

**UNIVERSITY OF MINNESOTA
BOARD OF REGENTS**

**Finance & Operations Committee
March 13, 2020**

A meeting of the Finance & Operations Committee of the Board of Regents was held on Friday, March 13, 2020 at 9:00 a.m. in the Marshall Performing Arts Center, University of Minnesota Duluth.

Regents present: David McMillan, presiding; Thomas Anderson, Richard Beeson, Mary Davenport, Michael Hsu, Mike Kenyanya, Kendall Powell, Darrin Rosha, Randy Simonson, and Steve Sviggum. Janie Mayeron participated via phone.

Staff present: President Joan Gabel; Chancellor Lendley Black; Senior Vice President Brian Burnett; Vice Presidents Michael Berthelsen and Matt Kramer; General Counsel Douglas Peterson; Executive Director Brian Steeves; and Associate Vice President Julie Tonneson.

Student Representatives present: Spencer Basarich and Brandon King.

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

**RESOLUTION RELATED TO SALE OF KUMD TO
DULUTH-SUPERIOR AREA EDUCATIONAL TELEVISION CORPORATION**

Regent McMillan invited Chancellor Black and General Counsel Peterson to present for action the resolution related to the sale of KUMD to Duluth-Superior Area Educational Television Corporation, as detailed in the docket.

The docket materials for this item begin on page 29. The closed captioned video of this item is [available here](#).

A motion was made and seconded, and the committee voted 10-1 to recommend approval of the resolution related to the sale of KUMD to Duluth-Superior Area Educational Television Corporation. Regent Hsu voted no.

REAL ESTATE TRANSACTION

Regent McMillan invited Assistant Vice President Leslie Krueger to present for action the following real estate transaction, as detailed in the docket.

- A. Sale of Murphy Warehouse - 701 24th Avenue SE, Minneapolis (Twin Cities campus)

The docket materials for this item begin on page 38. The closed captioned video of this item is [available here](#).

A motion was made and seconded to recommend approval of the sale of 701 24th Avenue Southeast, Minneapolis.

Regent Rosha moved to postpone the item until the committee's June 2020 meeting. There was a second and the committee voted 3-8 against postponing the item. Regents Hsu, Rosha, and Simonson voted in favor of the motion.

Rosha requested a roll call vote on the main motion. McMillan called for a vote on the main motion. The vote was as follows:

Regent Anderson	Yes
Regent Beeson	Yes
Regent Davenport	Yes
Regent Her	Absent
Regent Hsu	No
Regent Kenya	Yes
Regent Mayeron	Yes
Regent Powell	Yes
Regent Rosha	No
Regent Simonson	No
Regent Sviggum	Yes
Regent McMillan	Yes

Eight votes were cast in favor of the motion and three votes were cast against the motion. The motion to recommend approval of the sale of 701 24th Avenue Southeast, Minneapolis, passed.

REAL ESTATE TRANSACTION

Regent McMillan invited Assistant Vice President Leslie Krueger to present for review and action the following real estate transactions, as detailed in the docket.

- A. Purchase of 414 Erie Street SE, Minneapolis (Twin Cities campus)
- B. Purchase of 2829 University Avenue SE and 2721 4th Street SE, Minneapolis (Twin Cities campus)

The docket materials for this item begin on page 49. 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 purchase of 414 Erie Street SE, Minneapolis.

A motion was made and seconded, and the committee voted unanimously to recommend approval of the purchase of 2829 University Avenue SE and 2721 4th Street SE, Minneapolis.

COLLECTIVE BARGAINING AGREEMENTS

Regent McMillan invited Senior Vice President Burnett to present for review and action the following collective bargaining agreements, as detailed in the docket.

- A. Law Enforcement Labor Services, Law Enforcement Unit Local #196
- B. Teamsters Local 320, Service, Maintenance and Labor Unit

The docket materials for this item begin on page 72. 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, Law Enforcement Unit Local #196.

A motion was made and seconded, and the committee voted unanimously to recommend approval of the resolution related to the proposed labor agreement with Teamsters Local 320, Service, Maintenance and Labor Unit.

CONSENT REPORT

Senior Vice President Burnett presented the Consent Report, as detailed in the docket.

The docket materials for this item begin on page 77. The closed captioned video of this item is [available here](#).

General Contingency:

- There were no items requiring approval this period.

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

- To PIER Group for an estimated \$3,000,000 for research data storage for the Office of Information Technology (OIT) and the Polar Geospatial Center (PGC) for the period of approximately March 20, 2020 through March 19, 2025. This requirement is currently budgeted and the OIT portion of \$1,550,000 will be funded utilizing O&M funds. The PGC portion of the system will be funded from designated NSF grant funds. PIER Group, a new supplier, was selected as a result of a competitive Request for Proposal (RFP) process conducted by Purchasing Services. Fourteen suppliers responded to the RFP.

Capital Budget Amendments

- Larson Football Performance Center Recovery Suite, Twin Cities campus

A motion was made and seconded, and the committee voted unanimously to recommend approval of the Consent Report.

FY 2021 ANNUAL OPERATING BUDGET FRAMEWORK UPDATE

Regent McMillan postponed the FY 2021 annual operating budget framework update and noted that the committee would next engage in this discussion at the May meeting when it reviewed the draft operating budget.

The meeting adjourned at 10:48 a.m.

A handwritten signature in black ink, reading "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**

**Board of Regents
March 13, 2020**

A meeting of the Board of Regents of the University of Minnesota was held on Friday, March 13, 2020 at 11:01 a.m. in the Marshall Performing Arts Center at the University of Minnesota Duluth.

Regents present: Kendall Powell, presiding; Thomas Anderson, Richard Beeson, Mary Davenport, Michael Hsu, Mike Kenyanya, David McMillan, Darrin Roshia, Randy Simonson, and Steven Sviggum. Janie Mayeron participated by phone.

Staff present: President Joan Gabel; Chancellor Lendley Black; Senior Vice President Brian Burnett; Vice Presidents Michael Berthelsen and Matt Kramer; General Counsel Douglas Peterson; Executive Director Brian Steeves; and Associate Vice President Julie Tonneson.

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

**BRIEFING ON NOVEL CORONAVIRUS (COVID-19) RESPONSE AND
PANDEMIC PREPAREDNESS**

Regent Powell invited Michael Osterholm, Director, Center for Infectious Disease Research and Policy; and Jill DeBoer, Director, Health Emergency Response Office and Deputy Director, Center for Infectious Disease Research and Policy, to deliver a briefing on the novel coronavirus (COVID-19) response and pandemic preparedness at the University.

The docket materials for this item begin on page 61. 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:

Litigation Review Committee – February 13, 2020
Audit & Compliance Committee – February 13, 2020
Finance & Operations Committee – February 13, 2020
Mission Fulfillment Committee – February 13, 2020
Governance & Policy Committee – February 14, 2020
Board of Regents – February 14, 2020

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

REPORT OF THE PRESIDENT

President Gabel 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 44. The closed captioned video of this item is [available here](#).

REPORT OF THE CHAIR

Regent Powell 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 45. The closed captioned video of this item is [available here](#).

RECEIVE AND FILE REPORTS

Regent Powell noted the receipt and filing of reports, as described in the docket materials, including:

- Quarterly Report of Grant and Contract Activity

The docket materials for this item begin on page 46. The closed captioned video of this item is [available here](#).

CONSENT REPORT

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

- Gifts
- Report of the All-University Honors Committee

A motion was made and seconded, and the Board voted unanimously to approve the Consent Report. Regent McMillan recused himself from voting on the Consent Report due to a potential conflict of interest.

The docket materials for this item begin on page 52. The closed captioned video of this item is [available here](#).

REPORT OF THE STUDENT REPRESENTATIVES TO THE BOARD OF REGENTS

Regent Powell invited Austin Kraft, Chair, Student Representatives to the Board of Regents, and Brandon King, Vice Chair, Student Representatives to the Board of Regents, to present the report of the Student Representatives to the Board of Regents, as detailed in the docket.

The docket materials for this item begin on page 77. The closed captioned video of this item is [available here](#).

AMENDMENT TO EAST GATEWAY PROJECT MEMORANDUM OF AGREEMENT

Regent Powell invited Kathleen Schmidlkofer, UMF President and CEO, to present for action an amendment to the East Gateway Project Memorandum of Agreement, as detailed in the docket.

The docket materials for this item begin on page 136. The closed captioned video of this item is [available here](#).

A motion was made and seconded, and the Board voted unanimously to approve the amendment to the East Gateway Project Memorandum of Agreement.

REPORT OF THE FINANCE & OPERATIONS COMMITTEE

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

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

- 1) Approval of the resolution related to the sale of KUMD to Duluth-Superior Area Educational Television Corporation. The committee docket materials for this item can be found on page 29. A motion was made, and the Board voted 10-1 to approve the motion. Regent Hsu voted no. The resolution is as follows:

WHEREAS, the University of Minnesota (University) owns KUMD, a Federal Communications Commission (FCC) licensed radio station, operating out of the Duluth campus (UMD); and

WHEREAS, the University and Duluth-Superior Area Educational Television Corporation (DSAETC) have entered into a non-binding letter of intent, which describes the terms under which the University will sell and transfer to DSAETC and DSAETC will purchase certain of the property, licenses and rights used by the University to operate KUMD, subject to the approval of the Board of Regents (the Proposed Transaction); and

WHEREAS, DSAETC operates television studios located on the Duluth campus; and

WHEREAS, under the Proposed Transaction, among other things, DSAETC will agree to (i) pay to the University an agreed upon amount for the transferred property, licenses, and rights, (ii) operate KUMD, and (iii) offer employment to all University employees working at KUMD on a specified date.

NOW, THEREFORE, BE IT RESOLVED that the Board of Regents (Board) hereby approves the Proposed Transaction as defined in the non-binding letter of intent.

BE IT FURTHER RESOLVED that the Board hereby authorizes and directs the President or delegate to execute and deliver all agreements, instruments and other documents, in the name of the University, to consummate and perform the Proposed Transaction.

BE IT FURTHER RESOLVED that the Board hereby authorizes and directs the President or delegate to execute and deliver to the FCC all agreements, instruments, or other documents, in the name of the University, necessary or desirable to cause the transfer of the FCC license as contemplated in the Proposed Transaction.

- 2) Approval of the sale of sale of Murphy Warehouse - 701 24th Avenue SE, Minneapolis (Twin Cities campus). The committee docket materials for this item can be found on page 38. A motion was made. Regent Rosha requested a roll call vote. The vote was as follows:

Regent Anderson	Yes
Regent Beeson	Yes
Regent Davenport	Yes
Regent Her	Absent
Regent Hsu	No
Regent Kenyanya	Yes
Regent Mayeron	Yes
Regent McMillan	Yes
Regent Rosha	No
Regent Simonson	No
Regent Svinggum	Yes
Regent Powell	Yes

Eight votes were cast in favor of the motion, and three votes were cast against the motion. The real estate transaction was approved.

- 3) Approval of the purchase of 414 Erie Street SE, Minneapolis (Twin Cities campus). The committee docket materials for this item can be found on page 49. A motion was made, and the Board voted unanimously to approve the real estate transaction.
- 4) Approval of the purchase of 2829 University Avenue SE and 2721 4th Street SE, Minneapolis (Twin Cities campus). The committee docket materials for this item can be found on page 49. A motion was made, and the Board voted unanimously to approve the real estate transaction.
- 5) Approval of a resolution related to the proposed labor agreement with Law Enforcement Labor Services, Law Enforcement Unit Local #196. The committee docket materials for this item can be found on page 72. A motion was made, and the Board voted unanimously to approve the resolution, as follows:

WHEREAS, the parties have met and negotiated over the course of the past several months and have reached agreement regarding terms and conditions of employment for the employees of this bargaining unit; and

WHEREAS, Law Enforcement Labor Services (LELS), Law Enforcement Unit Local 196 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 Finance & Operations Committee docket for March 13, 2020.

- 6) Approval of a resolution related to the proposed labor agreement with Teamsters Local 320, Service, Maintenance and Labor Unit. The committee docket materials for this item can be found on page 72. A motion was made, and the Board voted unanimously to approve the resolution, as follows:

WHEREAS, the parties have met and negotiated over the course of the past several months and have reached agreement regarding terms and conditions of employment for the employees of this bargaining unit; and

WHEREAS, Teamsters Local 320, Service, Maintenance and Labor Unit 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 Finance & Operations Committee docket for March 13, 2020.

- 7) Approval of the Consent Report for the Finance & Operations Committee as presented to the committee and described in the March 13, 2020 committee minutes. The committee docket materials for this item can be found on page 77. A motion was made, and the Board voted unanimously to approve the Consent Report.

NEW BUSINESS

Regent Hsu moved a resolution related to the appointment of the Executive Vice President and Provost, as follows:

WHEREAS, preventing sexual misconduct, protecting victims or potential victims of sexual misconduct, and holding perpetrators of misconduct accountable are among the most important goals and commitments of the University of Minnesota; and

WHEREAS, the Regents approved the appointment of Dr. Rachel Croson, currently serving as a dean at Michigan State University (MSU), as the University of Minnesota's Executive Vice President and Provost effective March 30, 2020; and

WHEREAS, questions have been raised publicly beginning February 14, 2020 when an attorney representing an MSU employee and alumna spoke to the MSU trustees during a public comment session about concerns over the handling of a sexual harassment complaint against Dr. Norder, a faculty member in Dr. Croson's college; and

WHEREAS, questions remain about the handling of the matter, some of which are impacted by data privacy issues from the appeals process in the MSU matter; and

WHEREAS, Dr. Croson is a nationally-recognized leader in the effort to prevent sexual misconduct and protect victims of sexual misconduct and understands the importance of appropriate processes for addressing claims of sexual assault as well as public and especially victim confidence in those processes; and

WHEREAS, the Board of Regents has a duty to understand the circumstances and respond to questions about the performance of the University's senior administrative leaders both before and during their employment at the University.

NOW, THEREFORE, BE IT RESOLVED that the administration is directed to respond to questions and provide information to the Board of Regents in a legally-appropriate way to address concerns of the Regents about the handling of the Dr. Norder matter.

BE IT FURTHER RESOLVED that Dr. Croson's installment as Executive Vice President and Provost is suspended until such time that the Board of Regents, at the call of the Chair and under Minnesota's Open Meeting Law, shall meet to direct the installment of Dr. Croson as Executive Vice President and Provost or take such other action as the Board of Regents may determine.

The motion was seconded, and Hsu requested a roll call vote. The vote was as follows:

Regent Anderson	No
Regent Beeson	No
Regent Davenport	No
Regent Her	Absent
Regent Hsu	Yes
Regent Kenya	No
Regent Mayeron	No
Regent McMillan	No
Regent Rosh	No
Regent Simonson	Yes
Regent Sviggum	No
Regent Powell	No

Two votes were cast in favor of the motion and nine votes were cast against the motion. The Hsu resolution failed.

The closed captioned video of this item is [available here](#).

Regent Rosh moved to authorize President Gabel to utilize up to \$5 million from Central Reserves to respond to the COVID-19 pandemic. The motion was seconded.

General Counsel Peterson suggested that the Board add language to the Rosh motion that would require later ratification from the Board of Regents. Regent Powell asked if Rosh would accept Peterson's suggestion as an amendment to the motion. Rosh accepted. Regent Hsu, who seconded the motion, also accepted the amendment.

The Board voted unanimously to approve the amended Rosh motion, as follows:

The Board authorizes President Gabel to draw up to \$5 million from Central Reserves to fund initiatives related to responding to the coronavirus, subject to later ratification from the Board of Regents.

The closed captioned video of this item is [available here](#).

Regent Powell invited President Gabel to provide an update on the Governor's Executive Order declaring a peacetime emergency related to the COVID-19 pandemic.

The closed captioned video of this item is [available here](#).

The meeting adjourned at 1:40 p.m.



BRIAN R. STEEVES
Executive Director and
Corporate Secretary