

**UNIVERSITY OF MINNESOTA
BOARD OF REGENTS**

**Finance & Operations Committee
October 11, 2018**

A meeting of the Finance & Operations Committee of the Board of Regents was held on Thursday, October 11, 2018 at 7:45 a.m. in the Boardroom, 600 McNamara Alumni Center.

Regents present: Thomas Anderson, presiding; Richard Beeson, Linda Cohen, Michael Hsu, Dean Johnson, Peggy Lucas, David McMillan, Kendall Powell, Darrin Rosh, Randy Simonson, and Steve Sviggum.

Staff present: President Eric Kaler; Chancellors Michelle Behr, Lendley Black, Lori Carrell, and Mary Holz-Clause; Senior Vice President Brian Burnett; Vice Presidents Michael Berthelsen, Kathryn Brown, Bernard Gulachek, Matt Kramer and Michael Goh; General Counsel Douglas Peterson; Executive Director Brian Steeves; Associate Vice Presidents Bill Paulus, Julie Tonneson, and Michael Volna.

Student Representatives present: Marta Dean and James Pathoulas.

The docket materials for this meeting are [available here](#).

PRESIDENT'S RECOMMENDED FY 2020-2021 BIENNIAL BUDGET REQUEST

Regent Anderson invited President Kaler, Senior Vice President Burnett, Associate Vice President Tonneson, and Vice President Kramer, to present for action the President's recommended FY 2020-2021 biennial budget request, as detailed in the docket.

The docket materials for this item begin on page 4. The closed captioned video of this item is [available here](#).

A motion was made and seconded, and the committee voted unanimously to recommend approval of the resolution related to the State Biennial Budget Request for FY 2020-21.

**PRESIDENT'S RECOMMENDED SIX-YEAR CAPITAL PLAN
AND 2019 STATE CAPITAL REQUEST**

Regent Anderson invited President Kaler, Senior Vice President Burnett, and Vice President Berthelsen to present for action the President's recommended six-year capital plan and 2019 state capital request, as detailed in the docket.

The docket materials for this item begin on page 12. The closed captioned video of this item is [available here](#).

A motion was made and seconded, and the committee voted unanimously to recommend approval of the resolution related to the 2018 Six-Year Capital Plan and the resolution related to the 2019 State Capital Request.

TWIN CITIES UNDERGRADUATE NONRESIDENT/NON-RECIPROCITY TUITION UPDATE

Regent Anderson invited President Kaler, Senior Vice President Burnett, Associate Vice President Tonneson, and Robert McMaster, Vice Provost, Undergraduate Education, to present an update on Twin Cities undergraduate nonresident/non-reciprocity tuition, as detailed in the docket.

The docket materials for this item begin on page 48. The closed captioned video of this item is [available here](#).

FY 2020 BUDGET VARIABLES AND LEVERS

Regent Anderson invited President Kaler, Senior Vice President Burnett, and Associate Vice President Tonneson to present for discussion the FY 2020 budget variables and levers and for review the resolution related to FY 2020 Twin Cities undergraduate nonresident/non-reciprocity tuition rate, as detailed in the docket.

The docket materials for this item begin on page 71. The closed captioned video of this item is [available here](#).

COLLECTIVE BARGAINING AGREEMENT: LAW ENFORCEMENT LABOR SERVICES

Regent Anderson invited Vice President Brown and Patti Dion, Senior Director, Office of Human Resources, to present for review and action a collective bargaining agreement with Law Enforcement Labor Services, as detailed in the docket.

The docket materials for this item begin on page 104. The closed captioned video of this item is [available here](#).

A motion was made and seconded, and the committee voted unanimously to recommend approval of the resolution related to the proposed labor agreement with Law Enforcement Labor Services.

COLLECTIVE BARGAINING AGREEMENT: INTERNATIONAL BROTHERHOOD OF ELECTRICAL WORKERS LOCAL 292

Regent Anderson invited Vice President Brown and Patti Dion, Senior Director, Office of Human Resources, to present for review and action a collective bargaining agreement with International Brotherhood of Electrical Workers Local 292, as detailed in the docket.

The docket materials for this item begin on page 107. The closed captioned video of this item is [available here](#).

A motion was made and seconded, and the committee voted unanimously to recommend approval of the resolution related to the proposed labor agreement with International Brotherhood of Electrical Workers Local 292.

CAPITAL BUDGET AMENDMENT: ICE RINK REFRIGERANT AND HVAC REPLACEMENT, SPORTS AND HEALTH CENTER (DULUTH CAMPUS)

Regent Anderson invited Marc Partridge, University Architect, to present for action an amendment to the FY 2019 Annual Capital Improvement Budget for the Ice Rink Refrigerant and HVAC Replacement, Sports and Health Center, Duluth campus, as detailed in the docket.

The docket materials for this item begin on page 110. The closed captioned video of this item is [available here](#).

A motion was made and seconded, and the committee voted unanimously to recommend approval of the amendment to the FY 2019 Annual Capital Improvement Budget for the Ice Rink Refrigerant and HVAC Replacement, Sports and Health Center, Duluth campus.

REAL ESTATE TRANSACTIONS

Regent Anderson invited Assistant Vice President Leslie Krueger to present for review the sale of 24.17 acres, Aurora Oregon Research Station, as detailed in the docket.

The docket materials for this item begin on page 113. The closed captioned video of this item is [available here](#).

Regent Rosha proposed moving the item from review to review and action. There was no objection.

A motion was made and seconded, and the committee voted unanimously to recommend approval of the sale of 24.17 acres, Aurora Oregon Research Station.

CONSENT REPORT

President Kaler and Senior Vice President Burnett presented the revised version two Consent Report, as detailed in the docket.

The revised docket materials for this item begin on page 121. The closed captioned video of this item is [available here](#).

General Contingency:

- Spending approval for up to \$350,000 to support the University President search activities.

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

- To Blue Cross and Blue Shield of Minnesota (BCBSMN) for an estimated \$6,300,000 for administrative services and stop loss coverage for the partially self-funded Student Health Benefit Plan (SHBP), Graduate Assistant Health Plan (GAHP) and Resident Fellows and

Interns Health Plan (RFIHP) for eligible students, and their dependents, systemwide administered through Boynton Health Service for the period of July 1, 2019 through August 31, 2021 with possible contract extensions through August 31, 2025 for an estimated additional \$15,400,000. Total value of the contract if all options are exercised would be an estimated \$21,700,000. The programs have financial reserves to meet all obligations for the next two years of partial self-funding and provide the same level of coverage to eligible students for the upcoming year. The cost of the SHBP plan is borne entirely by students purchasing the plan. The cost of the GAHP and RFIHP is borne by departments in addition to students contributions for the coverage. Supplier was selected through a competitive process.

- To Egan, Nasseff, Northern Air Corporation, and Metropolitan Mechanical Contractors, Inc. for an estimated \$2,000,000 for providing contract mechanical and electrical maintenance support services and supplemental facilities management construction services as needed for Facilities Management for the period of November 1, 2018 through October 31, 2023. Contract mechanical and electrical maintenance support services and supplemental facilities management construction services is budgeted by a variety of organizations on the Twin Cities campus through their facilities budget. Suppliers were selected through a competitive process.
- To Fidelity Workplace Services LLC, a Delaware limited liability company (“Fidelity”) for an estimated \$7,100,000 over a six year period with an estimated start of May 1, 2019 and concluding April 30, 2025, for recordkeeping services supporting the University of Minnesota Faculty Retirement Plan, the University of Minnesota Optional Retirement Plan, the University of Minnesota Section 457 Deferred Compensation Plan, and the University of Minnesota 415 (m) Retirement Plan. Recordkeeper fees are paid by plan participants. Supplier was selected through a competitive process.

Resolution Related to Settlement of CUHCC/DHS Arbitration:

WHEREAS, on July 12, 2018, the Litigation Review Committee (LRC) of the Board of Regents (Board) approved the settlement of the arbitration between the State of Minnesota, Department of Health and Services (DHS) and the Community University Health Care Center (CUHCC), a unit of the University of Minnesota, (Settlement); and

WHEREAS, the Settlement required payment by DHS to CUHCC of one million, one hundred thousand dollars (\$1,100,000), and DHS subsequently made the payment to CUHCC; and

WHEREAS, DHS administers Minnesota’s Medicaid program, referred to as Medical Assistance (MA); and

WHEREAS, CUHCC operates a Federally Qualified Health Center (FQHC) in Minnesota that participates in the MA program and receives payments for its reasonable costs as described in 42 U.S.C. section 1396a(bb). This includes supplemental payments by DHS as described in 42 U.S.C section 1396a(bb)(5); and

WHEREAS, Minnesota law required CUHCC to identify no later than January 1, 2017 any issues relating to supplemental payments for services performed prior to January 1, 2015; and

WHEREAS, CUHCC electronically submitted a spreadsheet identifying sixteen issues and the parties resolved, prior to the Settlement, resolution of all but two of the issues, specifically reimbursement for non-covered Medicare services for dual eligible patients and incentive payments for completed Child & Teen Checkups under procedure code S0302; and

WHEREAS, pursuant to Minnesota Statutes section 256B.0625, subdivision 30(i) the parties submitted their dispute for the two remaining issues to arbitration; and

WHEREAS, the Settlement represented a full, final, and complete settlement of all disputes concerning the FQHC supplemental payments under Minnesota Statutes section 256B.0625, subdivision 30(i) at issue in the arbitration; and

WHEREAS, under the Settlement, DHS agreed to make a payment to CUHCC of a total sum of one million, one hundred thousand dollars (\$1,100,000) using the usual claims payment process in place for CUHCC via a gross adjustment; and

WHEREAS, CUHCC receives a bi-weekly warrant from DHS in the ordinary course of business. The warrant received on September 6, 2018, included the \$1.1 million payment relating to the Settlement. In the ordinary course, the proceeds of the warrant, were sent to the CUHCC lockbox at US Bank for processing, and deposited into the University's treasury funding bank account on September 7, 2018. The University, recognizing these monies as a legal settlement, has recorded the monies to the Central Reserves general ledger account; and

WHEREAS, in order to be consistent with both the Settlement and with federal regulations that require the University and CUHCC to use reimbursement payments, that are directly related to Medicaid services, to further the purposes of CUHCC as a federally funded FQHC, the monies need to be transferred to an appropriate CUHCC general ledger account.

NOW, THEREFORE, BE IT RESOLVED that the Board hereby authorizes the transfer of the Settlement proceeds from the Central Reserves general ledger account to a CUHCC general ledger account.

Employment Agreements

- Professor Christopher J. Cramer as Vice President for Research
- Amendment to employment agreement – Director of Intercollegiate Athletics, Twin Cities campus

Regent Rosha requested that the amendment to employment agreement – Director of Intercollegiate Athletics, Twin Cities campus be separated from the Consent Report.

A motion was made and seconded, and the committee voted unanimously to recommend approval of the revised version two Consent Report, excluding the amendment to employment agreement – Director of Intercollegiate Athletics, Twin Cities campus.

A motion was made and seconded to recommend approval of the amendment to employment agreement – Director of Intercollegiate Athletics, Twin Cities campus.

Rosha moved to postpone the motion to the December committee meeting. There was a second. The committee voted 2-9 to postpone the motion. Regents Hsu and Rosha voted yes.

The committee voted 9-2 to recommend approval of the amendment to employment agreement – Director of Intercollegiate Athletics, Twin Cities campus. Regents Hsu and Rosha voted no.

INFORMATION ITEMS

Senior Vice President Burnett referred the committee to the information items in the docket:

- FY 2018 Real Estate Report

The docket materials for this item begin on page 147. The closed captioned video of this item is [available here](#).

The meeting adjourned at 10:58 a.m.



BRIAN R. STEEVES
Executive Director and
Corporate Secretary

**UNIVERSITY OF MINNESOTA
BOARD OF REGENTS**

**Audit & Compliance Committee
October 11, 2018**

A meeting of the Audit & Compliance Committee of the Board of Regents was held on Thursday, October 11, 2018 at 11:00 a.m. in the Boardroom, 600 McNamara Alumni Center.

Regents present: Linda Cohen, presiding; Michael Hsu, Peggy Lucas, David McMillan, and Ken Powell.

Staff present: President Eric Kaler; Chancellors Michelle Behr, Lendley Black, Lori Carrell, and Mary Holz-Clause; Executive Vice President and Provost Karen Hanson; Senior Vice President Brian Burnett; Vice Presidents Michael Berthelsen, Kathryn Brown, Bernard Gulachek, and Michael Goh; General Counsel Douglas Peterson; Executive Director Brian Steeves; Chief Auditor Gail Klatt; and Associate Vice President Michael Volna.

Student Representatives present: Anne Barnes and Alexandra Ulland.

The docket materials for this meeting are [available here](#).

INTERNAL AUDIT UPDATE

Regent Cohen invited Chief Auditor Klatt to present the Internal Audit update, as detailed in the docket.

The docket materials for this item begin on page 3. The closed captioned video of this item is [available here](#).

INSTITUTIONAL RISK PROFILE

Regent Cohen invited Michael Berthelsen, Vice President for University Services; Matt Kramer, Vice President for University Relations; and Chuck Tombarge, Chief Public Relations Officer, to discuss the institutional risk profile and mitigation plans for campus safety and crisis response, as detailed in the docket.

The docket materials for this item begin on page 61. The closed captioned video of this item is [available here](#).

UPDATE ON EMPLOYMENT ELIGIBILITY VERIFICATION (I-9) AUDIT FINDINGS

Regent Cohen invited Brian Burnett, Senior Vice President, and Kathryn Brown, Vice President of Human Resources, to provide an update on employment eligibility verification (I-9) audit findings, as detailed in the docket.

The docket materials for this item begin on page 27. The closed captioned video of this item is [available here](#).

The meeting adjourned at 12:28 p.m.

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

BRIAN R. STEEVES
Executive Director and
Corporate Secretary

**UNIVERSITY OF MINNESOTA
BOARD OF REGENTS**

**Litigation Review Committee
October 11, 2018**

A meeting of the Litigation Review Committee of the Board of Regents was held on Thursday, October 11, 2018 at 11:00 a.m. in the Sixth Floor, West Committee Room, 600 McNamara Alumni Center.

Regents present: Richard Beeson, presiding; Thomas Anderson, Dean Johnson, Darrin Rosha, Randy Simonson, and Steven Sviggum.

Staff present: President Eric Kaler; General Counsel Douglas Peterson; and Executive Director Brian Steeves.

Others present: Sarah Dirksen, Timothy Pramas, Brian Slovut, and Jon Steadland.

The docket materials for this meeting are [available here](#).

**RESOLUTION TO CONDUCT NON-PUBLIC MEETING
OF THE LITIGATION REVIEW COMMITTEE**

The meeting convened in public session at 11:08 a.m. A motion was made and seconded that the following resolution be adopted:

WHEREAS, based on advice of the General Counsel, the Board of Regents Litigation Review Committee has balanced the purposes served by the Open Meeting Law and by the attorney-client privilege, and determined that there is a need for absolute confidentiality to discuss litigation strategy in particular matters involving the University of Minnesota.

NOW, THEREFORE, BE IT RESOLVED, that in accordance with Minn. Stat. § 13D.01, Subd. 3 and 13D.05 Subd. 3(b), a non-public meeting of Litigation Review Committee be held on October 11, 2018 at 11:00 a.m. in the West Committee Room, 600 McNamara Alumni Center, for the purpose of discussing attorney-client privileged matters including the following:

- I. Potential litigation by former employee
- II. Potential litigation by student
- III. Claim against former employee

The committee voted unanimously to adopt the resolution and the public portion of the meeting ended at 11:09 a.m.

The meeting adjourned at 11:40.m.

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

BRIAN R. STEEVES
Executive Director and
Corporate Secretary

**UNIVERSITY OF MINNESOTA
BOARD OF REGENTS**

**Mission Fulfillment Committee
October 11, 2018**

A meeting of the Mission Fulfillment Committee of the Board of Regents was held on Thursday, October 11, 2018 at 1:30 p.m. in the Boardroom, 600 McNamara Alumni Center.

Regents present: Peggy Lucas, presiding; Thomas Anderson, Richard Beeson, Linda Cohen, Michael Hsu, Dean Johnson, David McMillan, Ken Powell, Darrin Roshia, Randy Simonson, and Steve Sviggum.

Staff present: President Eric Kaler; Chancellors Michelle Behr, Lendley Black, Lori Carrell, and Mary Holz-Clause; Executive Vice President and Provost Karen Hanson; Senior Vice President Brian Burnett; Vice Presidents Kathryn Brown and Michael Goh; General Counsel Douglas Peterson; Executive Director Brian Steeves; and Associate Vice President Julie Showers.

Student Representatives present: Mckenzie Dice and Jael Kerandi.

The docket materials for this meeting are [available here](#).

BOARD OF REGENTS POLICY: *RESEARH INVOLVING HUMAN SUBJECTS*

Regent Lucas invited Allen Levine, Vice President for Research, to review proposed changes to Board of Regents Policy: *Research Involving Human Subjects*, as detailed in the docket.

The docket materials for this item begin on page 3. The closed captioned video of this item is [available here](#).

STUDENT EDUCATION RECORDS, DIRECTORY, AND DATA PRIVACY

Regent Lucas invited Robert McMaster, Vice Provost and Dean of Undergraduate Education; Brent Benrud, Senior Associate General Counsel; and Stacey Tidball, Director for Continuity and Compliance, Academic Support Resources, to discuss student education records, as detailed in the docket.

The docket materials for this item begin on page 6. The closed captioned video of this item is [available here](#).

DISABILITY SUPPORT SERVICES SYSTEMWIDE

Regent Lucas invited Michael Goh, Vice President for Equity and Diversity; Julie Showers, Associate Vice President for Equity and Diversity; and Lisa Erwin, Vice Chancellor for Student Life, UMD, to discuss disability support services systemwide, as detailed in the docket.

The docket materials for this item begin on page 32. The closed captioned video of this item is [available here](#).

Lucas recessed the meeting at 3:09 p.m.

GRADUATE AND PROFESSIONAL EDUCATION, PART II: KEY ASPECTS AND CHALLENGES

Regent Lucas reconvened the meeting at 3:20 p.m. and invited Provost Hanson; Scott Lanyon, Vice Provost and Dean of Graduate Education; Craig Hedberg, Professor, School of Public Health; Joseph Merighi, Associate Professor, College of Education and Human Development, UMTC; and Deborah Dillon, Associate Dean for Graduate and Professional Programs, College of Education and Human Development, UMTC, to discuss graduate and professional education, as detailed in the docket.

The docket materials for this item begin on page 76. The closed captioned video of this item is [available here](#).

CONSENT REPORT

A motion was made and seconded, and the committee voted unanimously to recommend approval of the following, as described in the Consent Report:

- **Request for Approval of New Academic Programs**
 - College of Biological Sciences (Twin Cities campus)—Create undergraduate minor in Computational Biology
 - College of Biological Sciences (Twin Cities campus)—Create undergraduate minor in Cellular and Molecular Neuroscience
 - Medical School (Twin Cities campus)—Create fellowship in Integrated Vascular Surgery
 - Medical School (Twin Cities campus)—Create fellowship in Pediatric Obesity Medicine
- **Request for Approval of Changed Academic Programs**
 - College of Biological Sciences (Twin Cities campus)—Change the name of the undergraduate minor in Neuroscience to Integrative Neuroscience
- **Request for Conferral of Tenure for Outside Hires**
 - Samuel Dudley, professor with tenure, Medicine, Medical School
 - John Hoffman, professor with tenure, Liberal Arts and Education, University of Minnesota Crookston
- **Correction to the September 2018 Tenured Hire Recommendations Request for Conferral of Tenure for Internal Hire**
 - Prakash Kara, professor with tenure, Neuroscience, Medical School

- **Request for Promotion in Rank**

- Gary Anderson, professor with tenure, Developmental and Surgical Sciences, School of Dentistry

The docket materials for this item begin on page 147. The closed captioned video of this item is [available here](#).

INFORMATION ITEMS

Provost Hanson referred the committee to the information items in the docket.

The docket materials for this item begin on page 153. The closed captioned video of this item is [available here](#).

The meeting adjourned at 4:38 p.m.



BRIAN R. STEEVES
Executive Director and
Corporate Secretary

**UNIVERSITY OF MINNESOTA
BOARD OF REGENTS**

**Governance & Policy Committee
October 12, 2018**

A meeting of the Governance & Policy Committee of the Board of Regents was held on Friday, October 12, 2018 at 7:45 a.m. in the Boardroom, 600 McNamara Alumni Center.

Regents present: Darrin Rosha, presiding; Thomas Anderson, Richard Beeson, Linda Cohen, Michael Hsu, Dean Johnson, Peggy Lucas, David McMillan, Kendall Powell, Randy Simonson, and Steve Sviggum.

Staff present: President Eric Kaler; Chancellors Michelle Behr, Lendley Black, Lori Carrell, and Mary Holz-Clause; Senior Vice President Brian Burnett; Vice Presidents Michael Goh and Matt Kramer; General Counsel Douglas Peterson; Executive Director Brian Steeves.

The docket materials for this meeting are [available here](#).

OVERVIEW OF BOARD MINUTES

Regent Rosha invited Jason Langworthy, Board Associate, Policy & Committees, to discuss and demonstrate the new format for the Board's minutes, as detailed in the docket.

The docket materials for this item begin on page 20. The closed captioned video of this item is [available here](#).

AMENDMENTS TO THE BYLAWS OF THE BOARD OF REGENTS

Regent Rosha invited Jason Langworthy, Board Associate, Policy & Committees to review proposed amendments to the Bylaws of the Board of Regents, as detailed in the docket.

The docket materials for this item begin on page 3. The closed captioned video of this item is [available here](#).

A motion was made and seconded, and the committee voted unanimously to recommend approval of the following resolution:

WHEREAS, the Governance & Policy Committee reviewed proposed amendments to the Bylaws of the Board of Regents on September 14, 2018; and

WHEREAS, the Bylaws require that any proposed changes be sent to the Board 30 calendar days in advance of the date when amendments will be considered.

NOW, THEREFORE, BE IT RESOLVED that the Board of Regents hereby suspends pursuant to Article X of the Bylaws the 30 calendar day notification requirement of Article IX of the Bylaws.

BE IT FURTHER RESOLVED that the Board of Regents approves the proposed amendments to the Bylaws as presented to the Governance & Policy Committee on October 12, 2018.

ETHICS AND RESPONSIBILITIES OF THE BOARD OF REGENTS

Regent Rosha invited Executive Director Steeves and General Counsel Peterson to discuss the Code of Ethics and responsibilities of the Board and individual Regents, as detailed in the docket.

The docket materials for this item begin on page 35. The closed captioned video of this item is [available here](#).

The meeting adjourned at 9:14 a.m.



BRIAN R. STEEVES
Executive Director and
Corporate Secretary

**UNIVERSITY OF MINNESOTA
BOARD OF REGENTS**

**Board of Regents
October 12, 2018**

A meeting of the Board of Regents of the University of Minnesota was held on Friday, October 12, 2018 at 9:36 a.m. in the Boardroom, 600 McNamara Alumni Center.

Regents present: David McMillan, presiding; Thomas Anderson, Richard Beeson, Linda Cohen, Michael Hsu, Dean Johnson, Peggy Lucas, Kendall Powell, Darrin Rosha, Randy Simonson, and Steve Sviggum. Regent Omari was unable to join by phone due to technical difficulties.

Staff present: President Eric Kaler; Chancellors Michelle Behr, Lendley Black, Lori Carrell, and Mary Holz-Clause; Executive Vice President and Provost Karen Hanson; Senior Vice President Brian Burnett; Vice Presidents Michael Berthelsen, Kathryn Brown, Michael Goh, and Matt Kramer; General Counsel Douglas Peterson; Executive Director Brian Steeves; and Chief Auditor Gail Klatt.

The docket materials for this meeting are [available here](#).

INTRODUCTIONS

Vice President, Equity and Diversity

President Kaler introduced Michael Goh, Vice President for Equity and Diversity. The docket materials for this item begin on page 3. The closed captioned video of this item is [available here](#).

APPROVAL OF MINUTES

The Board voted unanimously to approve the following minutes as presented in the docket materials:

Mission Fulfillment Committee – September 13, 2018
Audit & Compliance Committee – September 13, 2018
Litigation Review Committee – September 13, 2018
Finance & Operations Committee – September 13, 2018
Governance & Policy Committee – September 14, 2018
Board of Regents – September 14, 2018
Board of Regents Special Meeting – September 28, 2018, 2018

The docket materials for this item begin on page 4. The closed captioned video of this item is [available here](#).

REPORT OF THE PRESIDENT

President Kaler delivered the report of the President. A copy of the Report of the President is on file in the Board Office.

The docket materials for this item begin on page 24. The closed captioned video of this item is [available here](#).

REPORT OF THE CHAIR

Regent McMillan delivered the report of the Chair. A copy of the Report of the Chair is on file in the Board Office.

The docket materials for this item begin on page 25. The closed captioned video of this item is [available here](#).

CONSENT REPORT

Regent McMillan presented for review and action the Consent Report as described in the docket materials, including:

- Gifts
- Report of the All-University Honors Committee
- Report of the Regents Award Nominating Committee
- Amendment to the Presidential Search Advisory Committee Charge
- Appointments to University of Minnesota Foundation Board of Trustees

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

The docket materials for this item begin on page 26. The closed captioned video of this item is [available here](#).

VISION AND PLANNING FOR EAST BANK DEVELOPMENT WITH UNIVERSITY OF MINNESOTA REAL ESTATE ADVISORS

Regent McMillan invited Vice President Berthelsen and Sarah Harris, Managing Director, University of Minnesota Foundation Real Estate (UMFREA) to provide an update on the Vision and Planning for East Bank Development with UMFREA, as detailed in the docket.

The docket materials for this item begin on page 36. The closed captioned video of this item is [available here](#).

STRATEGIC PRIORITIES: SYSTEMWIDE COMMUNICATIONS

Regent McMillan invited President Kaler and Vice President Kramer to discuss Strategic Priorities: Systemwide Communications, as detailed in the docket.

The docket materials for this item begin on page 55. The closed captioned video of this item is [available here](#).

REPORT OF THE FINANCE & OPERATIONS COMMITTEE

Regent Anderson, chair of the committee, reported that the committee voted to recommend the following items.

The committee docket materials can be found [here](#). The closed captioned video of this item is [available here](#).

- 1) Approval of the President's recommended FY 2020-2021 Biennial Budget Request. The committee docket materials for this item can be found on page 4. A motion was made and seconded, and the Board voted 10-1 to approve the resolution, as follows. Regent Sviggum voted no.

WHEREAS, the University of Minnesota, the state's only public, land grant university, is charged with the responsibility to pursue knowledge through research and discovery, and apply this knowledge through teaching and learning, and outreach and public engagement ; and

WHEREAS, the University is committed to a continuous process of reevaluating priorities and increasing the efficiency and effectiveness of both direct mission and support activities, reinvesting budget savings into mission critical strategies ; and

WHEREAS, the University, in partnership with the State of Minnesota, can better support financial access and affordability to post-secondary education for Minnesota students and families; and

WHEREAS, the University's annual budget process, including participation from the Board of Regents, is designed to surface and act on the most pressing priorities each year, including competitive compensation, classroom and equipment maintenance, compliance with federal and state regulations, research and technology infrastructure, and maintenance of facilities ; and

WHEREAS, the University recognizes the many competing priorities for state general fund support.

NOW, THEREFORE, BE IT RESOLVED that the biennial budget request for the 2020-2021 biennium be adopted by the Board of Regents for presentation to the State of Minnesota. The request is for a general fund appropriation of \$678,636,000 in fiscal year 2020 and \$705,636,000 in fiscal year 2021 for a biennial total of \$1,384,272,000 in the form of general operations and maintenance and state special appropriations. The Board of Regents further requests continuation of fiscal year 2019 base funding levels for the Primary Care Education Initiatives totaling \$2,157,000, and for the Academic Health Center funding under Minnesota Statutes 297F.10 totaling \$22,250,000.

- 2) Approval of the President's Recommended Six-Year Capital Plan. The committee docket materials for this item can be found on page 12. A motion was made and seconded, and the Board voted unanimously to approve the resolution, as follows:

WHEREAS, preserving the University campuses through stewardship of public investments that have been made over 165 years is a commitment the Board has made to the State; and

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

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

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

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

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

NOW, THEREFORE, BE IT RESOLVED that the Board of Regents approves the 2018 Six-Year Capital Plan in order to create and maintain facilities that serve as tools in accomplishing the University's education, research, and outreach objectives

- 3) Approval of the proposed 2019 State Capital Request. The committee docket materials for this item can be found on page 12. A motion was made and seconded, and the Board voted unanimously to approve the resolution, as follows:

WHEREAS, the Board of Regents has directed the administration to annually submit a capital improvement budget and a six-year capital improvement plan in support of the University's strategic priorities; and

WHEREAS, the Board of Regents 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.

NOW, THEREFORE, BE IT RESOLVED that the Board of Regents approves the University's 2019 State Capital Request to the Minnesota Legislature in the amount of \$248,300,000 consisting of \$232,267,000 from the State of Minnesota and \$16,133,000 from the University of Minnesota.

- 4) Approval of the proposed Collective Bargaining Agreement with Law Enforcement Labor Services. The committee docket materials for this item can be found on page 104. A motion was made and seconded, and the Board voted unanimously to approve the resolution, as follows:

WHEREAS, the parties have met and negotiated and have reached agreement regarding terms and conditions of employment regarding the employees of this bargaining unit; and

WHEREAS, Law Enforcement Labor Services (LELS) has ratified acceptance of this agreement; and

WHEREAS, according to Board of Regents Policy: Reservation and Delegation of Authority, approval of labor agreements by the Board of Regents is required.

NOW, THEREFORE, BE IT RESOLVED that on the recommendation of the President, the Board of Regents approves this labor agreement as outlined in the docket for October 11, 2018.

- 5) Approval of the proposed Collective Bargaining Agreement with International Brotherhood of Electrical Workers Local 292. The committee docket materials for this item can be found on page 107. A motion was made and seconded, and the Board voted unanimously to approve the resolution, as follows:

WHEREAS, the parties have met and negotiated and have reached agreement regarding terms and conditions of employment regarding the employees of this bargaining unit; and

WHEREAS, The International Brotherhood of Electrical Workers Local 292 has ratified acceptance of this agreement; and

WHEREAS, according to Board of Regents Policy: Reservation and Delegation of Authority, approval of labor agreements by the Board of Regents is required.

NOW, THEREFORE, BE IT RESOLVED that on the recommendation of the President, the Board of Regents approves this labor agreement as outlined in the docket for October 11, 2018.

- 6) Approval of the proposed Capital Budget Amendment: Ice Rink Refrigerant and HVAC Replacement, Sports and Health Center (Duluth campus). The committee docket materials for this item can be found on page 110. A motion was made and seconded, and the Board voted unanimously to approve the motion.
- 7) Approval of the sale of 24.17 acres, Aurora Oregon Research Station (University of Minnesota Landscape Arboretum). The committee docket materials for this item can be found on page 113. A motion was made and seconded, and the Board voted unanimously to approve the motion.
- 8) Approval of Revised Version 2 of the Consent Report for the Finance & Operations Committee as presented to the committee and described in the October 11, 2018 committee minutes. The committee docket materials for this item can be found on page 121. The item on Amendment to Employment Agreement – Director of Intercollegiate Athletics, Twin Cities campus was separated from Revised Version 2 of the Consent Report. A motion was

made and seconded, and the Board voted unanimously to approve Revised Version 2 of the Consent Report.

- 9) Approval of the proposed Amendment to Employment Agreement – Director of Intercollegiate Athletics, Twin Cities campus. The committee docket materials for this item can be found on page 143. A motion was made and seconded, and the Board voted 9-2 to approve the motion. Regents Hsu and Rosha voted no.

REPORT OF THE AUDIT & COMPLIANCE COMMITTEE

Regent Cohen, chair of the committee, reported that the committee did not take action on any items this month.

The committee docket materials can be found [here](#). The closed captioned video of this item is [available here](#).

REPORT OF THE LITIGATION REVIEW COMMITTEE

Regent Beeson, chair of the committee, reported that pursuant to notice sent by the University, the Litigation Review Committee met on October 11, 2018. At this meeting, a resolution was considered and adopted that authorized the closing of the meeting. In the closed meeting, discussion was held on matters subject to the attorney-client privilege.

The committee docket materials can be found [here](#). The closed captioned video of this item is [available here](#).

REPORT OF THE MISSION FULFILLMENT COMMITTEE

Regent Lucas, vice chair of the committee, reported that the committee voted unanimously to recommend approval of the consent report.

The committee docket materials for the consent report can be found [here](#), on page 147. The closed captioned video of this item is [available here](#).

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

REPORT OF THE GOVERNANCE & POLICY COMMITTEE

Regent Rosha, chair of the committee, reported that the committee voted to recommend the following items.

The committee docket materials for Amendments to the Bylaws of the Board of Regents can be found [here](#), on page 3. The closed captioned video of this item is [available here](#).

- 1) Pursuant to Article X of the Bylaws, a motion was made and seconded, and the Board voted unanimously to suspend the 30-calendar day notification requirement, as stated in Article IX of the Bylaws.
- 2) Approval of the proposed amendments to the Bylaws as presented to the Governance & Policy Committee on October 12, 2018. A motion was made and seconded, and the Board voted unanimously to adopt the proposed amendments to the Bylaws, as follows:

INTRODUCTION

The Board of Regents of the University of Minnesota was established by the University Charter passed by the Legislative Assembly of the Territory of Minnesota in the Territorial Laws 1851, Chapter 3; and this establishment was perpetuated by the Constitution of the State of Minnesota, Article XIII, Section 3.

ARTICLE I. CORPORATE NAME AND SEAL

The name of the body corporate shall be *Regents of the University of Minnesota*. The corporation shall have a seal on which shall be inscribed the name of the corporation.

ARTICLE II. AUTHORITY AND RESPONSIBILITY

The government of the University of Minnesota shall be vested in a Board of twelve Regents as provided in the University Charter as approved in 1851 by the Legislative Assembly of the Territory of Minnesota and affirmed in 1857 in the Constitution of the State of Minnesota, and as amended thereafter.

ARTICLE III. OFFICERS OF THE BOARD OF REGENTS

Section A. Officers

The officers of the Board of Regents shall consist of the Chancellor as ex officio President, Chair, Vice Chair, Secretary, and Treasurer. The Chair and Vice Chair shall be elected from members of the Board of Regents, but the Secretary and Treasurer need not be members of the Board of Regents.

Section B. Term of Office

The officers of the Board of Regents, except the President, shall be elected for a two-year term which shall commence on July 1 of the odd-numbered year following the annual meeting or shall serve until their successors are elected. The Board of Regents shall have the power to remove any officer when in its judgement the interest of the University requires it.

Section C. Duties and Responsibilities

1. *Chancellor*. The Board of Regents by formal action on June 12, 1943, resolved that the Chancellor shall also be known and designated as the President of the University of Minnesota. The President shall be ex officio, non-voting, President of the Board of Regents and shall perform such duties as set forth in these bylaws or otherwise required by the Board.

The President of the University shall be elected by the Board of Regents whenever there is a vacancy and shall hold office at the pleasure of the Board. If the President is unable to serve, as determined by the Board of Regents, the Board may designate an Acting President.

2. *Chair.* The Chair shall preside at the meetings of the Board of Regents. The Chair shall name and identify the duties and responsibilities of all committees, and shall fill committee vacancies arising from any cause whatsoever in the same manner. The Chair shall be empowered and authorized to execute such instruments and documents which would devolve upon the principal corporate officer.
3. *Vice Chair.* In the absence of the Chair, the Vice Chair shall perform the duties ordinarily performed by the Chair of the Board of Regents.
4. *Secretary.* It shall be the duty of the Secretary to record all of the proceedings of the Board of Regents and all committees of the Board of Regents and to carefully preserve all of its records. The Secretary shall be the custodian of the corporate seal of the Regents of the University of Minnesota and shall duly execute for and on behalf of the "Regents of the University of Minnesota" or the "University of Minnesota" such instruments and documents which would devolve upon a corporate officer and would be usual to that office. The Secretary shall cause all notices to be duly given in accordance with the Bylaws of the Board of Regents and shall perform such other duties as the Board of Regents may direct.
5. *Treasurer.* The Treasurer shall keep a true and faithful account of all moneys received and paid out and shall give such bonds for faithful performance as the duties of the Board of Regents may require.

Section D. Election of Officers

The election of the officers of the Board of Regents shall be conducted at the annual meeting in June of the odd-numbered year in accordance with the following procedure:

1. The Nominating Committee, as described in Article V, Section C, shall prepare a slate of at least one candidate for Chair, Vice Chair, Secretary, and Treasurer of the Board of Regents.
2. The report of the Nominating Committee shall be sent by electronic communication to each member of the Board of Regents at least ten calendar days prior to the annual meeting.
3. After the report of the Nominating Committee has been presented at the annual meeting, nominations may be received from the floor.
4. If there is only one nominee for each office, a member may move election of the nominated slate. The vote shall be by unanimous consent.
5. If there are two or more nominees, election of each officer shall be conducted separately by roll call. The first nominee receiving at least seven votes is elected.
6. If there are three or more nominees and no one is elected on the first four ballots, the nominee who received the least number of votes on the fourth ballot will be dropped. This procedure shall be used until two nominees remain or a nominee has been elected. In case of a tie for the least number of votes, balloting shall continue on all candidates until the tie is broken.

Section E. Vacancy of an Office of the Board of Regents

In the event of a vacancy in the office of the Chair, the Vice Chair shall assume the position of Chair and shall serve out the Chair's term of office. In the event of a vacancy of any other office of the Board of Regents, including the position of Vice Chair when the Vice Chair assumes the office of the Chair, an election shall be held for the unexpired term at a subsequent meeting of the Board of Regents. Nominations may be made from the floor. Voting shall be conducted according to Section D.

Notice shall be sent to each member of the Board by electronic communication ten days prior to the date of the meeting at which the election shall be conducted.

ARTICLE IV. MEETINGS OF THE BOARD OF REGENTS

Section A. Annual Meeting

The annual meeting of the Board of Regents shall be held on the second Friday in June each year unless otherwise determined by the Board of Regents. Notice shall be sent via electronic communication ten calendar days prior to the annual meeting. The Board of Regents shall set its schedule of Regular Meetings for the ensuing year at the annual meeting. Election of officers of the Board of Regents shall be held at the annual meeting of the odd-numbered years. Standing committees of the Board of Regents shall be appointed by the Chair following the annual meeting of the odd-numbered years.

Section B. Regular Meetings

Regular meetings of the Board of Regents shall be held in accordance with the schedule of meetings approved at the annual meeting. The Board of Regents may vote to change the date of any regular meeting. Notice of regular meetings shall be sent via electronic communication ten calendar days prior to the meeting.

The Order of Business at regular meetings of the Board of Regents shall include, but not be limited to, the following:

1. Approval of Minutes
2. Report of the President of the Board
3. Report of the Chair of the Board
4. Receive and File Reports
5. Reports of Committees
 - a) Standing Committees
 - b) Special Committees
6. Old Business
7. New Business

Section C. Special Meetings

Special meetings of the Board of Regents or of its committees to consider specific items of business may be called by the Chair of the Board, and shall be called by the Chair at the written request of any five members thereof at such time and place, and in such form as the Chair may deem appropriate. A special meeting must be held within 30 calendar days of the Chair receiving the written request.

The Secretary shall provide reasonable public notice of special meetings, and the Chair may in special circumstances waive the requirement of notice provided that other appropriate public notice is given.

ARTICLE V. COMMITTEES OF THE BOARD OF REGENTS

Section A. Standing Committees

The Board of Regents shall name and identify the responsibilities of standing committees through Board of Regents Policy: *Board Operations and Agenda Guidelines*.

The Chair of the Board of Regents shall appoint the Regents to all standing committees and shall designate the Committee Chair and Vice Chair of each. The Chair of the Board of Regents may replace Committee Chairs or Vice Chairs at any time. Vacancies arising from any cause whatsoever shall be filled in the same manner.

Regular meetings of the standing committees shall occur prior to the regular meetings of the Board of Regents.

Section B. Nominating Committee

The Chair of the Board of Regents shall appoint a Nominating Committee of three members of the Board and designate the Committee Chair at the regular May meeting of the odd-numbered years. The Nominating Committee shall conduct itself according to Article III, Section D.

Section C. Special Committees

The Chair of the Board of Regents shall appoint the members, designate the Committee Chairs and identify the responsibilities of special committees.

ARTICLE VI. RULES OF PROCEDURE FOR MEETINGS OF THE BOARD OF REGENTS AND ITS COMMITTEES

Section A. Parliamentary Procedures

Robert's Rules of Order, in its most recent revised edition, shall guide the business of the Board of Regents for all meetings to the extent that they are consistent with law and these Bylaws. The University General Counsel shall rule on all disputed questions of procedure.

Section B. Open Meetings

The Board of Regents adopts as its policy the Minnesota Open Meeting Law as set forth in Minnesota statute. A motion to hold a non-public meeting must be put to a vote at a public meeting of the Board.

Section C. Quorum

A majority of the members of the Board of Regents, or of a committee, shall be necessary to constitute a quorum for meetings of the Board or meetings of a committee.

Section D. Voting the Question

The decision of the majority voting on the question shall prevail. The Secretary shall record the vote of each Regent. A Regent may abstain from voting. Voting by proxy or by mail shall not be permitted.

Participation and voting by Regents via telephone or video conferencing is permissible, provided the Regent or Regents are available to participate in the items presented, discussed, and voted upon at that meeting, and they shall be counted towards determination of a quorum.

Section E. Business Before the Board of Regents

The Chair of the Board, in consultation with the President and Vice Chair and consistent with the Board of Regents Policy: *Board Operation and Agenda Guidelines*, approves items of business and the agenda to be considered at meetings of the Board of Regents and the standing or special committees. Any Regent may suggest items for the agenda or move to have an item discussed at a meeting.

Items and supporting documentation to be included in the docket should be in the office of the Secretary at least ten calendar days before the meeting at which consideration is expected.

The Chair of the Board of Regents or one of the standing or special committees of the Board of Regents shall not ordinarily allow individuals who are not on the agenda to speak at meetings. The chairs of the various committees may allow such individuals to speak when they determine it is in the best interests of the University and will not unduly delay the matters before the particular committee.

A request to appear before a meeting of the Board of Regents or its standing or special committees shall be submitted in writing to the Secretary, in advance of the meeting. The Chair shall rule on all requests. If the request is to appear before a committee, the Chair may also consult with the Committee Chair.

The recommendations of Board committees shall be reported to and be subject to approval by the Board of Regents, unless otherwise provided for in Board policy.

Section F. Protocol for Meetings of the Board of Regents

1. All those in attendance at meetings of the Board of Regents may be asked to identify themselves to the Secretary or a designee upon entry to the meeting.
2. Only members of the Board of Regents, the President, and those recognized by the Chair may address the Board.
3. If space is limited in the meeting room, those with business before the Board of Regents and the members of the press shall have priority over those who are visitors.
4. No flags, banners, signs, or similar displays shall be permitted in meetings of the Board of Regents.
5. No person shall cause any disturbance, delay, or interference, or cause any threats thereof at any meeting of the Board of Regents or its committees. Further, no person shall intentionally or through coercion, force, or intimidation, deny or interfere with the right of another to free access or egress from any meeting.
6. Visitors to meetings of the Board of Regents shall observe the reasonable requests of the Chair.

These rules and regulations are adopted for purposes of Minnesota Statute § 624.72.

Section G. Minutes of the Board of Regents Meetings

Approved minutes of the proceedings of the Board of Regents shall be kept by the Secretary, who shall cause them to be preserved and accessible to the members of the Board of Regents, members of the University community, and the public. All lengthy reports shall be included in the docket materials and referred to in the minutes. The minutes shall reflect the votes cast in Board of Regents meetings and in committee meetings on matters recommended to the Board of Regents for action. The Secretary shall ensure that the minutes, docket materials, and all video recordings are preserved by University Archives.

Section H. Telephone or Video Meetings

The Chair may decide that regular or special meetings of the Board or any of its committees and regular meetings may be held by telephone or video conferencing. For purposes of such a meeting, all Regents who are connected by telephone or video conference shall count toward a quorum and may participate and vote. The Secretary shall give reasonable public notice of such meetings and shall make arrangements for the public to hear the discussion, unless it is a non-public meeting.

ARTICLE VII. DELEGATION OF AUTHORITY

Section A. President, Executive Officers, and Administrators

The Board of Regents may authorize appropriate executive officers to act on behalf of the University, consistent with Board of Regents Policy: *Reservation and Delegation of Authority* and other Board policies. As the highest authority that can act on behalf of the University, the Board of Regents shall be the University General Counsel's ultimate client, unless the Board directs otherwise.

Section B. President, University Senate, and Faculties

All matters relating to the education and administrative affairs of the University, consistent with actions or policies of the Regents of the University of Minnesota heretofore or hereafter taken or established and including those incident to the management of the student body are, for the purpose of effectuating the government of the University under and by the Regents, committed to the President, the University Senate, and the several faculties, as provided in the Senate Constitution and as amended from time to time.

ARTICLE VIII. MISCELLANEOUS PROVISIONS

Section A. Code of Ethics and Conflict of Interest

The members of the Board of Regents shall be guided by the provisions set forth in Board of Regents Policy: *Code of Ethics for Members of the Board of Regents*.

Section B. Reimbursement for Expenses

Regents may be reimbursed for expenses incurred in the performance of official business in accord with the University's policy and procedures.

Section C. Board Operations in Emergencies

In the event a quorum of the Board, as defined in Article VI, Section C, is unable to discharge the powers and duties of their office due to death or incapacity and it becomes necessary to convene a meeting of the Board of Regents to ensure the continuity of University Operations, the remaining Regents may convene a meeting and act as follows:

1. Designate an acting chair if the chair and vice chair are unable to serve.
2. Designate an acting president if the president is unable to serve.
3. Authorize necessary emergency funding.
4. Other actions necessary to ensure the continuity of University operations.

The remaining Regents may continue to act to ensure the continuity of University operations until a quorum of the Board is restored.

ARTICLE IX. AMENDMENTS TO BYLAWS

The Bylaws may be amended by a two-thirds vote of the Board of Regents at any meeting, provided, however, that notice of any proposed changes shall be sent by electronic communication to the members of the Board of Regents 30 calendar days in advance of the meeting scheduled to consider such changes.

ARTICLE X. SUSPENSION OF BYLAWS

Any provision of these Bylaws other than those contained in Article VIII, Section A, may be suspended in connection with the consideration of a matter before the Board of Regents by an affirmative vote of two-thirds of the Board of Regents.

REVISION HISTORY

Adopted: December 10, 1889

Amended: June 15, 1929; May 9, 1939; June 12, 1954; June 10, 1967; February 9, 1968; September 10, 1971; July 14, 1972; June 8, 1973; February 13, 1976; March 11, 1977; July 10, 1981; January 10, 1986; November 10, 1994; December 12, 1997; February 12, 1999; May 14, 1999; February 11, 2000; July 12, 2001; October 12, 2018

The meeting adjourned at 11:25 a.m.



BRIAN R. STEEVES
Executive Director and
Corporate Secretary