>FY14</b>	<b>Goal/Year</b>
Medical School Ranking		29	28	27	30	Top 20/2021
		<b>2008-09</b>	<b>2009-10</b>	<b>2010-11</b>	<b>2011-12</b>	<b>Goal/Year</b>
Faculty awards (N and Rank: Public Universities)		23 (16th)	34(7th)	25 (10th)	33(5th)	35+ (Top 10)
				<b>2013</b>	<b>2014</b>	<b>Goal/Year</b>
% Participation Employee Engagement Survey				57%	64%	71%/2021
			<b>FY2014</b>	<b>FY2015</b>	<b>FY2016</b>	<b>Goal/Year</b>
Op Ex—continued progress on \$90M			\$18.8M	\$40.4M	\$57.8 M	\$90M/FY19

## Maroon Measures

Strategic Focus	Performance Drivers/Outcomes	2011-12	2012-13	2013-14	2014-15	Goal
Undergraduate Education	Twin Cities freshman average ACT	27.5	27.7	27.9	27.9	>28.0
	Entering Year	2008	2009	2010	2011	Goal
	Twin Cities transfer student 3-year graduation rate	60.1%	57.1%	59.3%	62.5%	>65%
		2010-11	2011-12	2012-13	2013-14	Goal
Graduate Education	Graduate and professional degrees awarded	5309	5291	5242	5270	>5250
		2010-11	2011-12	2012-13	2013-14	Goal
Financial Accessibility	Median undergraduate debt at graduation - system	24730	25186	24880	24854	Grow no faster than CPI; Correct for federal/state policy changes
		2011-12	2012-13	2013-14	2014-14	Goal
Health Services	-Enrollment in in-demand health science specialties (Nursing, Pharmacy, Dentistry)	2021	1988	2000	2051	>2,100
	-The total combined fall enrollments in the Academic Health Center schools and the AHC Center for Allied Health	6176	6268	6292	6194	>6,350
		2010-11	2011-12	2012-13	2013-14	Goal
Research	-National public research ranking -MN-IP agreements	8	8	9	9	Maintain top 10
		NA	14	41	51	10% annual growth
		2010-11	2011-12	2012-13	2013-14	Goal
Public Service and Outreach	Public service expenditures	\$225M	\$245M	\$249M	\$253M	>\$245M
		2010-11	2011-12	2012-13	2013-14	Goal
Academic Excellence	Citations per faculty member	111	127	126	124	>125
		FY11	FY12	FY13	FY14	Goal
	National scholarships awarded to students		31	52	75	>80 from 2015-2020
Operational Excellence	-Spending on leadership & oversight vs. mission and mission support (%)	NA	8.8%	8.6%	8.3%	Decrease over time
	-GSF in poor or critical condition (facility condition assessment)	7.43M	7.33M	7.61M	7.78M	Decrease over time
	-Sustainability -- Metric tons of greenhouse gasses (2008 base level: 728,000)	NA	556,200	569,200	573,100	50% reduction from 2008 levels by 2021 (364,000)
	-Credit rating	Aa1	Aa1	Aa1	Aa1	Maintain per Board policy
		2001-04	2002-05	2003-06	2004-07	Goal
Athletics	Graduation Success Rate (GSR)	79.8%	83.1%	83.8%	86.4%	Maintain recent gains



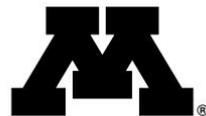
## Impact

- These high level governance goals will inform budgets and program decisions at many levels and over time. For example:
  - Graduation rate goal could inform decisions in areas ranging from academic advising, to admissions, to course requirements
  - R&D expenditure goal may inform decisions about academic or facilities investments
  - The faculty award goal may inform decisions about program priorities and faculty development



## Discussion

- Are these the right goals?
- Do the goals represent our shared vision for the University in 6 years?



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# BOARD OF REGENTS DOCKET ITEM SUMMARY

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**Board of Regents**

**September 11, 2015**

**AGENDA ITEM:** Data Security: Policies, Practices, and Roles at the University

**Review**                       **Review + Action**                       **Action**                       **Discussion**

*This is a report required by Board policy.*

**PRESENTERS:** Bernard Gulachek, Interim Vice President and Chief Information Officer

## **PURPOSE & KEY POINTS**

Information security at the University has been a focal point of Audit & Compliance Committee discussions over the past year, with a goal to inform and solicit input about the University's approach to information security. This presentation will summarize the detailed framework discussed by the committee and provide a comprehensive overview of the issues and practices at the University. The goal is to demonstrate a long-term focus on data security and the appropriateness of a risk-based security approach at the University. The objective is for the Board to develop a point of view concerning risk tolerance, as well as the cultural cost/benefit tradeoffs inherent in investing in additional efforts to mature the University's information security framework.

This presentation will cover the following:

- An overview of the types of incidents encountered at the University and at peer institutions, with the goal of establishing context for an information security program.
- A review of the University's information security framework, with particular emphasis on the ability to mitigate potential risks.
- The results of an independent, external review of the University's information security program, highlighting its maturity compared to benchmarks in higher education and identifying next steps for development.

## **BACKGROUND INFORMATION**

In May 2013, the Audit & Compliance Committee discussed the University's data security framework, which is one component of the overall information security program. At the time, the University was transitioning from a two-level data security classification (public vs. private) to a three-tier system, which acknowledges that different types of private data have different levels of associated risk and benefit from tailored controls. Beginning in September 2014, the office of the Vice President for Information Technology coordinated a three-part discussion series on information security with the Audit & Compliance Committee; this is the first presentation to the full Board.

# Data Security: Policies, Practices and Roles

Bernard Gulachek, Interim VP & Chief Information Officer

Brian Dahlin, Chief Information Security Officer



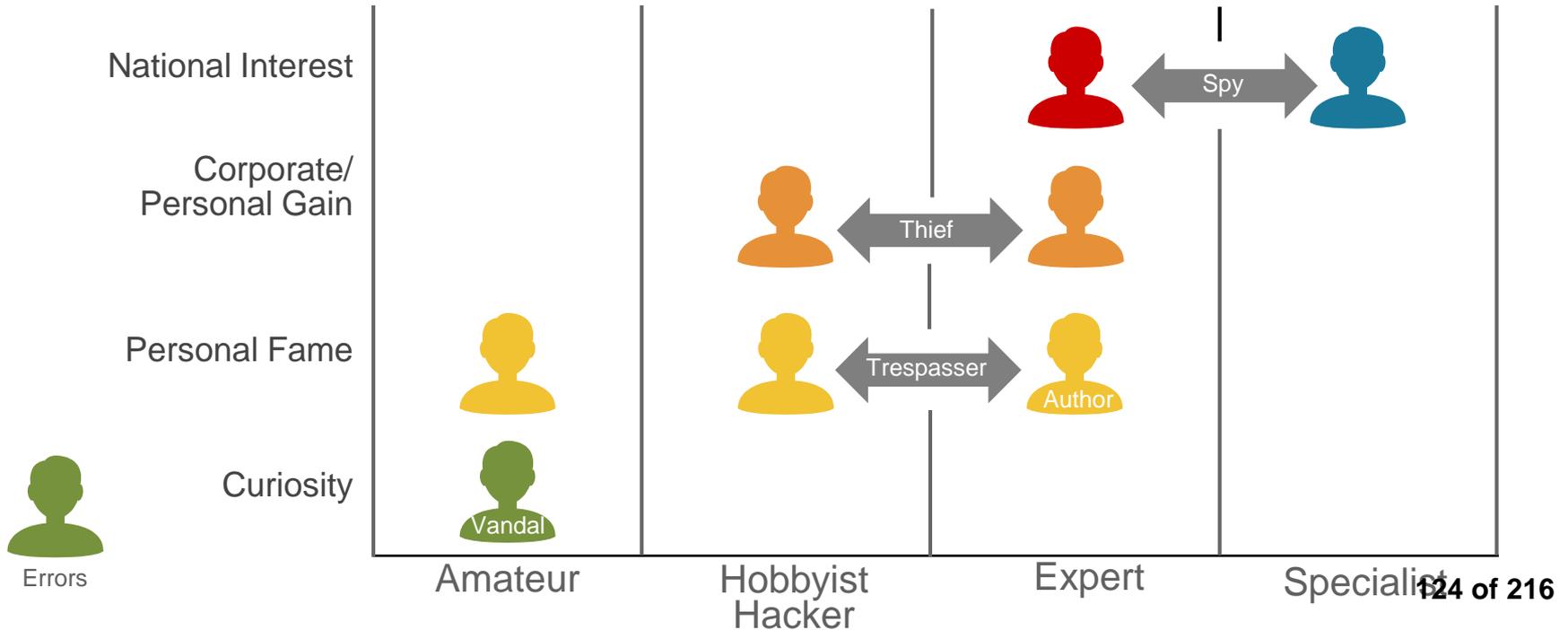
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### A Continued Focus

September 2014	December 2014	September 2015
<p>Information Security Risk Primer</p>	<p>University Data Security Strategy</p>	<p>External Assessment of UMN Data Security Program and Maturity</p>
<ul style="list-style-type: none"> <li>• What motivates “The Hacker”</li> <li>• Awareness of peer institutions</li> <li>• Review recent examples</li> </ul>	<ul style="list-style-type: none"> <li>• Information security program and status</li> <li>• Policy standards and risk assessments</li> </ul>	<ul style="list-style-type: none"> <li>• Discuss information security assessment</li> <li>• Consider framework component maturity levels</li> </ul>

### What Motivates an Adversary?



Never underestimate an adversary's motivation, patience, and creativity.



- They play strengths to weakness.
- They develop surprising partners.
- They have no rules.
- They see offense as a systems challenge.
- They attack against a defense that is naïve, arrogant, unbalanced, and fragmented.

## The Language of Information Security

### Security Incident

An information security incident indicates that the security of an information system, service, or network could have resulted in a breach of private data.

### Breach

The unauthorized acquisition, access, use or disclosure of data maintained by the University.

“Breach” does not include:

1. Authorized and good faith acquisition, access, or use of private data by an employee, contractor, or agent of the University,
2. Incidents involving data that have been rendered unusable, unreadable, or undecipherable through valid encryption, or
3. Incidents involving de-identified data.

### The Language of Information Security

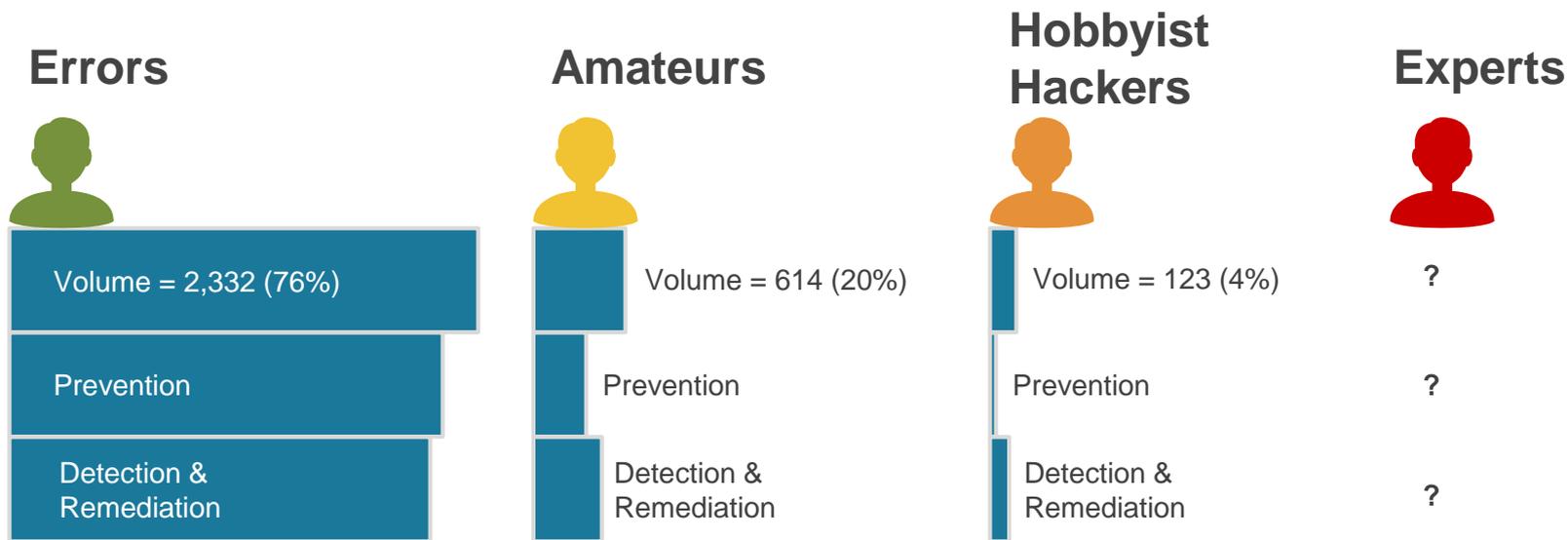
#### Investigation

The process of collecting additional information on a security incident to determine if additional actions, including potential breach notification, are needed.

#### Record

In relation to a Security Incident or Breach, a Record represents the data set related to one individual.

A healthy program tracks many incidents and has minimal breaches.



Each month, the University averages 3,069 information security incidents. In FY15, the University had 22 breaches resulting in the exposure of 4,647 records.

## We Closely Track Our Peer Institutions

INSTITUTION	WHEN	RECORDS LOST
University of Nebraska	Jun 2012	654,000
University of North Carolina	May 2012	350,000
Arizona State University	Jan 2012	300,000
N Florida State College	Oct 2012	279,000
Indiana University	Feb 2014	146,000
University of Maryland	Feb 2014	287,580
North Dakota U. System	Mar 2014	291,465
Penn State University	May 2015	18,000

They have experienced 2.3 million records lost since 2012, and counting.



Source: Privacy Rights Clearinghouse



**WANNABE CYBER GANG HACKS  
UNIVERSITY OF MIAMI  
LIBRARIANS**

EDUCATION

## The Significant Challenge of Information Security

Our controls provide good due diligence,

- Reducing the frequency of security breaches and
- Minimizing the impact of security breaches.

We have additional technical controls in place,

- Focused on protecting our enterprise systems and high-risk data.

BUT...

- Security incidents **will** occur.
- The high-impact security breach **will** occur.
- Security incidents from Experts **will** remain undetected.
- **No matter** the controls we implement.

## The Charge for Information Security

### Strategize

Create an Information Security strategy compatible with the University of Minnesota culture.



### Develop

Establish and maintain an Information Security Program that incorporates:

- Security Risk Management
- Incident Management
- Exception Management

### Maintain

Programs assist meeting Information Security regulatory requirements.

- Includes responsibility for HIPAA Security Officer.

### The Language of Information Security

#### Information Security Framework

The foundation for the structure of how the University's information security is organized. The framework includes components for program governance, security policy and standards, security risk management and exception management.

#### Security Standard

The detailed security rules that support the security policy and provide the specific expectations for the controls that must be implemented to meet the security policy.

## The Language of Information Security

### Implemented Security Controls

The specific technical or procedural methods put in place to meet the security standards.

### Security Risk Management

The process of evaluation that determines the risk of gaps in security standards and the risks related to unimplemented security controls. The security risk management process is the essential tool to balance security risk with organizational risks and to prioritize implementation of controls.

## Information Security Framework Model

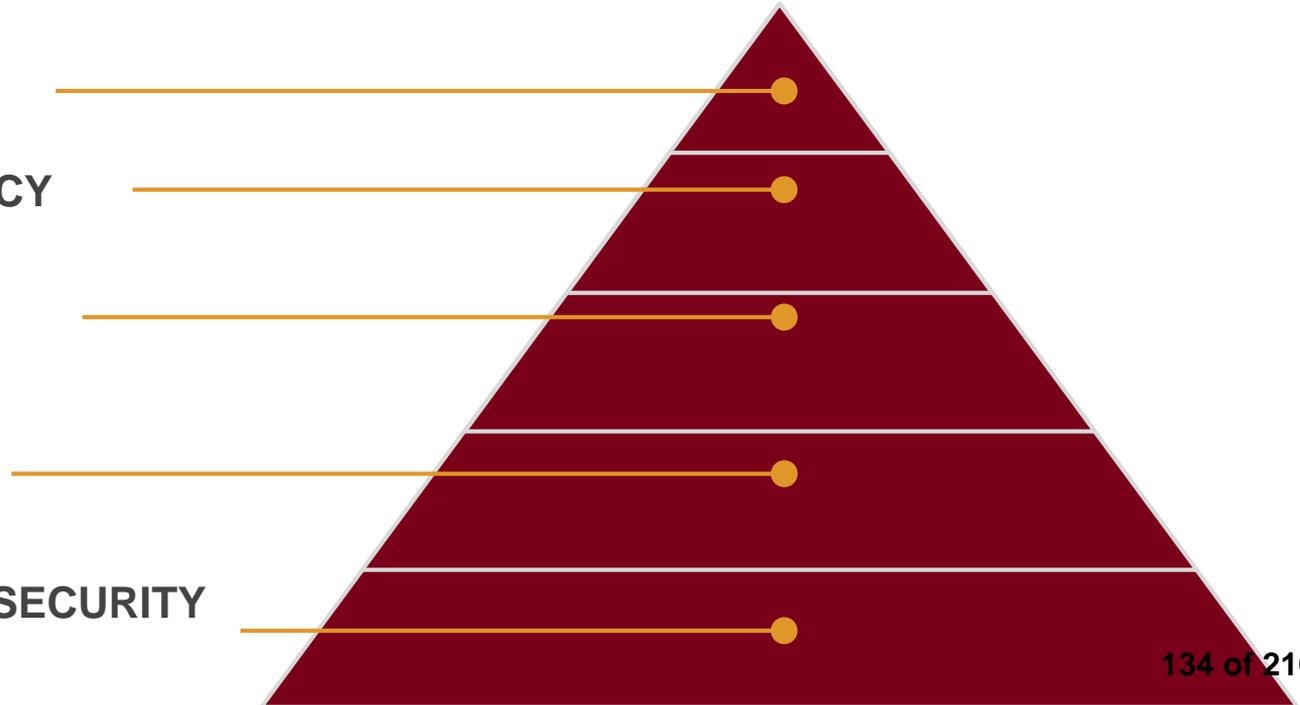
**GOVERNANCE**

**SECURITY POLICY**

**SECURITY RISK  
MANAGEMENT**

**SECURITY  
STANDARDS**

**IMPLEMENTED SECURITY  
CONTROLS**



### The University's Information Security Framework – December 2010

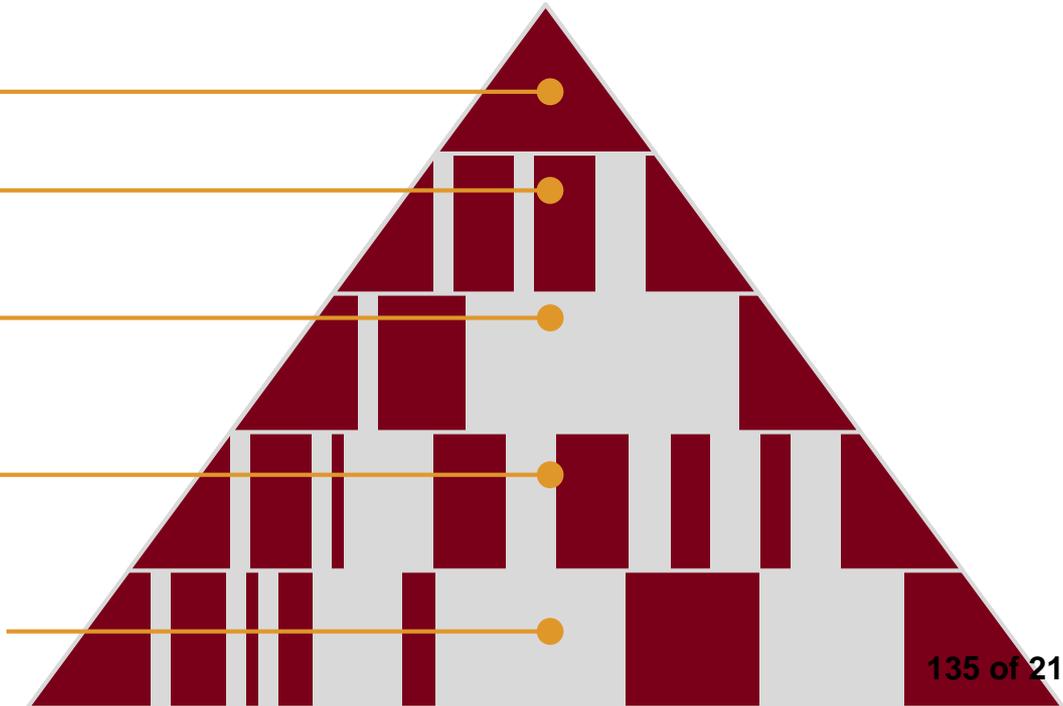
**GOVERNANCE**

**SECURITY POLICY**

**SECURITY RISK  
MANAGEMENT**

**SECURITY  
STANDARDS**

**IMPLEMENTED SECURITY  
CONTROLS**



### The University's Information Security Framework – 2015

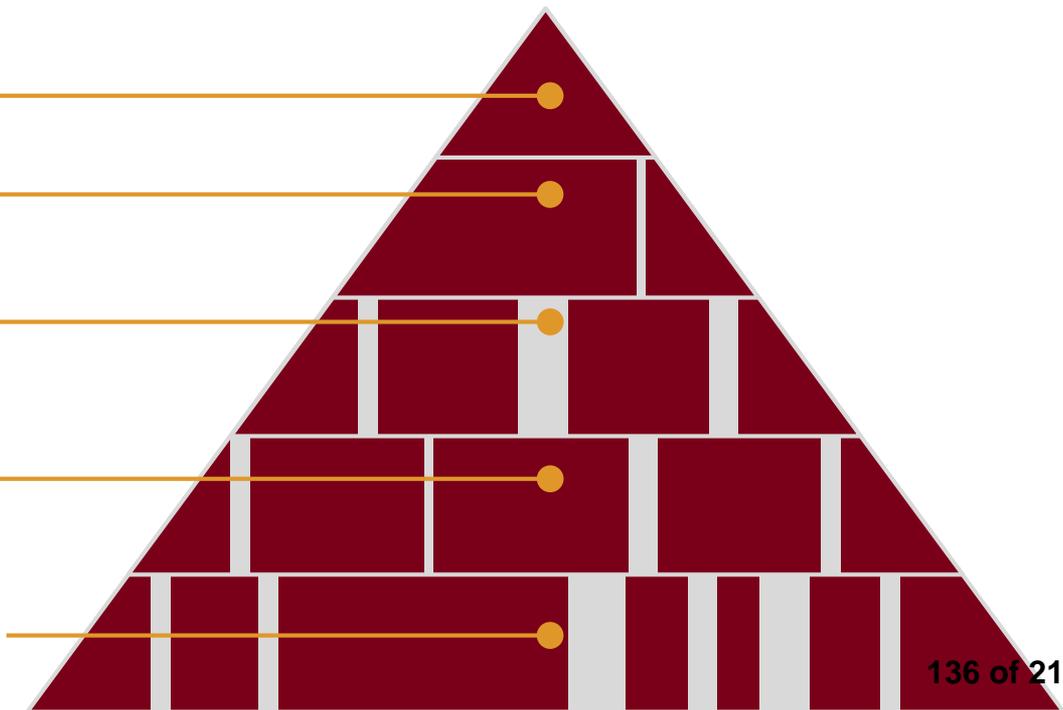
**GOVERNANCE**

**SECURITY POLICY**

**SECURITY RISK  
MANAGEMENT**

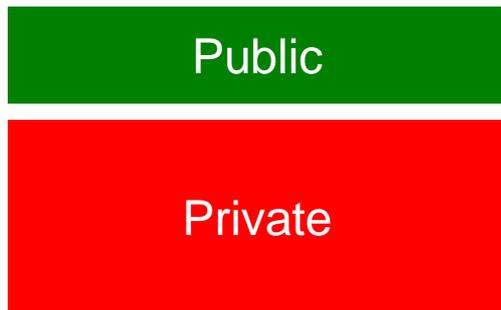
**SECURITY  
STANDARDS**

**IMPLEMENTED SECURITY  
CONTROLS**



### Data Classification

Pre-2013:  
Privacy Classifications



Post-2013:  
Security Classifications



## Information Security Standards

Before:

### Securing Private Data Policy

#### Basic

- Training
- Authentication
- Configuration
- Firewall
- Anti-Virus
- Security Patches

#### Enhanced

- Access Control
- Virus Protection
- Security Patches
- Local Data Owner
- Encryption
- Data Storage
- Physical Security
- Backups
- Technical Vulnerability Management
- Secure Data Deletion & Secure Disposal
- Change Control
- Log Management
- Risk Assessment

After:

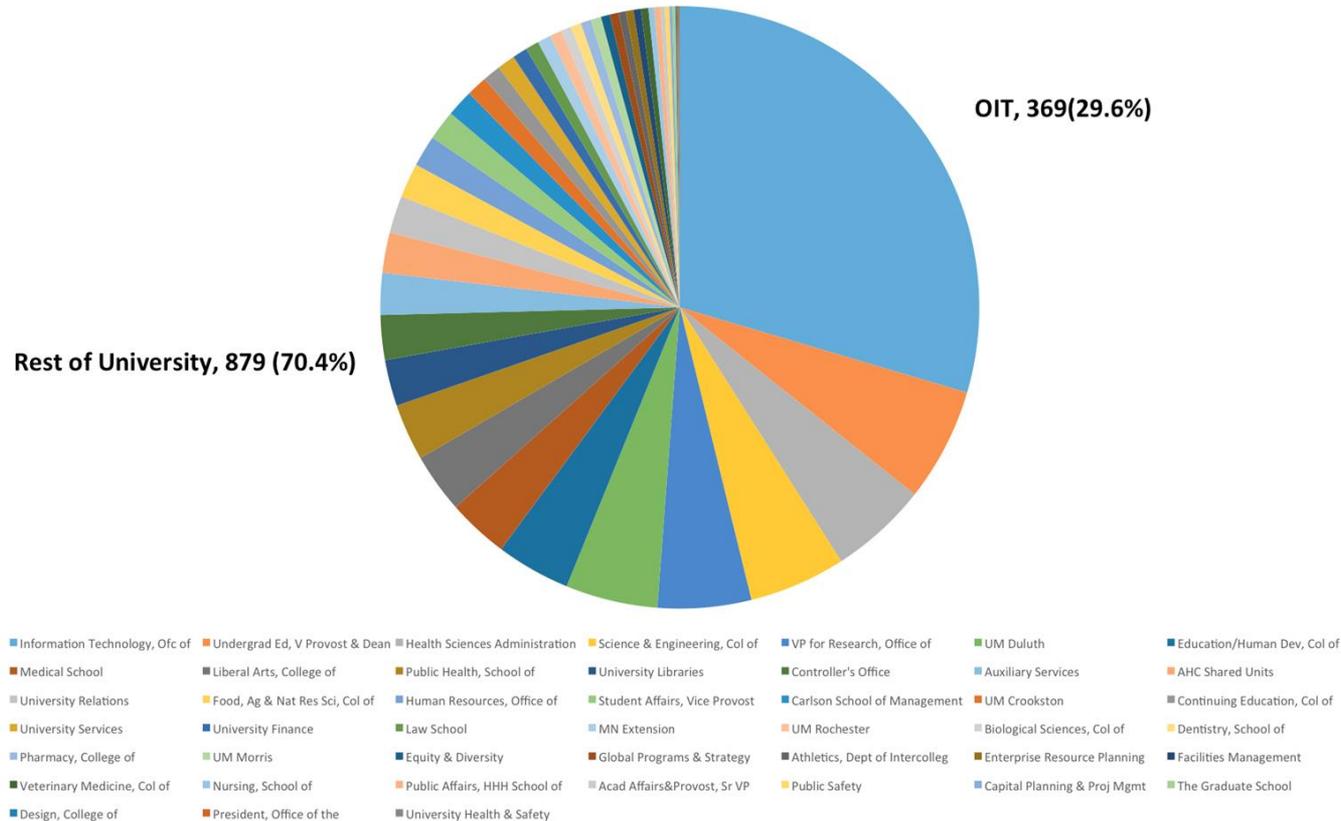
### Information Security Policy

#### Security Levels: High, Medium, Low

- Access Control - Application
- Access Control - Mobile
- Access Control - Network
- Access Control - OS
- Access Control - User Responsibilities
- Account Provisioning
- Backups
- Change Control
- Data Center Operations, Storage
- Encryption – End-User Device
- Firewall - Device, Network
- Information Security Awareness, Education and Training
- Management of End-User Device
- Media Sanitization
- Physical Security
- Risk Assessment
- Security Patches
- Strong Authentication
- Technical Vulnerability Management - IT Professionals
- Technical Vulnerability Management - U Community
- User Administrative Privilege
- Virus/Malware Protection

PROCESS	SECURITY LEVEL			REQUIREMENT
	LOW	MEDIUM	HIGH	
Monitor for security-related patches for the operating system and applications	Required	Required	Recommended	Current
Apply security patches within 30 days of release from the vendor	Required	Required	Required	Current
Use operating systems and applications where the vendor or active open source community develop current security patches	Required	Required	Required	Current
Remove previous versions of applications if the patching process does not automatically remove older versions	Required	Recommended	At your discretion	New
Document a process for managing the security patches for the operating system and applications	Required	Recommended	At your discretion	New

## The Distributed Nature of Information Technology: IT Staff Headcount by Unit – April 2015



### Confidence in Strategy and Focus

- Managing natural tension within our open culture.
- Security Advisory Committee will review and guide efforts.
- Using internationally accepted security framework (ISO 27001/27002) and accessing industry best practices to be prepared.
- In contact with other Big Ten institutions, FBI, others to share information on security threats and protocols.

We are engaged in independent, objective and quantitative assessment of strategy and maturity.

- Used Information Security Maturity Assessment Tool specific to higher education (HEISC)
- Analysis based on practices in higher education, interviews with information security officers, reports published by EDUCAUSE & SANS Institute.
- Provides overall HEISC current/projected maturity score and ratings in 12 ISO areas.

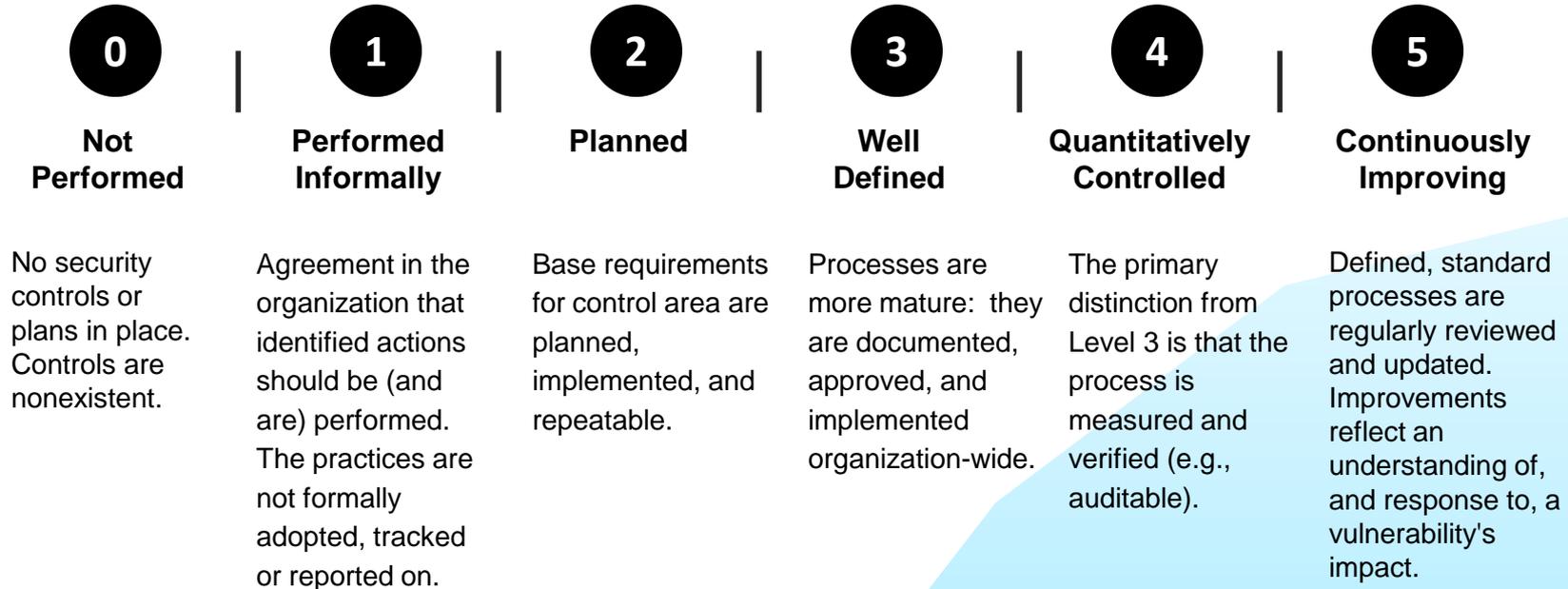


We are engaged in independent, objective and quantitative assessment of strategy and maturity.

- Independent audit and consulting firm working in multiple sectors, including technology and higher education.
- Member, HLB International global network of accounting firms, business advisors.
- Extensive experience in information security in private/public firms.



## HEISC Maturity Assignment Level Definitions



Higher Ed. Estimate

University of Minnesota

## The University of Minnesota...

- Our maturity compares very favorably to benchmarks in higher education.
- Strong in U-Wide policy, classifying data, IS spend.
- Foundation built on planned, implemented and repeatable control process.

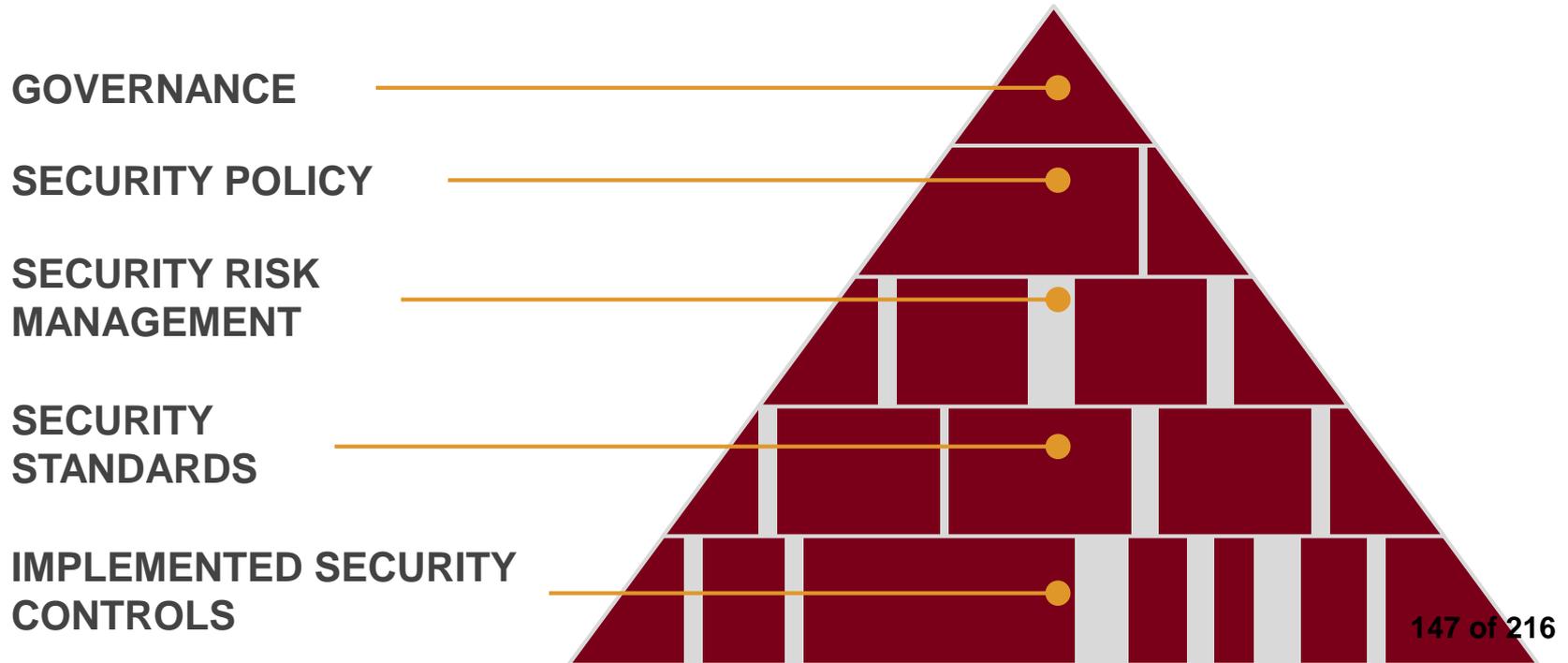
## At the same time...

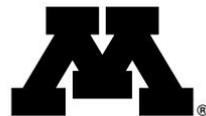
- The University is a complex and diverse entity, and the threat is a matter of probability.
- More mature programs still have incidents.
- Our risk based approach is appropriate.
- Maturity will increase as our consistent approach extends.

### Continued Board of Regents' Support

- Support the strategic security plan.
- Provide long-term focus on the security strategy through each breach in the global environment.
- Encourage the risk-based security approach to positively impact the University security culture in all security control areas.

### The University's Information Security Framework – 2015





UNIVERSITY OF MINNESOTA

**Driven to Discover<sup>SM</sup>**



UniversityofMinn

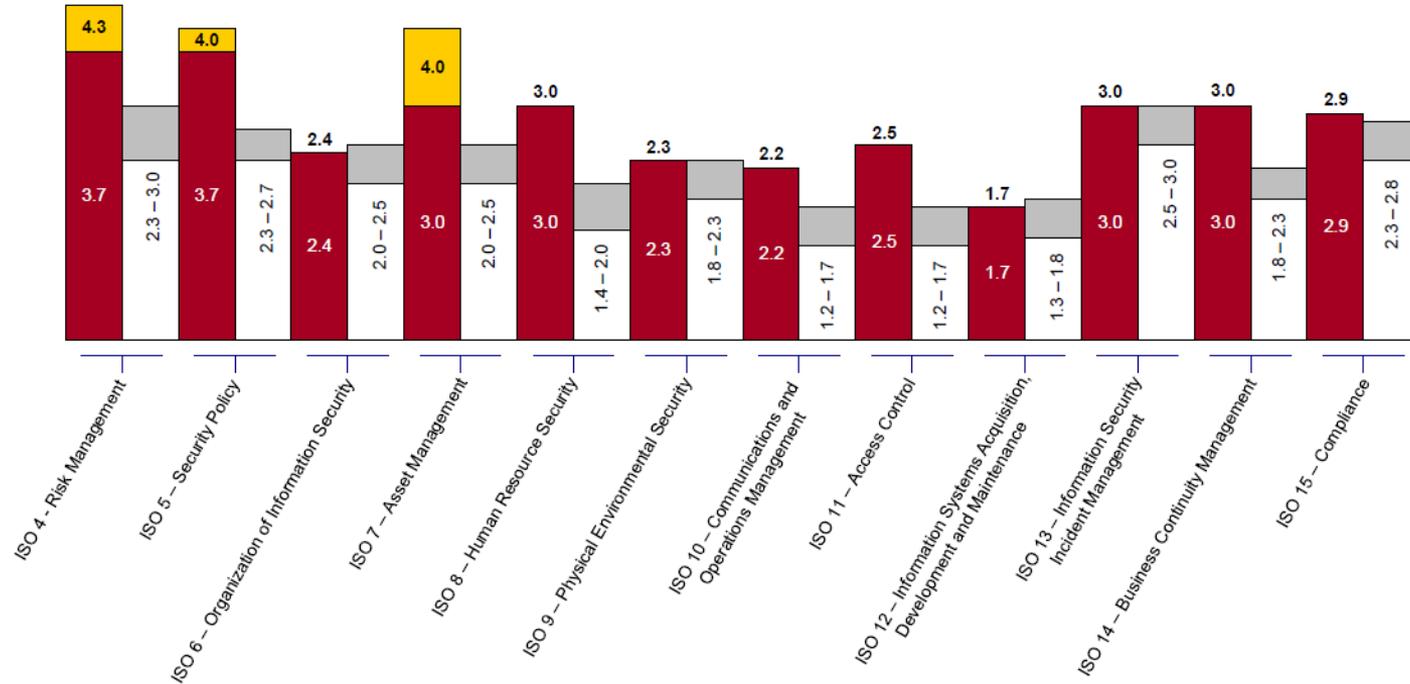


UMNews

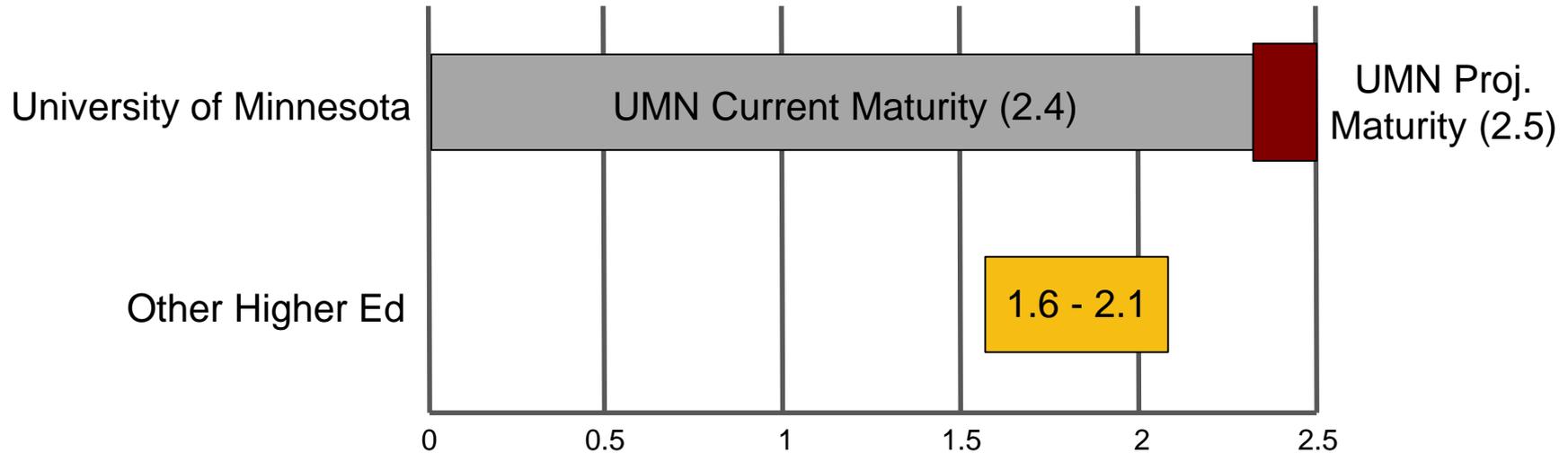


UofMN





Overall Maturity Score



Comparison Area	HEISC Maturity Score
Maturity Score for UMN	2.4
Projected Maturity Score for UMN	2.5
Higher Ed Maturity Score Range	1.6 - 2.1



# BOARD OF REGENTS DOCKET ITEM SUMMARY

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**Board of Regents**

**September 11, 2015**

**AGENDA ITEM:** President’s Recommended 2015 Six-Year Capital Plan

**Review**                       **Review + Action**                       **Action**                       **Discussion**

*This is a report required by Board policy.*

**PRESENTERS:** President Eric W. Kaler  
Pamela Wheelock, Vice President, University Services  
Richard Pfutzenreuter, Vice President and Chief Financial Officer

**PURPOSE & KEY POINTS**

The President’s recommended Six-Year Capital Plan (Capital Plan) includes major capital improvements planned for years 2016 through 2021. The Capital Plan includes projects to be funded with state capital support as well as projects funded by the University through a combination of University debt obligations, local unit resources, fundraising, and public/private partnerships.

Year 1 of the plan (2016) outlines the projects that the University will be submitting to the state of Minnesota for consideration during the 2016 legislative session.

**BACKGROUND INFORMATION**

Board of Regents Policy: *Board Operations and Agenda Guidelines* directs the administration to conduct capital planning with a “six-year time horizon, updated annually.” The Capital Plan sets priorities and direction for ongoing academic and capital planning efforts.

The Board approved the 2014 Six-Year Capital Plan in October 2014.

**PRESIDENT’S RECOMMENDATION**

The President recommends that the Board approve the Six-Year Capital Plan for fiscal years 2016-2021.

### **Overview**

The *2015 Six-Year Capital Plan* for the University of Minnesota establishes the University's capital requests to be submitted to the State for consideration; sets priorities and direction for continued capital project and academic planning efforts; identifies the impact of additional University debt; assigns responsibility for capital fundraising; and forecasts additional building operational costs. The plan is updated on an annual basis, and approved by the Board of Regents.

The President's recommended *2015 Six-Year Capital Plan* includes:

- 2016 state capital request
- Future state capital requests for 2017 through 2021
- Major projects scheduled to be financed with University resources during the period FY2016 through FY2021

### **Capital Process Leadership**

The development of the University's overall capital improvements plan is guided by the Capital Strategy Group (CSG) convened by the Vice President University Services. The CSG includes:

- Senior Vice President for Academic Affairs and Provost
- Vice President, Health Sciences and Medical School Dean
- Vice President, Research
- Vice President, University Services
- Vice President and Chief Financial Officer
- Special Assistant to the President, Government and Community Relations (ex officio)

This group recommends a capital plan to the President, and the President recommends a plan for review and approval by the Board of Regents. Other system and campus executives are included and consulted as the need arises.

The role of this group is to provide overall leadership and strategy development for institutional capital issues, including:

- Establishing strategic capital goals for the institution
- Integrating academic planning with physical and financial planning
- Prioritizing competing requests for capital funding
- Reviewing the financial parameters of the overall capital plan
- Developing a six-year capital plan recommendation to the President
- Establishing capital and space allocation policies (under development)

The routine management of capital process and project issues is addressed by the Capital Oversight Group (COG) which includes the Senior Vice President for Academic Affairs and Provost, Vice President for University Services, and the Vice President and Chief Financial Officer. This group is charged with coordinating routine activities associated with the University's capital planning, capital budget approvals, financing, communications, and construction activities.

## Planning Process

Long-range strategic facility planning at the University of Minnesota begins with the academic planning process. Each year Vice Presidents, Chancellors, and Deans are asked to identify their most important program priorities and the facility improvements necessary to support those programs as part of the budget process. Through the academic planning process, academic leadership establishes the priorities for each college and campus. Facilities Management simultaneously evaluates the current condition of the buildings and infrastructure that support all academic programs. The capital planning process merges the academic priorities, available financial resources, facility needs, and facility conditions into specific project proposals.

Although many projects have both academic and organizational value, the projects that demonstrate both a programmatic urgency and implementation readiness are advanced for further analysis in the six-year timeframe. Other factors analyzed before projects are placed in the capital plan include:

- *Financial parameters* - The University reviews state economic forecasts, Minnesota Management and Budget debt capacity estimates and financial reports, past trends, and budget instruction documents to help shape the size of the overall capital plan relative to the State bonding bill. The University also projects its debt capacity annually and builds the capital plan in adherence to the debt guidelines expressed in Board of Regents policy. Lastly, the University evaluates its capacity to fundraise for specific projects.
- *Timing and sequencing of projects* – Many capital projects depend upon other capital project “dominoes.” For example, Pillsbury Hall, a future home for College of Liberal Arts programs, cannot be renovated until Earth Sciences are moved out of the building and into a renovated Tate Lab, which in turn had to wait until Physics and Nanotechnology was completed.
- *Impact on academic programs (both research and instructional)* – The University manages the level of disruption that can be absorbed while still maintaining the operation of its research and teaching. Because the University does not close, renovations require “swing space” for programs to continue to operate and the institution needs to maintain a level of functional classrooms.
- *Health, safety, and regulatory requirements* – The University needs to maintain the health and safety of all its students, faculty, and staff, regardless of the program. These issues require some projects to be included in the capital plan.
- *Geographic Distribution* – The University is a system with programs and facilities across the State of Minnesota. Plans reflect the need to balance investment across the institution.

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

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

Fully funded projects with completed predesign documents are approved by the Board of Regents in the Annual Capital Improvement Budget. Approved projects are then implemented by Capital Planning and Project Management with other key partners such as Facilities Management.

### **Project Costs**

Project costs included in the Six-Year Capital Plan are order-of-magnitude estimates only because programming and predesign studies for each project have not been completed. Projections are based on square foot costs recently experienced with comparable building and space types at the University, applied to the estimated square footage of each project. Project costs are represented in 2015 dollars; the 2016 projects have been escalated to midpoint of construction as required for submission to the State as part of the University's capital request. Beyond the 2016 year, cost escalation for inflation has not been included because of the uncertainty of construction inflation. When programming is completed and predesign studies are prepared for projects at the appropriate time, based on their position within the Six-Year Capital Plan, more accurate cost figures will be inserted into the plan when it is updated annually.

### **Areas of Focus for the 2015 Six-Year Capital Plan**

The 2015 Six-Year Capital Plan is largely a continuation of previously expressed priorities updated to reflect the outcome of the 2015 capital request to the State.

The 2015 Six-Year Capital Plan was designed to further the following objectives:

- Advance strategic plan priorities
- Enhance the campus-based experience
- Align projects with available revenue sources
- Increase utilization and functionality of physical assets
- Complete capital investment sequences
- Reduce total campus square footage

The University completed a strategic plan for the Twin Cities campus since the adoption of the 2014 Six-Year Plan. The plan articulated a new, inspirational vision: “[to] be preeminent in solving the grand challenges of a diverse and changing world.” In pursuit of this vision, the University will:

- Leverage its breadth and depth to capitalize on its exceptional students, faculty, staff, and location to generate and disseminate new knowledge and insights

- Create an educated populace able to identify, understand, and solve demanding problems
- Leverage divergent paths of knowledge and creativity to address grand challenges
- Partner with communities and the people of the State of Minnesota to benefit the common good

To this end, the University is advancing four broad goals, each with related strategies and tactics:

- *Goal 1 - Build an exceptional University where grand societal challenges are addressed.*
- *Goal 2 - Support excellence and, with intention, reject complacency.*
- *Goal 3 - Establish a culture of reciprocal engagement, capitalizing on our unique location.*
- *Goal 4 - Aggressively recruit, retain, and promote field shaping researchers and teachers.*

These objectives are the foundation of a long term capital plan that balances programmatic needs against facility condition related needs, distributes opportunity geographically throughout the University system, and completes in-process capital investment sequences.

Four key initiatives designed to advance strategic plan goals are embedded in the updates to the Six-Year Capital Plan.

- Removal of buildings rated as *Critical* by the Facility Condition Assessment (FCA) - Currently, about one third of the buildings (7.7 million square feet) on the Twin Cities campus alone are rated critical or poor in the FCA. Still, students study and live in those buildings, staff work in those buildings, faculty office in those buildings, and patients receive care in those buildings. This is in conflict with our goal of being an “exceptional University”. This plan puts a strong emphasis on fixing or replacing some of our worst buildings. Higher Education Asset Preservation and Replacement (HEAPR) funding remains at the core of this strategy. Proposed investments involving Pillsbury, Child Development, Mayo Building, Biological Sciences Greenhouse, and several yet to be selected critical facilities are all designed to advance this strategic goal.

A key component of the University’s broader capital investment planning and HEAPR prioritization processes is the development of a building-by-building strategy. Under this initiative, Facilities Management is working to identify needs in each of the University’s 916 buildings, and to classify them as “keep up / catch up”, “sustain”, or “dispose” based on a combination of factors including facility condition, historic consideration, programmatic relevance, and adaptability. With this information, the University and its colleges and departments can plan investments and prioritize projects accordingly. The effort is nearly complete for supported buildings on the Twin Cities campus, and will be expanded to system campuses at a future date.

- Advancing the Health Sciences – This plan proposes three large investments in improving the educational and clinical research spaces for the Medical School and the other colleges of the Academic Health Center (AHC). Phase I and II involve renovation and improved utilization of existing space in the AHC plus some new construction for an integrated Health Sciences Education Facility and the construction of a new Clinical

Sciences Facility envisioned in the \$10 million of funding provided to the University by the State as an outcome of the 2015 session. A proposed Phase III would seek modern replacement space for programs currently housed in the Mayo Building, a complex of individual former hospital buildings constructed between 1920 and 1950 that are well past their useful life. The goal of this sequence of projects is to make significant progress towards the University's goal of decommissioning the Mayo Building while advancing the quality and capability of the University's health science programs.

- Modernizing St. Paul campus research laboratories – In the 2013 Six-Year Capital Plan the University identified a need to invest in St. Paul campus research laboratories and outlined a sequence of renovation, new construction, and decommissioning actions that focused on the needs of the College of Food, Agricultural, and Natural Resource Sciences (CFANS), the College of Veterinary Medicine (CVM) and the College of Biological Sciences (CBS). Leadership on the St. Paul Campus identified a need for facilities capable of supporting research to address the challenges of determining how safe, affordable, nutritious food can be provided for 9 billion people over the next 40 years while ensuring environmental sustainability, strengthening economic stability, and promoting public health.

The State provided funding to replace the Veterinary Isolation Facility in the 2015 session. The University is again requesting funds in 2016 to replace the obsolete and FCA critical Biological Sciences Greenhouse. Additional requests for FCA critical facility replacement and renovation projects are included in 2018 and 2020.

- Expanding capacity in STEM programs – Student demand for Science, Technology Engineering, and Math (STEM) programs as well as State performance measures related to STEM degrees has increased the need for additional laboratory facilities. Chemistry is a core component of most STEM programs and an inadequate supply of chemistry labs is restricting the University's ability to meet demand and move students through the necessary course sequences. The University received design funding for the UMD Chemistry and Advance Materials Science building in 2014 and has included the balance of the project on the 2016 Capital Request. The Plant Growth Research Facility and Academic and Student Experience Investment program in the 2016 Capital Request make investments in STEM related teaching and research laboratories on the UMC and UMTC campuses. The Six-Year Capital Plan also includes funding on the Twin Cities Campus for an Undergraduate Teaching Laboratory Facility (2018) and a Chemistry Research Facility (2020).

### **Project Descriptions**

Project descriptions can be found in Attachment 3.

The Six-Year Capital Plan (Attachment 2) also contains a list of *Other Projects Under Consideration*. These facility needs were identified through the Six-Year Capital Planning process as important investments based on collegiate and administrative unit priorities. The potential projects identified on the list are not sufficiently developed in terms of their programmatic scope, funding or cost to be placed into a specific year of the plan, however they

are expected to further refine their planning over the near term and the Board of Regents should expect further discussion or proposal(s) advancing to them for consideration.

2015 Six Year Capital Plan  
Project Description Report

# UNIVERSITY OF MINNESOTA

## 2015 Six Year Capital Plan - Project Description Report

### **Definitions**

*Proposal: Projects in this stage represent preliminary conceptual ideas regarding program need and related capital requirements. Local units normally identify these ideas as part of the compact process. Projects do not have permission to begin predesign or fundraising without administrative approval from the Capital Oversight Group.*

*Planning and Feasibility: Projects in this stage have been determined to be an institutional priority and have been approved to begin predesign activities. Financial feasibility, including the completion of a fundraising feasibility study with the University of Minnesota Foundation, is assessed at this stage.*

*Resource Acquisition: Projects in this stage have an approved pre-design document and have been approved to actively seek funds.*

### **Project Costs**

*Project costs included in the Six-Year Capital Plan are order-of-magnitude estimates. Projections are based on square foot costs recently experienced with comparable building and space types at the University, applied to the estimated square footage of each project. Programming and predesign studies are prepared for projects at the appropriate time to determine more accurate cost figures.*

# UNIVERSITY OF MINNESOTA

## 2015 Six Year Capital Plan - Project Description Report

### 398 HEAPR

*Vice President:* Systemwide  
*Campus:* Systemwide  
*Facility:* Systemwide  
*Total Cost:* \$100,000

*RRC:* Systemwide  
*RRC Contact:* Wheelock, P.  
*Year:* 2016  
*Stage:* Resource Acquisition

*Description:* This request is for funds used system-wide to maximize and extend the life of the University's existing physical plant. Individual projects will fall into one of four broad categories – Health and Safety, Building Systems, Energy Efficiency, and Utility Infrastructure. The system-wide HEAPR advisory committee makes recommendations on individual projects to the Vice President for University Services using data from the Facility Condition Assessment and Building Code Deficiency Report. HEAPR funds do not require a one-third University funding match. Funding for the HEAPR program is included each year in the legislative request.

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### 403 St. Paul Interdisciplinary Laboratory

*Vice President:* Academic Affairs  
*Campus:* UMTC  
*Facility:* New Facility  
*Total Cost:* \$46,000

*RRC:* Academic Affairs  
*RRC Contact:* Hanson, K.  
*Year:* 2018  
*Stage:* Planning & Feasibility

*Description:* This project will construct a new interdisciplinary research laboratory building for the College of Biological Sciences (CBS), College of Food, Agricultural, and Natural Resource Sciences (CFANS), and College of Veterinary Medicine (CVM). The new facility will accommodate principal investigators in fields such as plant pathology, animal infectious diseases, microbial systems, synthetic biology, and fungal evolution. This project was included in the University's 2014 capital request.

---

### 408 AHC Phase I: Health Science Education Facility

*Vice President:* Health Sciences  
*Campus:* UMTC  
*Facility:* Academic Health Center  
*Total Cost:* \$100,000

*RRC:* Health Sciences  
*RRC Contact:* Jackson, B.  
*Year:* 2016  
*Stage:* Resource Acquisition

*Description:* This project will renovate, modernize and expand the University's medical and health sciences learning facilities. Facility planning work funded during the 2015 session is underway and will guide the final facility solution to be presented during the 2016 session. Active learning environments and student-instructor interaction across disciplines, which are the future state of education in academic health, requires different space than what exists today. New education and learning facilities will include classrooms, simulation centers, small group rooms, an advanced technology-rich biomedical library and student services and community amenities.

# UNIVERSITY OF MINNESOTA

## 2015 Six Year Capital Plan - Project Description Report

### 410 Chemistry and Advance Materials Science

*Vice President:* Duluth Campus

*Campus:* UMD

*Facility:* New Facility

*Total Cost:* \$39,750

*Description:*

This project will construct approximately 51,000 square feet of research laboratories, instructional laboratories, teaching space, offices, and meeting space for the Swenson College of Science and Engineering on the Duluth Campus. The building is conceived as three stories with a mechanical and electrical penthouse. The research laboratory space, consisting of flexible wet and dry labs with adequate utilities, environmental controls and modern safety accommodations, will serve the needs of evolving research and teaching pedagogy. This project was included in the 2014 capital request and received funding for predesign and design services.

*RRC:* Swenson College of Science and Engineering

*RRC Contact:* Black, L.

*Year:* 2016

*Stage:* Resource Acquisition

---

### 411 Pillsbury Hall Renovation

*Vice President:* Academic Affairs

*Campus:* UMTC

*Facility:* Pillsbury Hall

*Total Cost:* \$33,000

*Description:*

This project will completely renovate Pillsbury Hall, replacing obsolete science facilities with modern, flexible non-laboratory teaching, learning, and research spaces for College of Liberal Arts' humanities programs including the Department of English (which teaches nearly 6,000 students per year). The renovated space is anticipated to be divided approximately equally between classroom- and assembly-type space to support multiple modes of learning and alternative workplace office space. At nearly 60,000 gross square feet, the renovation is expected to maintain an equivalent amount of space when complete. The rehabilitation of Pillsbury Hall is expected to be consistent with the Secretary of the Interior's Standards for Preservation.

*RRC:* College of Liberal Arts

*RRC Contact:* Hanson, K.

*Year:* 2016

*Stage:* Resource Acquisition

---

### 414 Academic Priority

*Vice President:* Rochester Campus

*Campus:* UMR

*Facility:* New Facility

*Total Cost:* \$45,000

*Description:*

The project will create academic space for the growing UMR student community. Master plan projections indicate that the campus is expected to be outgrown its existing facilities by 2020 prompting the need for additional dedicated academic space. The proposed building will include space to support active, collaborative, and adaptive learning environments, space for student laboratories, space for faculty/student interaction, and space that is open and adaptable.

*RRC:* Academic Affairs

*RRC Contact:* Lehmkuhle, S.

*Year:* 2020

*Stage:* Proposal

# UNIVERSITY OF MINNESOTA

## 2015 Six Year Capital Plan - Project Description Report

### 415 Contemporary Learning and Collections

*Vice President:* Academic Affairs

*Campus:* UMTC

*Facility:* TC Campus

*Total Cost:* \$40,000

*Description:* This project will address the collections needs of multiple colleges and the University Libraries by providing space for storage, preservation, regeneration, and characterization of essential resources that support research across the University system. Project planning will include an analysis of options to reconfigure stack space into areas that will engage faculty and students and support contemporary learning and scholarship.

*RRC:* Academic Affairs

*RRC Contact:* Hanson, K.

*Year:* 2017

*Stage:* Planning & Feasibility

---

### 418 Superblock Dining Replacement

*Vice President:* University Services

*Campus:* UMTC

*Facility:* New Facility

*Total Cost:* \$0

*Description:* This project will construct a new consolidated dining facility for the four residence halls in the superblock. The two existing facilities are under-sized and not capable of providing the level of food service expected by today's students. A consolidated facility will result in additional operational efficiencies.

*RRC:* Housing & Residential Life

*RRC Contact:* Scheich, L.

*Year:* Under Consideration / Evaluation

*Stage:* Proposal

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### 425 Washington Ave Bridge and Plaza

*Vice President:* University Services

*Campus:* UMTC

*Facility:* Washington Avenue Bridge

*Total Cost:* \$0

*Description:* This project will restore or replace the Washington Avenue Bridge pedestrian enclosure and address circulation, sightlines, aesthetics and functionality of the Washington Avenue Bridge plaza area as a gathering place and event space.

*RRC:* Facilities Management

*RRC Contact:* Berthelsen, M.

*Year:* Under Consideration / Evaluation

*Stage:* Proposal

# UNIVERSITY OF MINNESOTA

## 2015 Six Year Capital Plan - Project Description Report

### 441 AHC Phase II: Clinical Science Facility

*Vice President:* Health Sciences

*Campus:* UMTC

*Facility:* Academic Health Center

*Total Cost:* \$100,000

*Description:* The Clinical Science Facility is the second of a three phased investment strategy in Academic Health Center facilities as defined by the 2015 Six Year Capital Plan. The facility will be designed to support clinical research and education that promotes new innovative models of care which are patient-centered, team-based, and which facilitate collaboration across the health professions. Specific program requirements and facility needs will be determined during strategic and predesign planning for the Academic Health Center in 2016-2017.

*RRC:* Health Sciences

*RRC Contact:* Jackson, B.

*Year:* 2018

*Stage:* Planning & Feasibility

---

### 447 Plant Growth Research Facility

*Vice President:* Academic Affairs

*Campus:* UMTC

*Facility:* Plant Growth Facilities-West

*Total Cost:* \$6,600

*Description:* This project will provide a new 12,000 square foot greenhouse to the Plant Growth Facilities for the Biological Sciences Conservatory to replace and demolish the existing Biological Sciences Greenhouse on the St. Paul campus. The new greenhouse will be built similar to the neighboring structures, but will include aspects specific to the plant collection requirements. While the existing Plant Growth Facilities are set up for agricultural experimentation, the new greenhouse will be a specialized unit that serves the related educational missions necessary to ensure the State's agricultural future. Upon completion, plant specimens and program activities currently housed in the existing Biological Sciences Greenhouse will be moved to the new facility and the old greenhouse will be demolished.

*RRC:* Academic Affairs

*RRC Contact:* Hanson, K.

*Year:* 2016

*Stage:* Resource Acquisition

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### 448 10 Church Street SE Repurposing

*Vice President:* Academic Affairs

*Campus:* UMTC

*Facility:* 10 Church Street SE

*Total Cost:* \$39,000

*Description:* 10 Church Street is an FCA critical facility in a high visible and prominent public location. Following the completion of the new Bell Museum on the St. Paul campus, this project will renovate the existing facility to support the academic mission of the University.

*RRC:* Academic Affairs

*RRC Contact:* Hanson, K.

*Year:* 2019

*Stage:* Proposal

# UNIVERSITY OF MINNESOTA

## 2015 Six Year Capital Plan - Project Description Report

### 449 TBD

*Vice President:* Systemwide

*Campus:* Systemwide

*Facility:* Systemwide

*Total Cost:* \$36,000

*Description:* This project will support strategic investments in programmatic needs in multiple facilities that are not suitable candidates for whole building renovations. Investments will be advanced that are focused on learning spaces and student support services. This project will be a continuation of the proposed Strategic Facility Investments for the 2016 bonding bill.

*RRC:* Systemwide

*RRC Contact:* Multiple

*Year:* 2017

*Stage:* Planning & Feasibility

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### 451 Undergraduate Teaching Laboratory Facility

*Vice President:* Academic Affairs

*Campus:* UMTC

*Facility:* New Facility

*Total Cost:* \$42,000

*Description:* This project will provide state-of-the-art, energy efficient teaching laboratories, student collaboration spaces, and classrooms for teaching undergraduate chemistry laboratory courses. The new laboratories will replace and improve upon outdated facilities currently spread throughout multiple locations (including faculty research laboratories) in Smith and Kolthoff Halls. Adequate laboratory space is a limiting factor in the University's ability to meet the demand for STEM related programs.

*RRC:* Academic Affairs

*RRC Contact:* Hanson, K.

*Year:* 2018

*Stage:* Planning & Feasibility

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### 452 Research and Outreach Center Investments

*Vice President:* Systemwide

*Campus:* ROCs & Stations

*Facility:* Systemwide

*Total Cost:* \$6,000

*Description:* This program will fund a variety of projects at the Research and Outreach Centers across the state.

*RRC:* Systemwide

*RRC Contact:* Buhr, B.

*Year:* 2018

*Stage:* Planning & Feasibility

# UNIVERSITY OF MINNESOTA

## 2015 Six Year Capital Plan - Project Description Report

### 454 AHC Phase III: Mayo

*Vice President:* Health Sciences

*Campus:* UMTC

*Facility:* Academic Health Center

*Total Cost:* \$90,000

*Description:* This project will complete the three phased series of investments in the Academic Health Center facilities south of Washington Avenue. The proposed Phase III would seek to construct new modern replacement space for programs currently housed in the Mayo Building, a complex of individual former hospital buildings constructed between 1920 and 1950 that are well past their useful life. The goal of this sequence of projects is to make significant progress towards the University's goal of decommissioning the Mayo Building while advancing the quality and capability of the University's health science programs. Mayo is an FCA critical facility.

*RRC:* Health Sciences

*RRC Contact:* Jackson, B.

*Year:* 2020

*Stage:* Proposal

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### 455 Child Development Replacement

*Vice President:* Academic Affairs

*Campus:* UMTC

*Facility:* New Facility

*Total Cost:* \$21,000

*Description:* This project will replace the FCA critical and functionally obsolete Child Development building with new offices, seminar rooms, and research facilities for the Institute of Child Development, as well as state-of-the-art facilities for the Shirley G. Moore Laboratory School. The new building will provide a modern, adaptable environment to support innovative programmatic applications, translating current research and theory into best practices.

*RRC:* College of Education and Human Development

*RRC Contact:* Quam, J.

*Year:* 2018

*Stage:* Planning & Feasibility

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### 456 Chemistry Research Laboratory Investment

*Vice President:* Academic Affairs

*Campus:* UMTC

*Facility:* TC Campus

*Total Cost:* \$30,000

*Description:* This project will renovate the antiquated teaching labs in Smith and Kolthoff Halls to state-of-the-art energy efficient research space needed for new faculty in the chemistry department. The project will improve lab bench, equipment and research support spaces and create opportunity for more specialized research experimentation. It will accommodate a greater number of faculty and graduate assistants needed to support the growing undergraduate enrollment in Chemistry.

*RRC:* College of Science and Engineering

*RRC Contact:* Crouch, S.

*Year:* 2020

*Stage:* Proposal

# UNIVERSITY OF MINNESOTA

## 2015 Six Year Capital Plan - Project Description Report

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### 457 St. Paul Critical Building Renovation

*Vice President:* Academic Affairs

*Campus:* UMTC

*Facility:* TC Campus

*Total Cost:* \$50,000

*Description:* This project will renovate a facility in critical condition on the St. Paul campus.

*RRC:* College of Food, Agricultural and Natural Resource Sciences

*RRC Contact:* Buhr, B.

*Year:* 2020

*Stage:* Proposal

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### 459 Pioneer Hall Renovation or Replacement

*Vice President:* University Services

*Campus:* UMTC

*Facility:* TC Campus

*Total Cost:* \$0

*Description:* This project will explore options meeting the facility renewal needs of Pioneer Hall.

*RRC:* Housing & Residential Life

*RRC Contact:* Scheich, L.

*Year:* Under Consideration / Evaluation

*Stage:* Proposal

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### 461 Admissions Welcome Center

*Vice President:* Academic Affairs

*Campus:* UMTC

*Facility:* TC Campus

*Total Cost:* \$0

*Description:* This project will explore options for consolidating freshman, transfer and international student admissions into a single more publicly accessible location.

*RRC:* Academic Affairs

*RRC Contact:* Hanson, K.

*Year:* Under Consideration / Evaluation

*Stage:* Proposal

# UNIVERSITY OF MINNESOTA

## 2015 Six Year Capital Plan - Project Description Report

### 466 Academic and Student Experience Investments

*Vice President:* Systemwide

*Campus:* Systemwide

*Facility:* Systemwide

*Total Cost:* \$24,000

*Description:* This request is for funds to make targeted strategic investments in modernizing existing teaching, research, outreach and student support spaces on the University's Duluth, Morris, Crookston and Twin Cities campuses. Similar to appropriations for laboratory renovations in 2008 and 2010, this request is intended to update individual spaces that will not otherwise be improved through whole building renovations. Funds will be allocated to each campus to advance high priority projects focused on learning spaces, student support services and research laboratories.

*RRC:* Systemwide

*RRC Contact:* Multiple

*Year:* 2016

*Stage:* Resource Acquisition

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### 468 Critical Facilities Renewal

*Vice President:* Systemwide

*Campus:* UMTC

*Facility:* Systemwide

*Total Cost:* \$45,000

*Description:* This project will be defined in a future plan when the status of previous legislative funding requests are known. The project will be selected to address a critical FCA condition facility. Currently, about one third of the buildings (7.7 million square feet) on the Twin Cities campus alone are rated critical or poor in the FCA. Still, students study and live in those buildings, staff works in those buildings, faculty office in those buildings, and patients receive care in those buildings. This is unacceptable situation for an "exceptional University".

*RRC:* Systemwide

*RRC Contact:*

*Year:* 2019

*Stage:* Proposal

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### 470 TBD

*Vice President:* Systemwide

*Campus:* Systemwide

*Facility:* System Campuses

*Total Cost:* \$45,000

*Description:* This project will be defined in a future plan when the status of previous legislative funding requests are known.

*RRC:* Systemwide

*RRC Contact:* Multiple

*Year:* 2021

*Stage:* Proposal

2015 Six Year Capital Plan  
Project Funding Report

# UNIVERSITY OF MINNESOTA

## 2015 Six Year Capital Plan - Project Funding Report

### **Definitions**

*Proposal: Projects in this stage represent preliminary conceptual ideas regarding program need and related capital requirements. Local units normally identify these ideas as part of the compact process. Projects do not have permission to begin predesign or fundraising without administrative approval from the Capital Oversight Group.*

*Planning and Feasibility: Projects in this stage have been determined to be an institutional priority and have been approved to begin predesign activities. Financial feasibility, including the completion of a fundraising feasibility study with the University of Minnesota Foundation, is assessed at this stage.*

*Resource Acquisition: Projects in this stage have an approved pre-design document and have been approved to actively seek funds.*

### **Project Costs**

*Project costs included in the Six-Year Capital Plan are order-of-magnitude estimates. Projections are based on square foot costs recently experienced with comparable building and space types at the University, applied to the estimated square footage of each project. Programming and predesign studies are prepared for projects at the appropriate time to determine more accurate cost figures.*

# UNIVERSITY OF MINNESOTA

## 2015 Six Year Capital Plan - Project Funding Report

**2016**

Stage: Resource Acquisition

### State Funded Projects

File	Project Title	Campus	Total	State Funds	University Funds
398	HEAPR	Systemwide	\$100,000	\$100,000	\$0
410	Chemistry and Advance Materials Science	UMD	\$39,750	\$26,500	\$13,250
408	AHC Phase I: Health Science Education Facility	UMTC	\$100,000	\$66,667	\$33,333
447	Plant Growth Research Facility	UMTC	\$6,600	\$4,400	\$2,200
466	Academic and Student Experience Investments	Systemwide	\$24,000	\$16,000	\$8,000
411	Pillsbury Hall Renovation	UMTC	\$33,000	\$22,000	\$11,000
			\$303,350	\$235,567	\$67,783
		FY Total:	\$303,350	\$235,567	\$67,783
		Running Total:	\$303,350	\$235,567	\$67,783

# UNIVERSITY OF MINNESOTA

## 2015 Six Year Capital Plan - Project Funding Report

**2017**

Stage: **Planning & Feasibility**

### State Funded Projects

File	Project Title	Campus	Total	State Funds	University Funds
401	HEAPR	Systemwide	\$50,000	\$50,000	\$0
415	Contemporary Learning and Collections	UMTC	\$40,000	\$26,700	\$13,300
449	TBD	Systemwide	\$36,000	\$24,000	\$12,000
			\$126,000	\$100,700	\$25,300
		FY Total:	\$126,000	\$100,700	\$25,300
		Running Total:	\$429,350	\$336,267	\$93,083

# UNIVERSITY OF MINNESOTA

## 2015 Six Year Capital Plan - Project Funding Report

**2018**

Stage: **Planning & Feasibility**

### State Funded Projects

File	Project Title	Campus	Total	State Funds	University Funds
399	HEAPR	Systemwide	\$100,000	\$100,000	\$0
403	St. Paul Interdisciplinary Laboratory	UMTC	\$46,000	\$30,667	\$15,333
441	AHC Phase II: Clinical Science Facility	UMTC	\$100,000	\$66,667	\$33,333
455	Child Development Replacement	UMTC	\$21,000	\$14,000	\$7,000
452	Research and Outreach Center Investments	ROCs & Stations	\$6,000	\$4,000	\$2,000
451	Undergraduate Teaching Laboratory Facility	UMTC	\$42,000	\$28,000	\$14,000
			\$315,000	\$243,334	\$71,666
FY Total:			\$315,000	\$243,334	\$71,666
Running Total:			\$744,350	\$579,601	\$164,749

# UNIVERSITY OF MINNESOTA

## 2015 Six Year Capital Plan - Project Funding Report

**2019**

Stage: Proposal

### State Funded Projects

File	Project Title	Campus	Total	State Funds	University Funds
402	HEAPR	Systemwide	\$50,000	\$50,000	\$0
448	10 Church Street SE Repurposing	UMTC	\$39,000	\$26,000	\$13,000
468	Critical Facilities Renewal	UMTC	\$45,000	\$30,000	\$15,000
			\$134,000	\$106,000	\$28,000
		FY Total:	\$134,000	\$106,000	\$28,000
		Running Total:	\$878,350	\$685,601	\$192,749

# UNIVERSITY OF MINNESOTA

## 2015 Six Year Capital Plan - Project Funding Report

**2020**

Stage: Proposal

### State Funded Projects

File	Project Title	Campus	Total	State Funds	University Funds
446	HEAPR	Systemwide	\$100,000	\$100,000	\$0
414	Academic Priority	UMR	\$45,000	\$30,000	\$15,000
454	AHC Phase III: Mayo	UMTC	\$90,000	\$60,000	\$30,000
456	Chemistry Research Laboratory Investment	UMTC	\$30,000	\$20,000	\$10,000
457	St. Paul Critical Building Renovation	UMTC	\$50,000	\$33,300	\$16,700
			\$315,000	\$243,300	\$71,700
		FY Total:	\$315,000	\$243,300	\$71,700
		Running Total:	\$1,193,350	\$928,901	\$264,449

# UNIVERSITY OF MINNESOTA

## 2015 Six Year Capital Plan - Project Funding Report

**2021**

Stage: Proposal

### State Funded Projects

File	Project Title	Campus	Total	State Funds	University Funds
467	HEAPR	Systemwide	\$50,000	\$50,000	\$0
470	TBD	Systemwide	\$45,000	\$30,000	\$15,000
			\$95,000	\$80,000	\$15,000
		FY Total:	\$95,000	\$80,000	\$15,000
		Running Total:	\$1,288,350	\$1,008,901	\$279,449

# UNIVERSITY OF MINNESOTA

## 2015 Six Year Capital Plan - Project Funding Report

### *Under Consideration / Evaluation*

Stage: Proposal

#### University Funded Projects

File	Project Title	Campus	Total	State Funds	University Funds
461	Admissions Welcome Center	UMTC	\$0	\$0	\$0
459	Pioneer Hall Renovation or Replacement	UMTC	\$0	\$0	\$0
418	Superblock Dining Replacement	UMTC	\$0	\$0	\$0
425	Washington Ave Bridge and Plaza	UMTC	\$0	\$0	\$0
			\$0	\$0	\$0
		FY Total:	\$0	\$0	\$0
		Running Total:	\$1,288,350	\$1,008,901	\$279,449

# 2015 Six Year Capital Plan

Board of Regents  
September 11, 2015



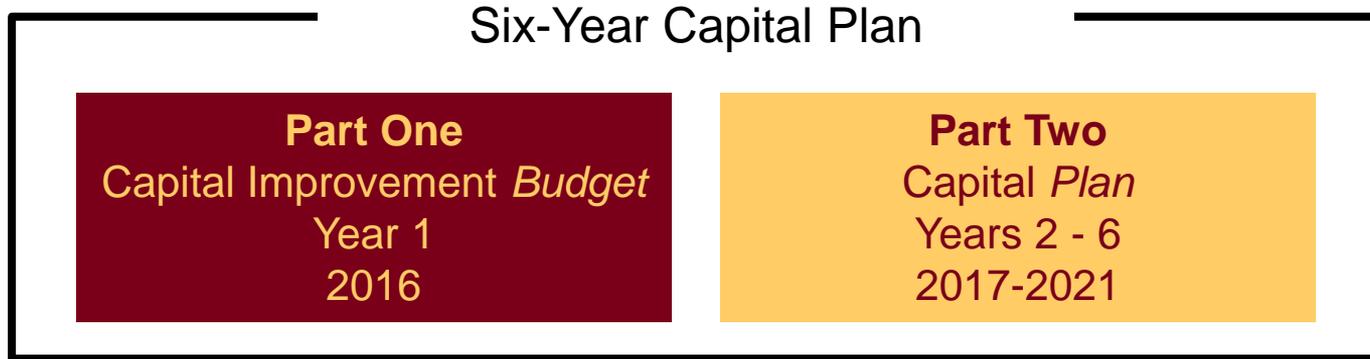
UNIVERSITY OF MINNESOTA

**Driven to Discover<sup>SM</sup>**



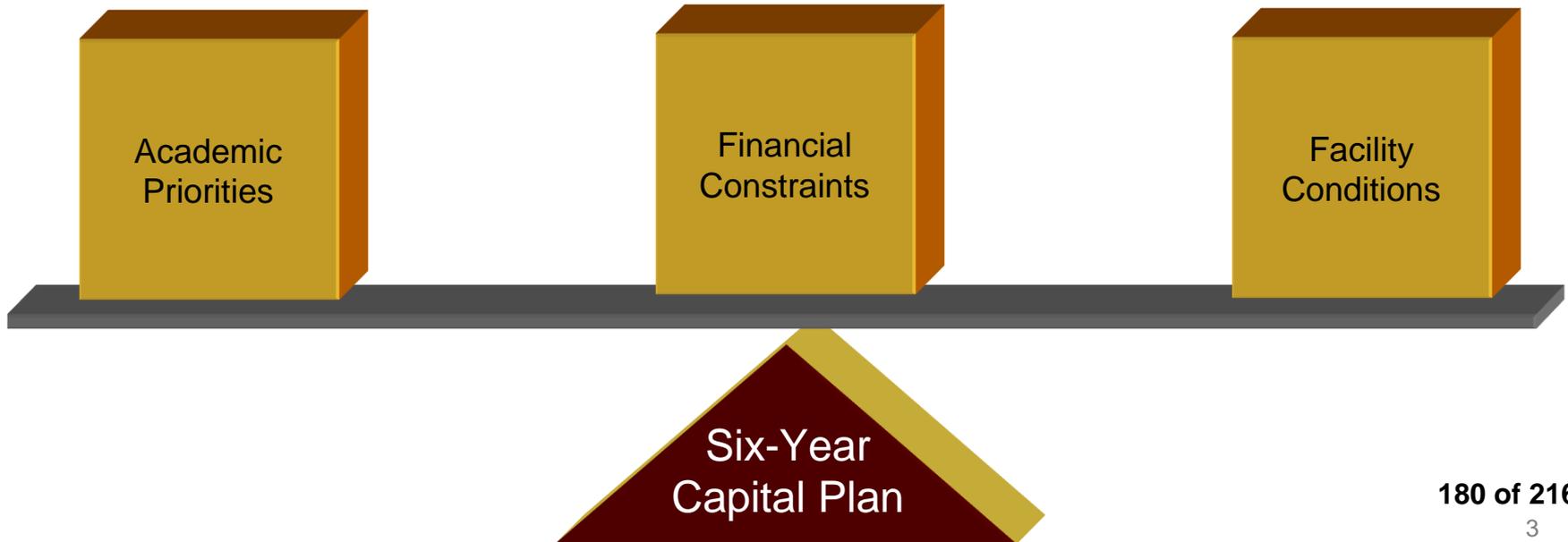
# What is the Six-Year Capital Plan?

- Board of Regents Policy directs the administration to develop a capital budget with a “six-year time horizon, updated annually”





# Balancing Competing Priorities





# Balancing Competing Priorities





# Setting Academic Priorities

- Each year Vice Presidents, Chancellors, and Deans are asked to identify their most important program priorities and the facility improvements necessary to support those programs as part of the budget process
- Academic leadership establishes the priorities for each college and campus





## Alignment with 2014 Strategic Plan

- Build an exceptional University where grand societal challenges are addressed
- Support excellence and, with intention, reject complacency
- Establish a culture of reciprocal engagement, capitalizing on our unique location
- Aggressively recruit, retain and promote field-shaping researchers and teachers



# Six Year Plan Objectives

- Advance strategic plan priorities
- Enhance the campus-based experience
- Align projects with available revenue sources
- Increase utilization and functionality of physical assets
- Complete capital investment sequences
- Reduce total campus square footage





## Strategic Emphasis

- Renovate or Remove FCA Critical buildings
- Advance the Health Sciences
- Modernize Saint Paul campus research laboratories
- Expand capacity in STEM programs





## Plan Elements

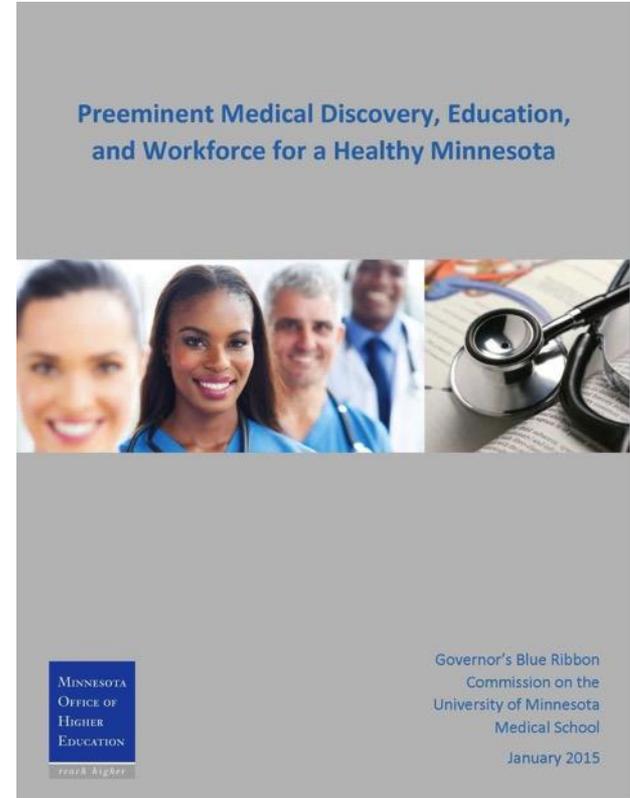
- Renovate / Remove FCA Critical Buildings
  - HEAPR
  - Plant Growth
  - Pillsbury Hall
  - Child Development
  - 10 Church
  - Critical Facilities renewal placeholders





# Plan Elements

- Advance the Health Sciences
  - Phase I: Health Science Education
  - Phase II: Clinical Science
  - Phase III: Mayo





## Plan Elements

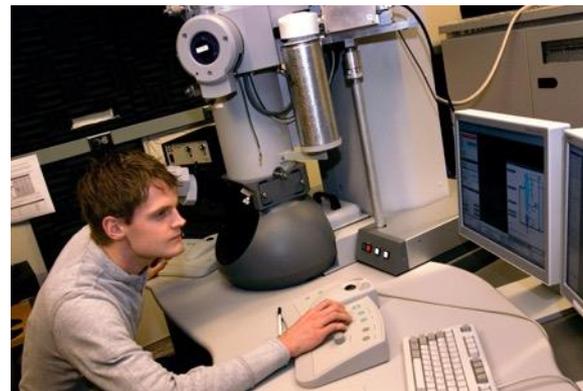
- Modernize Saint Paul Campus Research Laboratories
  - Academic and Student Experience Investments
  - Saint Paul Interdisciplinary Laboratory
    - Flexible labs designed to support interdisciplinary research for three colleges
  - Critical Building Renovation





## Plan Elements

- Expand Capacity in STEM programs
  - Duluth: Chemistry and Advanced Materials Science Building (CAMS)
  - Academic and Student Experience Investments (system)
  - Undergraduate Teaching Laboratory Facility
  - Chemistry Research Laboratory Investment





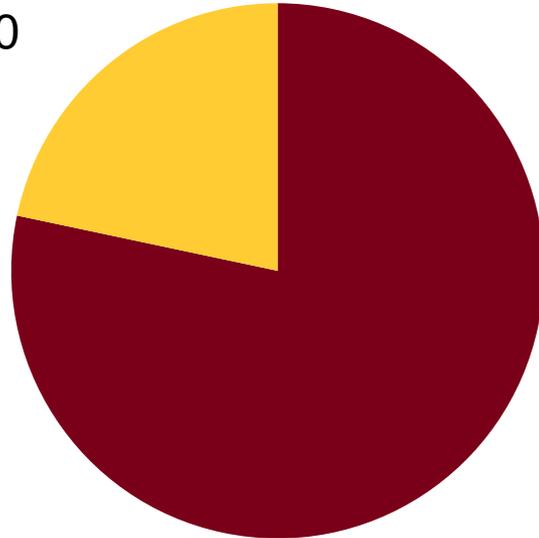
## Other Projects Under Consideration

- The projects on this list:
  - are insufficiently developed in terms of their programmatic needs at this time
  - are key investments based on collegiate and academic priorities
  - may need further definition and/ or development before they advance
- This list of investments should be considered as upcoming capital projects



# Six-Year Capital Improvement Plan: \$1,288,350,000

\$279,449,000  
22%



\$1,008,901,000  
78%

■ State  
■ University



UNIVERSITY OF MINNESOTA

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# BOARD OF REGENTS DOCKET ITEM SUMMARY

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**Board of Regents**

**September 11, 2015**

**AGENDA ITEM:** President’s Recommended 2016 State Capital Request

**Review**                       **Review + Action**                       **Action**                       **Discussion**

*This is a report required by Board policy.*

**PRESENTERS:** President Eric W. Kaler  
Pamela Wheelock, Vice President, University Services  
Richard Pfutzenreuter, Vice President and Chief Financial Officer

## **PURPOSE & KEY POINTS**

Board of Regents Policy: *Reservation and Delegation of Authority* requires the Board to approve the University’s legislative capital request before it is submitted for consideration by the Governor and the legislature.

The 2016 request contains six projects:

1. Higher Education Asset Preservation and Replacement (HEAPR) funds
2. Chemistry and Advanced Materials Science Building (Duluth Campus)
3. Health Science Education Facility (Twin Cities campus)
4. Plant Growth Research Facility (Twin Cities campus, St. Paul)
5. Academic and Student Experience Investments (system-wide)
6. Pillsbury Hall Renovation (Twin Cities campus)

The Plant Growth Research Facility, replacing the current Biological Sciences greenhouse, was included in the University’s 2014 and 2015 legislative capital request but was not funded. The Chemistry and Advanced Materials Science Building was awarded \$2.25 million in funds in the 2014 legislative session for predesign and design. The University received \$10 million in the 2015 session for predesign and design of the Health Sciences Education Facility.

## **BACKGROUND INFORMATION**

In October 2014, the Board approved the 2015 State Capital Request.

## **PRESIDENT’S RECOMMENDATION**

The President recommends approval of the 2016 State Capital Request.

## Project Summaries

# UNIVERSITY OF MINNESOTA

## Legislative Capital Request

### Higher Education Asset Preservation and Replacement

#### At a Glance

Campus:	Systemwide	2016 Total Funds:	\$100,000
Priority:	1	State Request Funds:	\$100,000
Total Project Cost:	\$100,000	University Funds:	\$0

Project Summary: This request is for funds to renew existing campus facilities and infrastructure in accordance with Minnesota Statutes, section 135A.046.

#### Project Description

The purpose and use of Higher Education Asset Preservation and Replacement (HEAPR) funds is defined in statute 135A.046 Asset Preservation and Replacement. Funds are intended to preserve and renew existing campus facilities by funding five kinds of projects: Accessibility, Building Systems (e.g. exterior envelope, mechanical, and electrical systems), Energy Efficiency, Health and Safety (e.g. hazardous material abatement, building code compliance), and Infrastructure. HEAPR funds are used throughout the University of Minnesota system. Funds are allocated to campuses and research stations based on facility need and overall quantity of space. The University regularly reports on the status of its HEAPR funding to Minnesota Management and Budget and the Legislature.

#### Project Rationale

HEAPR funds are essential in supporting the teaching, research, and service mission of the University. The University's mission will be compromised without continued, sustained reinvestment in buildings and infrastructure. The University's capital budget principles emphasize investment in existing facilities and infrastructure to extend useful life and to ensure the health, safety, and well-being of building occupants. Individual projects to be funded with HEAPR have been identified and prioritized through the University's Facility Condition Assessment (FCA) process. The FCA is a comprehensive systemwide evaluation of the condition of the University of Minnesota's campus facilities and infrastructure portfolio. FCA data is used to triage existing buildings into those that need long-term investments, those that need short-term investments, and those where no investment is required, in alignment with academic priorities.

HEAPR funds are used throughout the University of Minnesota system and are allocated to campuses and research stations based on facility need and overall space. They are essential in supporting the teaching, research, and service mission of the University. Funds keep people safe and make the campuses accessible for all Minnesotans. The value of the State's past investments is maximized by extending the functionality and useful life of existing buildings. HEAPR dollars are flexible, allowing the University to respond quickly to emergencies and to respond to unique opportunities. Regulatory compliance items, e.g. elevators, storm water and building codes, and other projects that are generally smaller than traditional capital request projects are funded with HEAPR allocations. These projects move faster, put people to work quicker, and provide different firms an opportunity to participate in design and construction at the University. HEAPR projects are green, since renewing an existing facility is more sustainable than new "green" construction.

#### Previous Appropriations for this Project

The University includes HEAPR in each capital request. The University received \$50 million in 2012, no appropriation in 2013, \$42.5 million in 2014 and no appropriation in 2015.

#### Current Project Status

Varies by project

# UNIVERSITY OF MINNESOTA

## Legislative Capital Request

### Chemistry and Advanced Materials Science Building

#### At a Glance

Campus:	U of M - Duluth Campus	2016 Total Funds:	\$39,750
Priority:	2	State Request Funds:	\$26,500
Total Project Cost:	\$42,000	University Funds:	\$13,250

Project Summary: This request is for funds to construct, furnish and equip a new science and engineering laboratory building on the Duluth campus.

#### Project Description

This project will construct approximately 51,000 square feet of research laboratories, instructional laboratories, teaching space, offices, and meeting space for the Swenson College of Science and Engineering on the Duluth Campus. The building is conceived as three stories with a mechanical and electrical penthouse. The research laboratory space, consisting of flexible wet and dry labs with adequate utilities, environmental controls and modern safety accommodations, will serve the needs of evolving research and teaching pedagogy.

#### Project Rationale

The Duluth campus is committed to supporting programs that work to expand the State's Science, Technology, Engineering, and Math (STEM) workforce, in addition to creating an inclusive campus climate through curricula and programs that prepare all students to be successful contributing members of diverse and global communities. Scholarship and research, both basic and applied, are foundations for new discoveries and knowledge, and for economic growth.

The proposed new chemistry and materials science facility will provide much needed new facilities for the Department of Chemistry and Biochemistry and advance an emergent Material Science and Engineering program. The campus has a need for additional upper division or advanced instructional labs in which students receive training on modern instrumental, experimental, and computational techniques. To accomplish this, laboratories need to have both student work spaces and instructional support areas. As new faculty are hired due to retirements in the next 5-10 years, larger and more instrument-rich research programs will be established requiring more research space.

Attracting high quality students in the STEM fields, as well as excellent faculty, who seek a collaborative environment to conduct leading-edge research and teach in interdisciplinary areas, will lead to increased external funding, economic growth and competitiveness, and greater technology- and knowledge- transfer to the state and region. The new research and education programs in material science and engineering will certainly broaden the impact that UMD and the Swenson College of Science and Engineering have on regional and local industries. To achieve these outcomes the campus needs modern laboratory space and rooms with specialized uses (instrument rooms, cold rooms, autoclave room, etc).

The existing Chemistry building was the first building constructed at UMD in 1948, and was not designed to be dedicated to Chemistry. Utility infrastructure is outdated, frequently in need of repair, and cannot support 21st century science. This building has numerous deficiencies including a lack of adequate eyewashes and showers, lack of chemical storage space, rusty and poorly ventilated under the hood storage, very old and poorly designed labs, lack of adequate wall space for chemical storage cabinets and gas cylinders, lack of adequate supply of wall or bench mounted electrical outlets, and water leaks. In addition, assessments have noted corroded gas lines and gas valves, poor air handling systems, and an elevator which is often out of service. Many of these have the potential to compromise the health and safety of building occupants.

#### Previous Appropriations for this Project

The University received an appropriation of \$1.5 million in 2014 to predesign and design a new facility to meet the research and undergraduate instruction needs of the Swenson

# UNIVERSITY OF MINNESOTA

## Legislative Capital Request

### **Chemistry and Advanced Materials Science Building**

College of Science and Engineering on the Duluth campus. 2014 total funding was \$2.25 million.

#### **Current Project Status**

Schematic Design In Progress

# UNIVERSITY OF MINNESOTA

## Legislative Capital Request

### AHC Phase I: Health Sciences Education Facility

#### At a Glance

Campus:	U of M - Twin Cities Campus	2016 Total Funds:	\$100,000
Priority:	3	State Request Funds:	\$66,667
Total Project Cost:	\$100,000	University Funds:	\$33,333

**Project Summary:** This request is for funds to complete design, renovate, construct, furnish and equip education facilities to meet the needs of the Medical School and Academic Health Center on the Twin Cities campus.

#### Project Description

This project will renovate, modernize and expand the University's medical and health sciences learning facilities. Facility planning work funded during the 2015 session is underway and will guide the final facility solution to be presented during the 2016 session. Active learning environments and student-instructor interaction across disciplines, which are the future state of education in academic health, requires different space than what exists today. New education and learning facilities will include classrooms, simulation centers, small group rooms, an advanced technology-rich biomedical library and student services and community amenities .

The legislative and executive commitment in the 2015 session to address aging and obsolete facilities with a major new investment in health education facilities will increase utilization, flexibility and focus on the interdisciplinary approaches will help a renewed vibrant academic clinical environment, innovation and ground-breaking programs.

#### Project Rationale

The University is home to Minnesota's only public medical school in addition to health science schools for dentistry, public health, pharmacy, nursing and veterinary medicine. The University's Academic Health Center (AHC) offers 62 accredited professional degrees, educates 6,400 students, and plays a key role in educating Minnesota's health care workforce, with two-thirds of the state's health professionals educated in the AHC. The health of Minnesota families and the economic vitality of the state depend on access to well-trained health providers, innovative health discoveries, quality health care and accessible public health programs.

Today, as Minnesotans live longer and demand for care of an aging population increases and disparities persist in access and in the state's healthcare workforce, health care requires an interdisciplinary approach to care delivery along a full continuum of primary to specialized care. This change in health care delivery calls for a full integration of health education/training, research, and clinical care. In order to meet future workforce needs, inter-professional and team-based practices should be more integrated into the undergraduate, graduate and post graduate curricula.

Today's Medical School accreditation at the national level demands the school addresses the new model of care. The educational shift is reflected in a new curriculum, including an early introduction to the care of patients in the first and second year, as well as exposure to the health care "systems" of a clinic. Meeting these education and training obligations is increasingly difficult in aging and obsolete facilities built for a different era of health education. In order to assure that students and residents are prepared to meet Minnesota's future physician workforce needs investments must be made to strengthen and expand the Medical Center's educational programs and curriculum through the use of interprofessional team-based learning and care environments. Better and more integrated health professional education will lead to improved healthcare for all Minnesotans.

The poor condition of the University's educational facilities are undercutting the competitiveness of University programs. Almost all of the educational and training facilities for the

# UNIVERSITY OF MINNESOTA

## Legislative Capital Request

### **AHC Phase I: Health Sciences Education Facility**

Medical School and other health professional schools are over 40 years old and are in need of major renovation and renewal or, simply, replacement. Accreditation bodies are citing deficient facilities in their reviews, student applicants are citing the poor educational facilities for their decision to enroll at other institutions, and student dissatisfaction with the educational facilities is high. Minnesota's situation is made worse by the fact that peer institutions have been making major investments in new and remodeled facilities.

### **Previous Appropriations for this Project**

The University received \$10 million in the 2015 session to plan two new facilities - an integrated health sciences education facility and a clinical research facility - and to predesign and start design on the integrated health sciences education facility.

### **Current Project Status**

Predesign In Progress

# UNIVERSITY OF MINNESOTA

## Legislative Capital Request

### Plant Growth Research Facility

#### At a Glance

Campus:	U of M - Twin Cities Campus	2016 Total Funds:	\$6,600
Priority:	4	State Request Funds:	\$4,400
Total Project Cost:	\$6,600	University Funds:	\$2,200

**Project Summary:** This request for funds to design, construct, furnish and equip an addition to the plant growth facilities on the St. Paul campus and to demolish the existing Biological Sciences greenhouse.

#### Project Description

This project will provide a new approximately 12,000 square foot greenhouse addition to the Plant Growth Facilities for the Biological Sciences Conservatory to replace and demolish the existing Biological Sciences Greenhouse on the St. Paul campus. While the existing Plant Growth Facilities are set up for agricultural experimentation, the CBS Conservatory greenhouse will be a specialized unit that serves the related educational missions necessary to ensure the State's agricultural future.

The total cost for this project is estimated to be \$6,600,000. The new greenhouse will be located in the planned expansion area of the Plant Growth Facilities, as identified in the Predesign Study for Plant Growth Facilities Renovation, Replacement and Additions (1997). The new greenhouse will be built similar to the neighboring structures, but will include aspects specific to the plant collection requirements. The greenhouse for the Biological Sciences Conservatory will be furnished with modern temperature, humidity and lighting controls and monitored via the master greenhouse campus control system. Upon completion, plant specimens and program activities currently housed in the existing Biological Sciences Greenhouse will be moved to the new facility and the old greenhouse will be demolished.

#### Project Rationale

The College of Biological Sciences (CBS) offers an exceptional, nationally recognized educational experience. Replacement of the existing Biological Sciences Greenhouse is essential to meet increased demand for enrollment and to secure a strong return on investment in the rapidly growing life sciences. Today, 33 Faculty, 40 teaching assistants and four support staff teaching 13 courses, depend on the collections and services of the Biological Sciences Greenhouse. The annual enrollment for those courses is more than 1,600 students. The building has a strong outreach function as well, with regular visits from school groups, horticulture clubs, K-12 educators and the broader community.

The University of Minnesota's undergraduate biology program has garnered national attention due to its signature programs (e.g., Nature of Life), its leading edge curriculum, and its pioneering application and use of the active learning classroom. STEM education requires a living plant collection where extremes of diversity and adaptation are displayed and studied across a broad range of environments. A new and expanded conservatory will remove current constraints to increasing enrollment and enable students to conduct independently designed research. Student interest in the biological sciences is booming across the country. Currently, there are eighteen students who apply for every single seat in the CBS freshman class. Total student enrollment in CBS is anticipated to increase by up to 40% by the fall of 2018.

The Biological Sciences Conservatory is home to a biodiverse collection of plant species to assist current and future research, help preserve the Earth's plant diversity, as well as building an appreciation for the richness of plant life on our planet in both students and the public. Conservatory staff service the needs of classes, researchers, and the surrounding community through making both our plants and expertise available. The collection is one of the most diverse in the upper Midwestern United States, containing over 1,200 species of plants. The Conservatory cares for everything from rare and endangered plants, to invasive species, to plants that show developing economic potential, to clones of original genome

# UNIVERSITY OF MINNESOTA

## Legislative Capital Request

### **Plant Growth Research Facility**

sequenced accessions. The material from this diverse living collection is leveraged for the maximum benefit for our students, scientists, and the public at large.

Through hands-on exposure to living plants within the Biological Sciences Conservatory, students in CBS, CFANS, and other colleges learn how opportunities for discovery and problem solving are rooted in the diversity of life. This education prepares university students to become the next generation of problem solvers in agriculture and food safety, environmental protection and restoration, as well as the production of natural and synthetic products for medical and non-medical uses.

The existing greenhouse is a fragile structure, costly to operate and rife with problems that are expensive to fix. Environmental, structural and functional deficiencies have resulted in escalating maintenance and repair costs, and serious safety issues. Failure of seals around large glass panes allows glass to shift and fall. High humidity levels, resulting in extensive cracking and spalling of the exterior concrete masonry unit kneewalls, and the freeze and thaw cycles have heightened the rate of deterioration of the greenhouse. This facility has the smallest footprint of any like buildings on the St. Paul campus but has the highest energy use and the second highest CO2 emissions. Gaps in the structure's foundation further compromise the plant collections and student projects as a result of insect migration.

Diverse and dynamic greenhouse displays are a highly effective means of communicating the university mission to the broader public. The Biological Sciences Conservatory will demonstrate with living examples how fundamental discoveries are translated into economic and environmental solutions for Minnesota. A new facility will breathe new life into a diverse encyclopedia of rare and spectacular plants by replacing an isolated greenhouse already deteriorated beyond repair with one that is energy efficient and integrated with existing facilities for teaching and research.

### **Previous Appropriations for this Project**

None

### **Current Project Status**

Pre-design

# UNIVERSITY OF MINNESOTA

## Legislative Capital Request

### Academic and Student Experience Investments

#### At a Glance

Campus:	Systemwide	2016 Total Funds:	\$24,000
Priority:	5	State Request Funds:	\$16,000
Total Project Cost:	\$24,000	University Funds:	\$8,000

**Project Summary:** This request is for funds to predesign, design, renovate, furnish and equip existing teaching, student support and research facilities on the Duluth, Morris, Crookston and Twin Cities campus.

#### Project Description

This request is for funds to make targeted strategic investments in modernizing existing teaching, research, outreach and student support spaces on the University's Duluth, Morris, Crookston and Twin Cities campuses. Similar to appropriations for laboratory renovations in 2008 and 2010, this request is intended to update individual spaces that will not otherwise be improved through whole building renovations. Funds will be allocated to each campus to advance high priority projects focused on learning spaces, student support services and research laboratories.

Sample projects to be funded by the academic facility investment pool include:

- Renovation of obsolete biological sciences library space into modern laboratories
- Creation of new active learning classrooms, traditional classrooms, and small group study spaces
- Conversion of an old teaching kitchen at UMC into modern teaching and research space

#### Project Rationale

Learning spaces are at the heart of the University's teaching mission. To meet the needs of faculty and the expectations of students, the University must provide modern, technology-rich classrooms in order to optimize teaching and learning. Improved, up-to-date classrooms, instructional laboratories, and collaboration spaces are essential to attract the best and brightest students and remain competitive with other regional universities. The overall student experience at the University of Minnesota will be improved by enhancing the physical environment and adding modern classroom learning technologies.

Active Learning Classrooms (ALCs), a component of the programmatic request, are designed to foster interactive, flexible, student-centered learning experiences, and to operate using central teaching stations and student-provided laptops. ALCs offer cooperative learning environments that encourage student collaboration and peer teaching, the ability for instructors to interactively coach students during activities and new options for student interaction and class structure.

Modern research facilities are essential to the University's nationally-ranked basic and applied research programs. Research funding and national competitiveness depend upon an institution's researchers, and state-of-the-art laboratories are the foundation of the solid research program at the University of Minnesota. Updated facilities are critical to attract and retain top faculty and students and to obtain competitively awarded sponsored research grants. Without state-of-the-art laboratories in which to conduct their research, faculty will choose other institutions with better facilities.

#### Previous Appropriations for this Project

# UNIVERSITY OF MINNESOTA

Legislative Capital Request

**Academic and Student Experience Investments**

None

**Current Project Status**

Varies by Project

# UNIVERSITY OF MINNESOTA

## Legislative Capital Request

### Pillsbury Hall Renovation

#### At a Glance

Campus:	U of M - Twin Cities Campus	2016 Total Funds:	\$33,000
Priority:	6	State Request Funds:	\$22,000
Total Project Cost:	\$33,000	University Funds:	\$11,000

Project Summary: This request is for funds to predesign, design, renovate, furnish and equip historic Pillsbury Hall on the Minneapolis campus.

#### Project Description

This project will completely renovate Pillsbury Hall, replacing obsolete science facilities with modern, flexible non-laboratory teaching, learning, and research spaces for College of Liberal Arts' humanities programs including the Department of English (which teaches nearly 6,000 students per year). The renovated space is anticipated to be divided approximately equally between classroom- and assembly-type space to support multiple modes of learning and alternative workplace office space. At nearly 60,000 gross square feet, the renovation is expected to maintain an equivalent amount of space when complete. The rehabilitation of Pillsbury Hall is expected to be consistent with the Secretary of the Interior's Standards for Preservation.

#### Project Rationale

Pillsbury Hall is the second oldest and most iconic building on campus. Its history is intertwined with the leadership of John S. Pillsbury as State Senator (1864-68, 1871-75), Minnesota Governor (1875-1881), and University Regent (1863-1901). Called "the father of the University," Pillsbury cleared away its \$80,000 debt, reorganized its finances, and preserved its ownership of land given through the Morrill Land Grant Act. In the 1880s, he donated \$150,000 for the construction of a science building, completed in 1889 and named in his honor.

The Pillsbury Hall project is a key component of a sequenced plan: (1) relocating the Department of Physics from Tate Laboratory to its new building, (2) relocating the Department of Earth Sciences (formerly Geology and Geophysics) from Pillsbury Hall to a renovated Tate Laboratory, (3) relocating the Department of English from Lind Hall to a renovated Pillsbury Hall, and (4) freeing up Lind Hall for other use.

While Pillsbury Hall is no longer adaptable to modern science research or teaching, it plays a significant role in the East Bank humanities district, which encompasses Folwell, Jones, Nicholson, Nolte, Pillsbury and Scott halls. Planned investments in these buildings -- all built between 1889 and 1935 on the historic knoll -- locate the humanities in proximity, thus creating synergies and collaborations among them, while preserving the University's historic assets for future generations. The renovated Pillsbury Hall will house the Department of English (as the major tenant) and complementary humanities activities in technologically sophisticated spaces for research, teaching, and engagement.

English teaches nearly 6,000 students per year, generating about 20,000 student credit hours of non-English major instruction each year and teaching the core skills of liberal education -- close reading, textual analysis, and scholarly and creative writing -- to the entire undergraduate student body. In 2014, English had 627 undergraduate majors, 36 MFA students in the Creative Writing Program, and 77 MA/PhD students in the Literature Program. It is the most popular humanities major on campus with high national rankings.

The new Pillsbury Hall will also be home to the Minnesota Engagement Lab (MEL). MEL is an innovative and technologically equipped humanities engagement lab where scholars, students, and community members will address challenges facing Minnesota citizens through focused projects, such as rural and urban access to food resources, histories of

# UNIVERSITY OF MINNESOTA

## Legislative Capital Request

### **Pillsbury Hall Renovation**

Minnesota immigrant institutions and neighborhoods, and literature and literacy services to communities. The high-tech performance spaces and engagement lab will advance the University's and CLA's goals of integrating research, teaching, and public service about the human condition, producing future leaders who will use the knowledge, skills, and collaboration they learned here to build vibrant communities.

The other feature of Pillsbury Hall will be spaces for production and presentation activities. Production spaces will be equipped with technologies that enable journal editing, video making, digital storytelling, web-site building, and web based research. Presentation spaces will be used by the hundreds of events now hosted annually by English and other humanities departments.

The renovated Pillsbury Hall, with its new residents, its updated facilities, and its engagement spaces will foster collaboration among the humanities and prepare students for 21st century life and careers that increasingly require an understanding of diverse cultures, humanistic values, and the new media that merge word and image; and engage communities in work that enhances the public good.

### **Previous Appropriations for this Project**

None

### **Current Project Status**

Pre-design In Progress

# 2016 State Capital Request

Board of Regents  
September 11, 2015



UNIVERSITY OF MINNESOTA

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# Timeline

- September
  - Board of Regents review of the 2016 State capital request
- August - October
  - State capital bonding tours
- October
  - Board of Regents approval of the 2016 State capital request
- January
  - Governor's capital investments recommendation
- March
  - Legislature reconvenes
- May - June
  - Board of Regents action on FY2017 capital budget



# Financial Summary

		Request (dollars in millions)			
Location	Project	Total	State	U of MN	
SYSTEM	HEAPR	\$100.0	\$100.0	\$0.0	
UMD	Chemistry and Advanced Materials Science	\$40.8	\$27.2	\$13.6	
UMTC	AHC Phase I: Health Science Education Facility	\$100.0	\$66.7	\$33.3	
UMTC	Plant Growth Research Facility	\$6.6	\$4.4	\$2.2	
SYSTEM	Academic and Student Experience Investments	\$24.0	\$16.0	\$8.0	
UMTC	Pillsbury Hall Renovation	\$33.0	\$22.0	\$11.0	
		<b>Total:</b>	<b>\$304.4</b>	<b>\$236.3</b>	<b>\$68.1</b>

# Higher Education Asset Preservation and Replacement (HEAPR)

Systemwide

\$100,000,000 project funds

\$100,000,000 state share



## Project Description

- *HEAPR funds maximize and extend the life of the University's existing inventory of buildings and facilities, sustaining prior U of M and State building investments.*
- *Individual projects fall into one of four categories: health and safety, utility infrastructure, building systems, energy efficiency.*

## Project Rationale

- The University's mission will be compromised without continued, sustained investment in buildings and infrastructure.
- Strategic investments targeted to mission critical buildings will improve energy efficiency and reduce long term operating cost.
- This project was identified in each year of the Six Year Plan.

# Chemistry and Advanced Materials Science Building

*Duluth campus*

\$40,750,000 project funds

\$27,167,000 state share



## Project Description

- *This request is for funds to construct, furnish and equip a new science and engineering laboratory building on the Duluth campus.*
- *This project will construct approx. 51,000 sf of research labs, instructional labs, teaching space, offices, and meeting space for the Swenson College of Science and Engineering.*

## Project Rationale

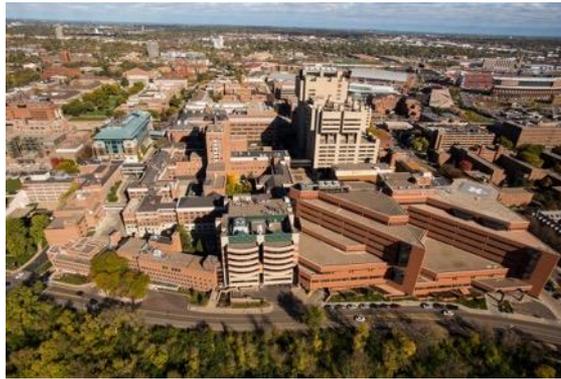
- Current facilities are not appropriate for renovation of instrument-rich, intensive use research activity. However, some of the current spaces can be renovated for less intensive uses.
- A new building located close to Chemistry and other Life Sciences based activity will advance leading research and interdisciplinary teaching.
- This project was included in the 2014 state capital request and received an appropriation of \$1,500,000 for predesign and design.

# AHC Phase I: Health Science Education Facility

*Twin Cities campus*

\$100,000,000 project funds

\$66,667,000 state share



## Project Description

- *This request is to complete design, renovate, construct, furnish, and equip education facilities to meet the needs of the Medical School and AHC.*
- *This project will modernize and expand the University's medical and health science learning facilities including classrooms, simulation centers, collaboration space, and an advanced biomedical library.*

## Project Rationale

- Aging facilities undercut the competitiveness of academic programs.
- Changes in health care delivery call for a full integration of health education, research, and clinical care.
- The health of Minnesota families and the economic vitality of the state depends on access to well-trained health providers and innovative health discoveries.

## Plant Growth Research Facility

*Twin Cities campus*

\$6,600,000 project funds

\$4,400,000 state share



## Project Description

- *This request for funds to design, construct, furnish, and equip an addition to the plant growth facilities on the Saint Paul campus and to demolish the existing Biological Sciences greenhouse.*
- *This project will provide a new 12,000 square foot greenhouse addition to the Plant Growth Facilities for the Biological Sciences Conservatory*

## Project Rationale

- Leadership in teaching and research must be strengthened by replacing obsolete facilities.
- STEM education requires a living plant collection where extremes of diversity and adaptation may be studied.
- The Biological Sciences Conservatory houses one of the most diverse plant collections in the upper Midwest, with over 1,200 species of plants.
- This project was included in the 2014 and 2015 state capital requests.

# Academic and Student Experience Investments

## Systemwide

\$24,000,000 project funds

\$16,000,000 state share



## Project Description

- *This request is for funds to make targeted strategic investments in teaching, research and student experience spaces on the Crookston, Duluth, Morris, and Twin Cities campuses.*
- *Project funds will be allocated as follows:*
  - \$4 million to Crookston
  - \$4 million to Duluth
  - \$4 million to Morris
  - \$12 million to Twin Cities

## Project Rationale

- The University must provide modern, technology-rich classrooms in order to optimize teaching and learning and to attract the best and brightest students.
- Updated facilities are critical to attract and retain top faculty and students and to obtain competitively awarded research grants.

# Pillsbury Hall Renovation

*Twin Cities campus*

\$33,000,000 project cost

\$22,000,000 state share



## Project Description

- *This request is for funds to predesign, design, renovate, furnish, and equip historic Pillsbury Hall on the Minneapolis campus.*
- *This project will renovate nearly 60,000 gross square feet for classrooms, assembly space, and alternative workplace office space.*

## Project Rationale

- Pillsbury Hall is once of the oldest and most iconic buildings on campus and is listed on the National Register of Historic Places.
- The building is no longer suited to modern science and engineering research and teaching.
- Renovation for English, teaching, and other functions will strengthen adjacencies among humanities programs engaged in preparing students for 21st century careers.
- This project was included in the Six Year Plan in 2016.



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# BOARD OF REGENTS DOCKET ITEM SUMMARY

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**Board of Regents**

**September 11, 2015**

**AGENDA ITEM:** Report of the Committees

**Review**       **Review + Action**       **Action**       **Discussion**

*This is a report required by Board policy.*

**PRESENTERS:** Regent Dean Johnson

## **PURPOSE & KEY POINTS**

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

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

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

## **BACKGROUND**

Current committee chairs:

- Academic & Student Affairs Committee – L. Cohen
- Audit & Compliance Committee – L. Brod
- Facilities, Planning & Operations Committee – D. McMillan
- Faculty & Staff Affairs Committee – P. Simmons
- Finance Committee – R. Beeson
- Governance & Policy Committee – L. Cohen
- Litigation Review Committee – T. Devine