



Finance & Operations Committee

October 2021

October 7, 2021

2:00 p.m.

Boardroom, McNamara Alumni Center

FIN - OCT 2021

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BOARD OF REGENTS DOCKET ITEM SUMMARY

Finance & Operations

October 7, 2021

AGENDA ITEM: President’s Recommended 2021 Six-Year Capital Plan and 2022 State Capital Request

Review

Review + Action

Action

Discussion

This is a report required by Board policy.

PRESENTERS: President Joan T.A. Gabel
Myron Frans, Senior Vice President
Mike Berthelsen, Vice President, University Services

PURPOSE & KEY POINTS

The purpose of this item is to act on the President’s recommended 2021 Six-Year Capital Plan and the 2022 State Capital Request. No changes have been made to the Six-Year Capital Plan and only a minor adjustment to the State Capital Request has been made (described below) since the committee reviewed the item in September.

The President’s recommended Six-Year Capital Plan (Plan) includes major capital improvements planned for calendar years 2022 through 2027 (FY2023 to FY2028). The Plan includes projects to be funded with state capital support as well as planned major 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 (2022) outlines the projects that the University will be submitting to the State of Minnesota for consideration during the 2022 legislative session. Higher Education Asset Preservation and Replacement (HEAPR) continues to be the top priority. This request also seeks funding for one standalone renovation project on the Twin Cities campus and design and preconstruction services related to the Duluth campus Science Building.

2021 Plan Highlights

The Plan continues to emphasize reinvestment into the University’s existing infrastructure. Growing deferred renewal backlog has widespread impacts on academic programs, research initiatives, student experience, and general competitiveness. HEAPR continues to be the smartest, most cost-effective investment that protects and extends the useful life of investments made by the taxpayers through capital bonding, by students who pay tuition, and by donors who give to support the University’s vision. This plan recommends HEAPR requests of \$200 million each year to align with actual deferred renewal needs. This plan also defines specific projects and placeholders that advance the MPact 2025 Systemwide Strategic Plan (MPact 2025) objectives, and positions the University for success through five strategic capital priorities:

1. Renew high priority buildings and right-size the overall amount of campus space

The Plan puts a strong emphasis on fixing or replacing some of the University’s worst buildings. High-priority projects reinforce the commitments made in MPact 2025 by complementing institutional values and optimizing how resources are used across the campus system. HEAPR funding remains at the core of this strategy. The Facility Condition Assessment (FCA) identifies the physical condition and needs for buildings across the enterprise. This process identifies deferred, non-recurring, and projected renewal needs to determine a facility condition needs index (FCNI). The FCNI (the ten-year projected needs divided by the estimated replacement value) determines where a building is rated on a scale that starts at 0.0 (excellent) and extends to 1.0 (critical). The below table is updated annually to monitor progress toward reducing poor and critical space.

Campus	Total GSF ¹	Estimated Replacement Value ²	Projected 10-Year Needs ²	10 Year Needs/Replacement Value = (FCNI)	GSF Poor / Critical
Twin Cities	25,032,852	\$10,855,966,719	\$4,243,168,738	0.39	7,596,953
Duluth	3,312,263	\$1,204,014,201	\$445,441,336	0.37	550,865
Morris	997,104	\$435,429,041	\$181,536,077	0.42	481,564
Crookston	724,138	\$353,786,629	\$97,909,542	0.28	106,981
ROCs	1,781,760	\$317,805,877	\$103,418,746	0.33	119,097
TOTALS	31,848,117	\$13,167,002,468	\$5,071,474,438	0.39	8,855,460

¹ Total Gross Square Feet from UM Analytics. Excludes Rochester Campus and parking ramp decks.

² Figures include formally assessed facilities plus actual or modeled values for non-assessed facilities less than 10 years old.

³ Increase of approximately 1% from previous year.

2. Invest in high-demand academic programs and mission-support facilities

This priority supports teaching and learning as well as research scholarship across disciplines. High-demand academic programs have an established record of consistent enrollment and academic success. Other programs may be emerging and benefit from investment in facilities to bolster their ability to thrive. The Duluth campus Science Building renewal will provide additional active learning classrooms, classroom laboratory spaces, and state-of-the-art research labs for several science programs by repurposing the old science building at UMD. Other planned projects include the renovation of the Carlson School of Management (CSOM) building to better support teaching and learning through many of the programs offered by CSOM. The construction of the Twin Cities Offsite Collections Facility will support the conversion of core campus stack space for more active uses. Candidate projects across all disciplines that support this principle will be considered in future iterations of the six-year plan.

3. Advance innovation in health sciences, agriculture, biotechnology, and other MNtersections priorities

This priority promotes a long-term investment strategy into core areas of research and scholarship dedicated to improving human potential and the natural and physical world in which we live. Representative projects include the Health Discovery Hub (former working title Clinical Research Facility) and key lab renovation projects to support active health sciences

research. Anticipated investments in applied agricultural technology and research will further this priority in future years of the plan and connect researchers and key educators in Extension to this important part of Minnesota's economy and community. HEAPR investments in Food Science and Nutrition, Biosystems and Agricultural Engineering (BAE), and the Biological Science Center will optimize existing facilities and infrastructure to support teaching and research.

4. Enhance student-facing facilities and services

To enhance the student experience, wellness, and success, some facilities require renewal to respond to a range of pressing needs, including libraries, unions, recreation, wellness, student counseling, and academic support. For example, the Student Unions Investments addresses replacing the Saint Paul Student Center and improving Coffman Memorial Union's student, retail, and dining facilities on the Twin Cities campus. The transformation of libraries to vibrant destinations that serve as a resource and collaboration centers for scholars at all points in their academic careers will be made possible with the development of a Twin Cities Offsite Collections Facility to absorb print and other resources from prime campus real estate. The proposed renovation of Wilson Library will create a place that offers flexible teaching, learning, and collaboration spaces. Similar transformations in locations across the system are potential additions to future iterations of the plan.

5. Create spaces and places that make campuses more inclusive, accessible, and welcoming

This priority focuses on the many ways that changes to the physical campus can make university campuses more welcoming, foster a sense of belonging, and improve accessibility related to daily life. For example, projects might address Americans with Disabilities Act (ADA) accessibility on all system campuses, the renewal of important public spaces and landscapes, the ability to provide identity space indoors or outdoors, and wayfinding systems, including how campus entry points are treated. This priority will also guide plans to balance the level of investment in specialized-use facilities while considering equity and diversity. Candidate projects that support this principle will be considered in future iterations of the six-year plan.

2022 State Capital Request

The 2022 State Capital Request is a carry forward of the request brought before the State in 2021, adjusted for inflation. The first priority for funding is a \$200 million HEAPR request. The other two projects include the remainder of the funding for the Chemistry Undergraduate Teaching Laboratory on the Twin Cities campus, and the design funding for the renewal of the Science Building (former working title Chemistry Building) on the Duluth campus. The project total for Chemistry Undergraduate Teaching Laboratory on the Twin Cities campus has been changed to \$108 million (an increase of \$3.9 million) since review in September, based on updated cost projections that reflect changes in construction material and delivery pricing. The \$310.4 million in projects represent \$273.6 million from the State and \$36.8 million from the University.

BACKGROUND INFORMATION

Board of Regents Policy: *Board Operations and Agenda Guidelines* requires a Six-Year Capital Plan that sets priorities and direction for ongoing academic and capital planning efforts. This policy specifically directs the administration to conduct capital planning with a "six-year time horizon, updated annually." It is the University's primary capital investment planning tool.

Forming the Plan

Formation of the Plan is directed by University leadership including the Executive Vice President and Provost, the Senior Vice President for Finance and Operations, and the Vice Presidents for Health Sciences, Research, University Relations, and University Services. A multi-stage capital improvement planning process yields a draft plan for the President’s consideration and ultimate recommendation to the Board.

Stage 1 Proposal	Stage 2 Planning and Feasibility	Stage 3 Predesign	Stage 4 Resource Acquisition	Stage 5 Implementation
Define the problem or opportunity <ul style="list-style-type: none"> • Programmatic needs • Facility conditions • Financial resources assessment 	Evaluate scope, scale and alternatives <ul style="list-style-type: none"> • Strategic positioning • Academic priorities • Financial constraints • Space needs 	Advance the optimal scenario <ul style="list-style-type: none"> • Project scope • Project budget • Project schedule 	Confirm source and availability of funds <ul style="list-style-type: none"> • Financial impact • Debt capacity 	Deliver Project <ul style="list-style-type: none"> • Schematic design and GMP approval by the Board.
Chancellors, vice presidents and deans submit proposals	Budget 5 – Capital Strategy Group authorize proposals for feasibility	The Six Year Plan authorizes projects eligible to begin predesign	Predesign completion authorizes resource acquisition to begin	Board of Regents authorize projects >\$1 million to commence

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 considered before projects are placed in the Plan include:

- *Financial parameters* such as state economic forecasts, state debt capacity, past trends, University debt capacity, and project-specific fundraising potential.
- *Operating budget impact* such as ability to fund the incremental operating (facility and programmatic) and debt costs associated with proposed projects.
- *Timing and sequencing of projects* to complete a series of related projects in process or other capital project “dominoes.”
- *Impact on programs (both research and instructional)* to manage the level of disruption while still maintaining research and teaching functions.
- *Health, safety, and regulatory requirements* result in issues that require some projects to be included in the Plan.
- *Geographic distribution* recognizes the University as a system and balances investment across the state.
- *Alignment with MPact 2025 objectives.*

Project Costs

Costs for projects in the feasibility stage and projects under consideration are order-of-magnitude estimates. Predesign studies are prepared for projects at the appropriate time to determine more accurate cost figures. Total project costs and funding will be confirmed for each project prior to inclusion in the Annual Capital Improvement Budget.

PRESIDENT’S RECOMMENDATION

The President recommends approval of the resolution related to the 2021 Six-Year Capital Plan and the resolution related to the 2022 State Capital Request.



REGENTS OF THE UNIVERSITY OF MINNESOTA

RESOLUTION RELATED TO

The 2021 Six-Year Capital Plan

WHEREAS, preserving the University of Minnesota (University) campuses through stewardship of public investments that have been made over 165 years is a commitment the Board of Regents (Board) has made to the State of Minnesota (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; 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 2021 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.



REGENTS OF THE UNIVERSITY OF MINNESOTA

RESOLUTION RELATED TO

2022 State Capital Request

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

NOW THEREFORE, BE IT RESOLVED that the Board of Regents approves the University's 2022 State Capital Request in the amount of \$310,460,000 consisting of \$273,640,000 from the State of Minnesota and \$36,820,000 from the University.

2021 Six Year Capital Plan
Project Funding Report

UNIVERSITY OF MINNESOTA

2021 Six Year Capital Plan - Project Funding Report

Project Costs

Project costs included in the Six-Year Capital Plan are order-of-magnitude estimates. Project costs and funding will be verified prior to consideration for the Annual Capital Budget.

Project Priority

Projects are shown in order of priority for the state capital budget request in year 2022. Projects in future years of the plan and projects under consideration are not prioritized.

Annual Capital Budget Potential Additions

University funded capital projects in year 2022 of the Six Year Capital Plan were included in the FY22 Annual Capital Budget potential additions list and may be presented as amendments to the capital budget within the current fiscal year.

UNIVERSITY OF MINNESOTA

2021 Six Year Capital Plan - Project Funding Report

2023

State Funded

File	Project Title	Campus	Total	State Funds	University Funds
349	Higher Education Asset Preservation and Replacement	Systemwide	\$200,000	\$200,000	\$0
180	Health Discovery Hub (formerly Clinical Research Facility)	Twin Cities	\$145,000	\$96,667	\$48,333
			\$345,000	\$296,667	\$48,333

University Funded

File	Project Title	Campus	Total	State Funds	University Funds
414	St Paul Student Union Investment - Construction	Twin Cities	\$83,000	\$0	\$83,000
222	R&R - Crookston Campus	Crookston	\$296	\$0	\$296
288	R&R - Duluth Campus	Duluth	\$3,000	\$0	\$3,000
228	R&R - Duluth Student Life	Duluth	\$3,000	\$0	\$3,000
240	R&R - Morris Campus	Morris	\$162	\$0	\$162
216	R&R - Twin Cities Athletics	Twin Cities	\$1,300	\$0	\$1,300
258	R&R - Twin Cities Campus	Twin Cities	\$9,500	\$0	\$9,500
264	R&R - Twin Cities Dining Services	Twin Cities	\$4,650	\$0	\$4,650
234	R&R - Twin Cities Housing & Residential Life	Twin Cities	\$18,426	\$0	\$18,426
246	R&R - Twin Cities Parking & Transportation Services	Twin Cities	\$10,550	\$0	\$10,550
252	R&R - Twin Cities Student Affairs	Twin Cities	\$1,250	\$0	\$1,250
270	R&R - Twin Cities Utilities	Twin Cities	\$10,800	\$0	\$10,800
			\$145,934	\$0	\$145,934
		FY Total:	\$490,934	\$296,667	\$194,267
		Running Total:	\$953,018	\$570,307	\$382,711

UNIVERSITY OF MINNESOTA

2021 Six Year Capital Plan - Project Funding Report

2024

State Funded

File	Project Title	Campus	Total	State Funds	University Funds
361	Higher Education Asset Preservation and Replacement	Systemwide	\$200,000	\$200,000	\$0
348	Strategic Plan Renewal or Replacement	Twin Cities	\$100,000	\$66,667	\$33,333
409	UMD Science Building Renewal	Duluth	\$25,540	\$17,027	\$8,513
			\$325,540	\$283,694	\$41,846

University Funded

File	Project Title	Campus	Total	State Funds	University Funds
366	CSOM Building Revitalization	Twin Cities	\$35,000	\$0	\$35,000
308	R&R - Crookston Campus	Crookston	\$296	\$0	\$296
306	R&R - Duluth Campus	Duluth	\$3,000	\$0	\$3,000
305	R&R - Duluth Student Life	Duluth	\$3,000	\$0	\$3,000
310	R&R - Morris Campus	Morris	\$162	\$0	\$162
307	R&R - Twin Cities Athletics	Twin Cities	\$1,300	\$0	\$1,300
313	R&R - Twin Cities Campus	Twin Cities	\$9,500	\$0	\$9,500
314	R&R - Twin Cities Dining Services	Twin Cities	\$3,675	\$0	\$3,675
309	R&R - Twin Cities Housing & Residential Life	Twin Cities	\$6,816	\$0	\$6,816
311	R&R - Twin Cities Parking & Transportation Services	Twin Cities	\$6,900	\$0	\$6,900
312	R&R - Twin Cities Student Affairs	Twin Cities	\$1,250	\$0	\$1,250
315	R&R - Twin Cities Utilities	Twin Cities	\$10,800	\$0	\$10,800
			\$81,699	\$0	\$81,699
FY Total:			\$407,239	\$283,694	\$123,545
Running Total:			\$1,360,257	\$854,000	\$506,257

UNIVERSITY OF MINNESOTA

2021 Six Year Capital Plan - Project Funding Report

2025

State Funded

File	Project Title	Campus	Total	State Funds	University Funds
362	Higher Education Asset Preservation and Replacement	Systemwide	\$200,000	\$200,000	\$0
411	Strategic Plan Renewal; Wilson Library	Twin Cities	\$50,000	\$33,333	\$16,667
			\$250,000	\$233,333	\$16,667

University Funded

File	Project Title	Campus	Total	State Funds	University Funds
359	R&R - Crookston Campus	Crookston	\$296	\$0	\$296
355	R&R - Duluth Campus	Duluth	\$3,000	\$0	\$3,000
354	R&R - Duluth Student Life	Duluth	\$3,000	\$0	\$3,000
360	R&R - Morris Campus	Morris	\$162	\$0	\$162
357	R&R - Twin Cities Athletics	Twin Cities	\$1,300	\$0	\$1,300
352	R&R - Twin Cities Campus	Twin Cities	\$9,500	\$0	\$9,500
356	R&R - Twin Cities Dining Services	Twin Cities	\$3,900	\$0	\$3,900
350	R&R - Twin Cities Housing & Residential Life	Twin Cities	\$12,286	\$0	\$12,286
353	R&R - Twin Cities Parking & Transportation Services	Twin Cities	\$3,800	\$0	\$3,800
358	R&R - Twin Cities Student Affairs	Twin Cities	\$1,250	\$0	\$1,250
351	R&R - Twin Cities Utilities	Twin Cities	\$10,800	\$0	\$10,800
			\$49,294	\$0	\$49,294
FY Total:			\$299,294	\$233,333	\$65,961
Running Total:			\$1,659,551	\$1,087,334	\$572,217

UNIVERSITY OF MINNESOTA

2021 Six Year Capital Plan - Project Funding Report

2026

State Funded

File	Project Title	Campus	Total	State Funds	University Funds
365	Higher Education Asset Preservation and Replacement	Systemwide	\$200,000	\$200,000	\$0
316	Strategic Plan Renewal; East Bank	Twin Cities	\$50,000	\$33,333	\$16,667
140	Strategic Plan Renewal; St. Paul	Twin Cities	\$50,000	\$33,333	\$16,667
412	Strategic Plan Renewal; Systemwide	Systemwide	\$50,000	\$33,333	\$16,667
			\$350,000	\$300,000	\$50,000

University Funded

File	Project Title	Campus	Total	State Funds	University Funds
163	Limnology Building and Property Capital Renewal	Duluth	\$9,000	\$0	\$9,000
136	LSH 1st Floor Renovation & Expansion	Duluth	\$13,000	\$0	\$13,000
377	R&R - Crookston Campus	Crookston	\$296	\$0	\$296
373	R&R - Duluth Campus	Duluth	\$3,000	\$0	\$3,000
372	R&R - Duluth Student Life	Duluth	\$3,000	\$0	\$3,000
378	R&R - Morris Campus	Morris	\$162	\$0	\$162
375	R&R - Twin Cities Athletics	Twin Cities	\$1,300	\$0	\$1,300
370	R&R - Twin Cities Campus	Twin Cities	\$9,500	\$0	\$9,500
374	R&R - Twin Cities Dining Services	Twin Cities	\$3,900	\$0	\$3,900
368	R&R - Twin Cities Housing & Residential Life	Twin Cities	\$6,571	\$0	\$6,571
371	R&R - Twin Cities Parking & Transportation Services	Twin Cities	\$5,900	\$0	\$5,900
376	R&R - Twin Cities Student Affairs	Twin Cities	\$1,250	\$0	\$1,250
369	R&R - Twin Cities Utilities	Twin Cities	\$10,800	\$0	\$10,800
			\$67,679	\$0	\$67,679
FY Total:			\$417,679	\$300,000	\$117,679
Running Total:			\$2,077,230	\$1,387,334	\$689,896

UNIVERSITY OF MINNESOTA

2021 Six Year Capital Plan - Project Funding Report

2027

State Funded

File	Project Title	Campus	Total	State Funds	University Funds
397	Higher Education Asset Preservation and Replacement	Systemwide	\$200,000	\$200,000	\$0
304	Strategic Plan Renewal or Replacement	Twin Cities	\$100,000	\$66,667	\$33,333
			\$300,000	\$266,667	\$33,333

University Funded

File	Project Title	Campus	Total	State Funds	University Funds
407	R&R - Crookston Campus	Crookston	\$296	\$0	\$296
403	R&R - Duluth Campus	Duluth	\$3,000	\$0	\$3,000
402	R&R - Duluth Student Life	Duluth	\$3,000	\$0	\$3,000
408	R&R - Morris Campus	Morris	\$162	\$0	\$162
405	R&R - Twin Cities Athletics	Twin Cities	\$1,300	\$0	\$1,300
400	R&R - Twin Cities Campus	Twin Cities	\$9,500	\$0	\$9,500
404	R&R - Twin Cities Dining Services	Twin Cities	\$2,700	\$0	\$2,700
398	R&R - Twin Cities Housing & Residential Life	Twin Cities	\$4,720	\$0	\$4,720
401	R&R - Twin Cities Parking & Transportation Services	Twin Cities	\$2,750	\$0	\$2,750
406	R&R - Twin Cities Student Affairs	Twin Cities	\$1,250	\$0	\$1,250
399	R&R - Twin Cities Utilities	Twin Cities	\$10,800	\$0	\$10,800
			\$39,478	\$0	\$39,478
		FY Total:	\$339,478	\$266,667	\$72,811
		Running Total:	\$2,416,708	\$1,654,001	\$762,707

2021 Six Year Capital Plan Project Description Report

UNIVERSITY OF MINNESOTA

2021 Six Year Capital Plan - Project Description Report

Project Costs

Project costs included in the Six-Year Capital Plan are order-of-magnitude estimates. Project costs and funding will be verified prior to consideration for the Annual Capital Budget.

UNIVERSITY OF MINNESOTA

2021 Six Year Capital Plan - Project Description Report

136 LSH 1st Floor Renovation & Expansion

Campus: Duluth - Remodel and expand the 1st floor of Lake Superior Hall (LSH)
Unit: UMN Duluth - Provide improved space for students and more efficient office space for staff
Total Cost: \$13,000
Plan Year: 2026

140 Strategic Plan Renewal; St. Paul

Campus: Twin Cities - Enhance existing teaching, research, and student support space in alignment with the Strategic Plan
Unit: Academic Affairs and Provost - Project(s) will be defined in a future Six Year Plan update
Total Cost: \$50,000
Plan Year: 2026

158 CSOM Building Revitalization - Design

Campus: Twin Cities - Align the functionality of teaching and scholarship user space with new pedagogical and technological trends
Unit: Carlson School of Management - Improve utilization of existing space through more flexible learning environments facilitating student, staff and faculty collaboration
Total Cost: \$2,500 - Address building infrastructure, systems, accessibility, and other deficiencies
Plan Year: 2022

163 Limnology Building and Property Capital Renewal

Campus: Duluth - Renovate the existing limnology research station and construct a new addition
Unit: UMN Duluth - Create a learning lab, meeting space, and workstations
Total Cost: \$9,000 - Relocate MN Sea Grant Center from its current location at UMD Chester Park
Plan Year: 2026 - Timeline for investment may adjust pending availability of funds

180 Health Discovery Hub (formerly Clinical Research Facility)

Campus: Twin Cities - Construct a new clinical research facility to support clinical and translational health science research
Unit: Academic Clinical Affairs, Ofc - Program includes integrated research, clinical exam, consultation, computational, and collaboration space
Total Cost: \$145,000
Plan Year: 2023

UNIVERSITY OF MINNESOTA

2021 Six Year Capital Plan - Project Description Report

187 Chemistry Undergraduate Teaching Laboratory

Campus: Twin Cities

Unit: College of Science and Engineering

Total Cost: \$108,000

Plan Year: 2022

- Create a state-of-the-art undergraduate chemistry teaching facility with teaching laboratories, student collaboration spaces, and classrooms
 - Provide 18 new teaching laboratories for general and organic chemistry
 - Renovate the original Fraser Hall building, demolish earlier additions, and construct a new addition
 - Design funding was provided in the 2020 bonding bill
-

206 Offsite Collections Facility

Campus: Twin Cities

Unit: University Libraries

Total Cost: \$55,000

Plan Year: 2022

- Construct new space to meet the collections needs of the University of Minnesota for the next 20 years
 - Relocate various library collections into offsite storage from around the library system
 - Provide secure, environmentally controlled offsite space for storage and preservation of essential resources
-

277 UMD Science Building Renewal - Design

Campus: Duluth

Unit: UMN Duluth

Total Cost: \$2,460

Plan Year: 2022

- Invest in space that was vacated with the completion of the Chemistry and Advanced Materials Science building
 - Provide students and faculty in the Swenson College of Science and Engineering with collaborative spaces for learning, active learning classrooms, laboratories, and research spaces
-

304 Strategic Plan Renewal or Replacement

Campus: Twin Cities

Unit: Academic Affairs and Provost

Total Cost: \$100,000

Plan Year: 2027

- Enhance existing teaching, research, and student support space in alignment with the Strategic Plan
 - Projects may be a combination of renewal or replacement of existing facilities
 - Project(s) will be defined in a future Six Year Plan update
-

316 Strategic Plan Renewal; East Bank

Campus: Twin Cities

Unit: Academic Affairs and Provost

Total Cost: \$50,000

Plan Year: 2026

- Enhance existing teaching, research, and student support space in alignment with the Strategic Plan
 - Project(s) will be defined in a future Six Year Plan update
-

UNIVERSITY OF MINNESOTA

2021 Six Year Capital Plan - Project Description Report

348 Strategic Plan Renewal or Replacement

Campus: Twin Cities

Unit: Academic Affairs and Provost

Total Cost: \$100,000

Plan Year: 2024

- Enhance existing teaching, research, and student support space in alignment with the Strategic Plan
- Projects may be a combination of renewal or replacement of existing facilities
- Project(s) will be defined in a future Six Year Plan update

366 CSOM Building Revitalization

Campus: Twin Cities

Unit: Carlson School of Management

Total Cost: \$35,000

Plan Year: 2024

- Aligns teaching and scholarship user space with new pedagogical and technological trends
- Improves utilization of existing space through more flexible learning environments facilitating student, staff and faculty collaboration
- Addresses building infrastructure, systems, accessibility, and other deficiencies

383 Moos 1st and 3rd Floor Lab Renovations

Campus: Twin Cities

Unit: Medical School

Total Cost: \$35,000

Plan Year: 2022

- Remodel ~30,000 square feet of outdated research/instructional lab space into contemporary research space to support growing research in Translational Neuroscience
- Portions of 1st floor were added to complement scope

386 PWB 4th Floor Teaching Lab Renovation

Campus: Twin Cities

Unit: Medical School

Total Cost: \$10,600

Plan Year: 2022

- Relocate Moos third floor teaching labs, along with Medical School Admissions Office
- Create adjacency with the Health Sciences Education Center (HSEC)

409 UMD Science Building Renewal

Campus: Duluth

Unit: UMN Duluth

Total Cost: \$25,540

Plan Year: 2024

- Invest in space that was vacated with the completion of the Chemistry and Advanced Materials Science building
- Provide students and faculty in the Swenson College of Science and Engineering with collaborative spaces for learning, active learning classrooms, laboratories, and research spaces

UNIVERSITY OF MINNESOTA

2021 Six Year Capital Plan - Project Description Report

411 Strategic Plan Renewal; Wilson Library

Campus: Twin Cities

Unit: University Libraries

Total Cost: \$50,000

Plan Year: 2025

- Renovate to better support contemporary learning and scholarship with services focused on enabling new discovery, interaction with digital media and technology tools, community engagement, teaching, and study areas

412 Strategic Plan Renewal; Systemwide

Campus: Systemwide

Unit: Academic Affairs and Provost

Total Cost: \$50,000

Plan Year: 2026

- Enhance existing teaching, research, and student support space in alignment with the Strategic Plan
- Project(s) will be defined in a future Six Year Plan update

413 St Paul Student Union Investment - Design

Campus: Twin Cities

Unit: Academic Affairs and Provost

Total Cost: \$1,000

Plan Year: 2022

- Create replacement space for the St Paul Student Center
- Project planning and preliminary design is anticipated to begin in 2022 followed by complete design and construction in 2023

414 St Paul Student Union Investment - Construction

Campus: Twin Cities

Unit: Academic Affairs and Provost

Total Cost: \$83,000

Plan Year: 2023

- Create replacement space for the St Paul Student Center
- Project planning and preliminary design is anticipated to begin in 2022 followed by complete design and construction in 2023

2021 Six Year Capital Plan
Under Consideration List

UNIVERSITY OF MINNESOTA

2021 Six Year Capital Plan - Under Consideration List

Proposals included on the Under Consideration list have been identified as priorities by the responsible unit. Projects under consideration are recommended to complete a feasibility study to support further decision making. Projects will be included in the Six Year Plan when the source of funding and year is determined.

Projects must complete predesign, obtain necessary funds and receive approval in the Annual Capital Budget to proceed with design and construction.

Preliminary cost estimates are included on the Under Consideration list where available. Estimates prepared at this time have a low expectation of accuracy. Estimates may be regarded as preliminary, ballpark or order of magnitude. Multiple factors including location, size, complexity, level of finish and inflation may impact the final cost. These figures are intended to support a decision to proceed with the proposal and must be verified through later phases of design.

UNIVERSITY OF MINNESOTA

2021 Six Year Capital Plan - Under Consideration List

111 PTRF Renovation - Turkey Research Facility

Campus: Twin Cities - Renovate the Poultry Teaching and Research Facility in St. Paul
Unit: College of Food, Agricultural & Natural Resource Sciences - Relocate small scale turkey research from Rosemount to St. Paul
- Maximize research effectiveness and space utilization
Total Cost: \$11,000 - Replace or upgrade exterior enclosure, HVAC systems and lab casework
Status: Predesign

118 Athletic Facilities Targeted Improvement Projects

Campus: Systemwide - Implement targeted investments to improve gender equity in athletics facilities on the Crookston, Morris, Duluth and Twin Cities campuses
Unit: Systemwide - Project(s) to be defined pending outcome of individual campus planning studies
Total Cost: To Be Determined
Status: Feasibility

120 Forestry Research and Outreach Capital Investments

Campus: ROCs & Stations - Provide a setting for field-based teaching and applied learning and research in northern forest and wilderness ecosystems
Unit: College of Food, Agricultural & Natural Resource Sciences - Construct lodging, dining and kitchen facilities for students, staff, professionals and families
- Create flexible research labs, classrooms and support spaces
Total Cost: To Be Determined - Scope, budget, and schedule to be confirmed pending outcome of site master plans
Status: Planning

121 Cowles Stadium Hitting Facility

Campus: Twin Cities - Construct an indoor hitting facility and restrooms accessible from the dugout for the Gopher Women's Softball Team
Unit: Intercollegiate Athletics - Budget and schedule to be confirmed pending availability of funds
Total Cost: To Be Determined
Status: Predesign

124 3M Arena at Mariucci Ice Plant/Floor Replacement

Campus: Twin Cities - Convert the refrigerant system in response to phase out of freon production
Unit: Intercollegiate Athletics - Reduce scale of ice sheet and expands capacity for seating
Total Cost: \$5,200 - Enable meeting fluorocarbon emissions standards
Status: Predesign

UNIVERSITY OF MINNESOTA

2021 Six Year Capital Plan - Under Consideration List

127 Ridder Arena Ice Plant/Floor Replacement

Campus: Twin Cities - Converts the refrigerant system in response to phase out of freon production
Unit: Intercollegiate Athletics - Replaces the ice plant, ice sheet floor and piping
Total Cost: \$1,200 - Enables meeting fluorocarbon emissions standards
Status: Predesign

142 Briggs Library Capital Renewal

Campus: Morris - Renovate the existing library and construct a new east link/entry addition and west entry
Unit: UMN Morris - Replace mechanical, electrical, and plumbing systems, technology infrastructure, elevator, and provide ADA/Code compliant restrooms
Total Cost: \$27,900 - Revitalize the Briggs Library at the “heart of the campus” to best meet the academic, co-curricular, social and safety needs of the UMM Community
Status: Predesign

171 Animal Science Facility

Campus: Crookston - Construct a new pole barn facility to consolidate the animal facilities at the Crookston campus with adjacent academic and research space
Unit: UMN Crookston - Accommodate birthing, controls noise and protects against illness
Total Cost: To Be Determined - Support teaching needs of the Agriculture and Natural Resource program and provide space for student research
Status: Proposal - Scope, budget, and schedule to be defined pending outcome of feasibility study

175 Historic District Capital Renewal

Campus: Morris - Invest in programmatic needs of the Morris campus
Unit: UMN Morris - Modernize systems and infrastructure in the campus national register historic district
Total Cost: To Be Determined - Renovate learning spaces and student support spaces to meet the needs of future students
Status: Planning - Projects to be defined pending outcome of campus strategic facilities plan

191 CUHCC Clinic Renewal

Campus: Twin Cities - Renew clinic facilities to increase CUHCC services
Unit: Academic Clinical Affairs, Ofc
Total Cost: To Be Determined
Status: Feasibility

UNIVERSITY OF MINNESOTA

2021 Six Year Capital Plan - Under Consideration List

205 Kirby Student Center Expansion

Campus: Duluth - Expand and update the Kirby Student Center to provide space for student programming, social and active study spaces for students, meeting and event facilities
Unit: UMN Duluth
Total Cost: To Be Determined
Status: Planning

272 Shepherd Laboratories Phase 2 (Floors 3-5) Renovation

Campus: Twin Cities - Renovate space on floors 3-5 of Shepherd Labs to provide academic space for the Computer Science and Engineering Department
Unit: College of Science and Engineering
Total Cost: To Be Determined
Status: Feasibility

280 Strategic Campus Development

Campus: Rochester - Create academic and student life space for the growing UMR student community
Unit: UMN Rochester - Provide space to support active, collaborative, and adaptive learning environments, student laboratories and faculty/student interaction
Total Cost: To Be Determined
Status: Planning

290 Molecular and Cellular Therapeutics Expansion

Campus: Twin Cities - Expand the existing Molecular and Cellular Therapeutics facility to accommodate Vector Production and Gene Therapy (VP/GT) and other health sciences research
Unit: Academic Clinical Affairs, Ofc - Provide cleanroom, lab and lab support spaces
Total Cost: To Be Determined - Scope, budget, and schedule to be defined pending outcome of feasibility study
Status: Planning

298 Arboretum Access and Egress Improvements

Campus: ROCs & Stations - Repair and extend the internal circulation and parking network at the Arboretum including public access points and gatehouses
Unit: College of Food, Agricultural & Natural Resource Sciences
Total Cost: To Be Determined
Status: Predesign

UNIVERSITY OF MINNESOTA

2021 Six Year Capital Plan - Under Consideration List

299 Strategic Land Acquisitions

Campus: Twin Cities - In support of potential opportunities for strategic land and asset acquisitions that support the University mission
Unit: Planning, Space, and Real Estate
Total Cost: To Be Determined
Status: Planning

318 Cedar Creek Science Barn

Campus: ROCs & Stations - Construct a new building for research, education, and outreach
Unit: College of Biological Sciences - Provide classrooms, restrooms, and storage for year-round use
Total Cost: \$3,300
Status: Feasibility

320 Future of Animal Agriculture in Minnesota (FAARM)

Campus: ROCs & Stations - Construct an off-campus consolidated animal research facility for the College of Food, Agriculture and Natural Resource Sciences
Unit: College of Food, Agricultural & Natural Resource Sciences - Scope, budget, and schedule to be defined pending outcome of feasibility study
Total Cost: To Be Determined
Status: Feasibility

328 Developing Institutional Animal Resources Space

Campus: Twin Cities - Construct or renovate facilities for animal resources (housing and research support spaces)
Unit: Research - Scope, budget, and schedule to be defined pending outcome of feasibility study
Total Cost: To Be Determined
Status: Feasibility

343 Coffman Programming and Retail Renovation

Campus: Twin Cities - Upgrade retail and dining facilities in Coffman Memorial Union
Unit: Student Affairs
Total Cost: To Be Determined
Status: Feasibility

UNIVERSITY OF MINNESOTA

2021 Six Year Capital Plan - Under Consideration List

410 UMD Kirby Plaza Food Court and Kitchen Renovation

Campus: Duluth - Provide up to two more food court venues, redesign flow, increase visibility, and offer more options.
Unit: UMN Duluth - Remodel the main production kitchen for efficiency and safety, along with equipment replacement.
Total Cost: \$12,000
Status: Feasibility

415 Morrill Hall Re-Envisioned Building Use

Campus: Twin Cities - Explore options to provide additional student-centric programming
Unit: Office of the President
Total Cost: To Be Determined
Status: Planning

President's Recommended 2021 Six-Year Capital Plan and 2022 State Capital Request

President Joan T. A. Gabel
Myron Frans, Senior Vice President
Michael Berthelsen, Vice President, University Services

Finance & Operations Committee

October 7, 2021

SENIOR VICE PRESIDENT FOR FINANCE AND OPERATIONS

World Class Services for a World Class University



University Services

We Make the University Work

The Six-Year Plan

- Prescribed in Board Policy
- Primary capital planning tool
- Reflects the University's highest priorities
- Most specificity and certainty in early years
- Foundation for state requests and annual capital budget



Plan Priorities

1. Renew high priority buildings and right-size the overall amount of campus space.
2. Invest in high demand academic programs and mission-support facilities.
3. Advance innovation in health sciences, agriculture, biotechnology, and other MNtersections priorities.
4. Enhance student-facing facilities and services including libraries, unions, recreation, wellness, academic support, and student counseling facilities.
5. Create spaces and places that make campuses more inclusive, accessible, and welcoming.



2022 State Capital Request

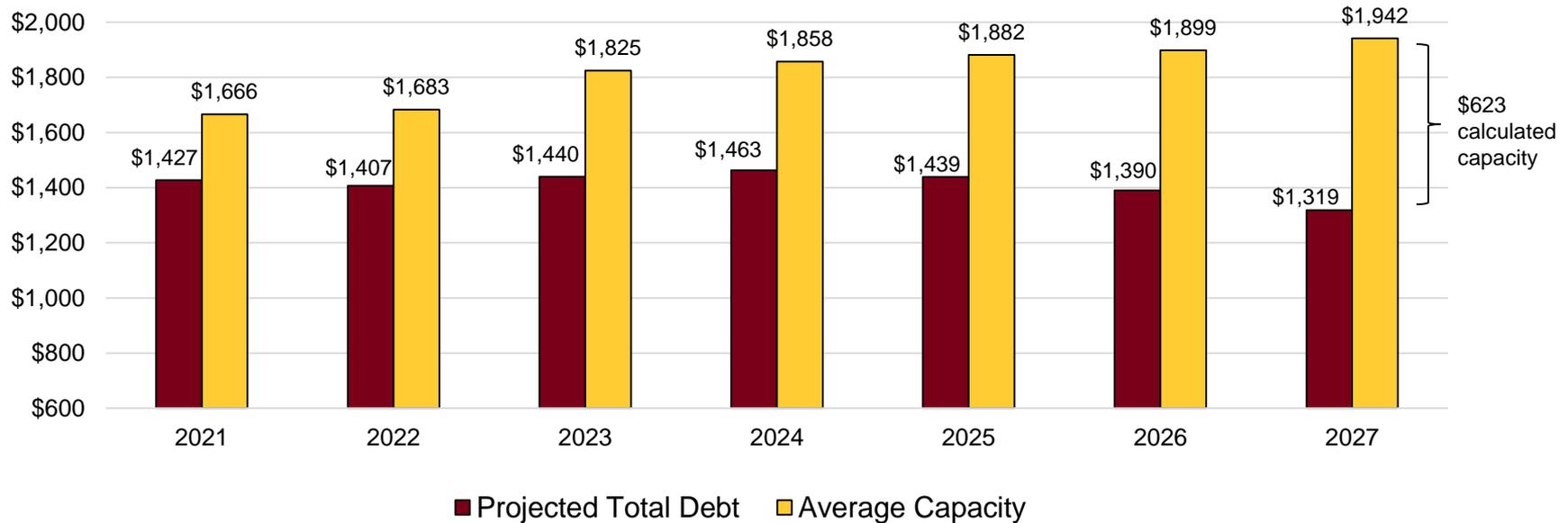
	Total	State	University
HEAPR (Systemwide)	\$200,000,000	\$200,000,000	\$0
Chemistry Undergrad Teaching Lab (Twin Cities)	\$108,000,000	\$72,000,000	\$36,000,000
Science Building Renewal – Design (Duluth)	\$2,460,000	\$1,640,000	\$820,000
	\$310,460,000	\$273,640,000	\$36,820,000

Note: The total request for the Chemistry Undergrad Teaching Lab (Twin Cities) was increased from \$104.1 million to \$108 million based on updated construction cost estimates.



Theoretical Preliminary Debt Capacity

(Amounts in millions)



Based on Moody's "Aa1" Medians





UNIVERSITY OF MINNESOTA

Driven to Discover®

Crookston Duluth Morris Rochester Twin Cities

The University of Minnesota is an equal opportunity educator and employer.



BOARD OF REGENTS DOCKET ITEM SUMMARY

Finance & Operations

October 7, 2021

AGENDA ITEM: Overview of University Budget Model

Review

Review + Action

Action

Discussion

This is a report required by Board policy.

PRESENTERS: Julie Tonneson, Vice President and Budget Director

PURPOSE & KEY POINTS

The purpose of this item is to provide an overview of the budget model currently in operation at the University. It will clarify terminology and outline and explain the structure and components of the decision-making model used to arrive at the annual operating budget. The discussion will include background information to enhance the Board’s understanding of the budget process in preparation for upcoming committee meetings that include specific variables and issues for the FY 2022-23 annual operating budget.

A “Responsibility Center Management” Budget Model

Every budget process within a large complex organization has what is called a “budget model.” These constructs are a set of acknowledged procedures and decision rules that allow management to make decisions in an organized way designed to achieve the goals of the institution and arrive at a balanced budget. In higher education, there are generally two “camps” when it comes to budget models (with a multitude of variations on the general themes):

1. Incremental Budget Models – The large unrestricted revenue sources of the institution are collected centrally and co-mingled at the institutional level before allocating out to all academic and support units. Each unit receives what it got last year from those revenues (base funding) plus or minus some amount determined by leadership.
2. Responsibility Center Management (RCM) Models – These are decentralized and incentive-based. Earned revenues flow to the units that generate them, and the state appropriation and overhead costs are allocated to those same revenue-generating units;. Formulas are used in the attribution of revenues and costs, with some incremental decision making possible as well; mid-level managers are assigned the responsibility and accountability for generating revenues and managing expenses.

The University first implemented components of an RCM model in FY 1997-98, making it one of the more established models in the country. The current form of the model has been in place (with minor adjustments) since FY 2006-07.

Organizational Structure for the Budget Process and the Budget Model

The goal of the process is to create budgets for each unit that will make them as successful as possible, in alignment with the institutional strategic plan and within available resources. Although the University uses a decentralized structure for developing the budget, the President remains ultimately responsible for deciding how to move forward with the budget and which specific recommendations will be submitted to the Board. To that end, the University has set the “budgeting unit” – or what is termed the Resource Responsibility Center (RRC) – to be each campus outside of the Twin Cities, each college or major academic unit on the Twin Cities campus, and each major support unit located on the Twin Cities campus (with campus and/or systemwide responsibilities). The RRC has been identified as the primary level of budget accountability. The players and their roles in the process are as follows:

THE PLAYERS	THE ROLES
President	Sets broad goals, strategies, principles for that iteration of the annual budget; Directs and delegates the overall process; Receives and acts on recommendations from Budget Committee; Delivers final recommended budget to the Board of Regents.
Budget Committee (Provost, SVP Finance & Operations, VP Research, VP Academic Clinical Affairs, Budget Dir.)	Manages the overall budget development process; Interfaces with each unit of the University; Develops recommendations to the President on unit allocations and all budget-balancing tactics and strategies.
Chancellors, Deans, VPs (leaders of the RRCs)	Provides input into broad goals and strategies; Develops unit level (RRC) goals and strategy; Responds to compact/budget instructions; Projects revenues and expenditures under the decision rules of the budget model; Requests funding from Central; Implements a balanced budget throughout their RRCs.
Departments	Responds to RRC level direction regarding development of departmental goals and strategies; Requests funding from RRC; Responds to internal budget instructions; Implements final decisions.



Board of Regents	Reviews and acts on the annual budget submitted by the President; Provides input and direction during the development of the annual budget through agenda items focused on specific variables and issues.
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The budget model itself does not make decisions in the process. With the direct input of her leadership team, the President makes the decisions that shape the budget; on the front end with direction on goals for the budget, and on the back end with customized budget plans for each RRC that sum to an overall balanced budget for the University. The budget model is a tool that helps the administration make decisions by organizing information in a meaningful and refined way.

The Attribution of Revenues and Costs In the Budget Model

All units in the University are categorized into two types for purposes of the budget model:

1. Academic Units = generate revenues; primary mission is instruction, research and/or public service (examples: Twin Cities campus School of Nursing, Crookston Campus, Center for Transportation Studies within the Office of the VP for Research)

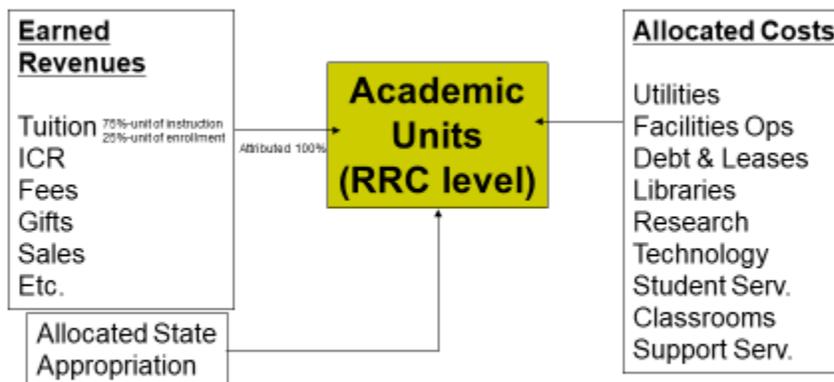
- Support Units = generally do not generate any revenues; the primary purpose is to provide expertise or services to Academic Units (examples: Office of Information Technology, Office of Human Resources, Facilities Management on the Twin Cities campus)

Two technical aspects of unit categorization: some Support Units (such as the Office of the VP for Research) have subunits that are categorized as Academic Units for purposes of the budget model so those RRCs participate in both parts of the budget model and process, and the Crookston, Duluth, Morris and Rochester campuses are each categorized as single Academic Units so their unique campus-based support services are wrapped into the overall discussion of budget needs for each individual campus.

Regardless of assignment as an academic unit or a support unit, all managers are expected to understand their resources and expenses, respond to budget instructions, and balance their budgets.

The RCM budget model in graphic form:

Today's RCM - "The BUDGET MODEL"



★ In combination with the "Budget Framework" and the "Decision Making Process" = full Budget Development ★



The decision rules hold the following – all at the RRC level and not at the departmental level:

- Tuition is attributed 100 percent to the units that generate it (75 percent to the unit of instruction and 25 percent to the unit of enrollment).
- All other earned revenues (which excludes the state appropriation) are attributed 100 percent to the units that generate them.
- The state appropriation is allocated 100 percent to the academic units in an incremental (base + or -) manner on an annual basis through leadership decisions.
- The allocated budgets for each support unit are summed into nine primary cost pools and are charged out to the academic units through a series of formulas based on their proportionate share of some related statistic.

Essentially, 100 percent of the institution's revenues are directly attributed to or are annually allocated to the "academic" RRCs. It follows then that those units need to be responsible for 100

percent of the costs: their direct costs for compensation and equipment and travel etc., as well as their proportionate share of the budgets of all the support unit costs – or overhead. Those cost pool charges are determined by first setting the operating allocations for each support unit, summing those allocations into the major cost pools, and distributing those totals out to academic units as charges based on a set of formulas.

As with any budget model, there are less desirable aspects that need to be actively managed (for example, the incentive to add courses that may not be obviously in-scope for a particular college, or the disincentive to participate in cross-college or interdisciplinary activities). However, this type of budget model provides opportunities for incentives and transparency of information that can lead to the following beneficial outcomes:

- Efficient and effective delivery of curriculum to maximize tuition revenue.
- Increased growth in miscellaneous revenues to fund initiatives and excellence.
- Reduced assignable square footage, energy consumption, reliance on debt financing, external leasing, etc. to avoid facility-related costs.
- Deeper understanding among RRC leaders for what contributes to University costs.
- Increased interest in services and quality of service delivery from support units.
- More meaningful conversations between academic units and leadership on how to conduct activities.
- Decisions on the margin to reduce overall costs or to fully value the impact of those decisions.
- The natural tendency for support units to curb growth and implement efficiencies to justify their levels of support.

Decision Making and the Budget Model

At the beginning of the budget planning cycle, the President and her leadership team create a high-level budget strategy (termed the Budget Framework – which the Board provides input on typically at the February meeting) for incremental changes to revenues and expenditures, focusing on the primary discretionary funds of the institution (state appropriation and tuition). *Note: all other revenues flow to the units that generate them – per the description above – and units are expected to manage expenses for associated activities within those available resources.* The budget model is then a tool for translating the President's goals for that year's annual budget - reflected in the Budget Framework - down to a unit level. This provides an opportunity for unique situations to be reviewed and analyzed and decisions to be made with more refined information about the impact of those decisions on each unit.

For example, due to the decision rules of the budget model, it is possible to understand the impacts of Budget Framework decisions at the RRC level in order to strategize how to cover that unit's costs and invest in its future. The budget model answers these types of questions:

- How much incremental revenue will RRC x generate from a 1 percent tuition rate increase?
- How much additional cost will fall to RRC x if the University implements enhancements to public safety or Libraries?
- How much will the planned compensation increases cost RRC x?
- How much will RRC x need to spend on estimated utility cost increases?
- Will the incremental new tuition revenue cover RRC x's increased costs?

And then the budget decision-making process (the Budget Committee making recommendations to the President, who then takes action) can better determine:

- Should RRC x be required to reallocate existing resources (on top of tuition revenue gains) to cover their known cost increases?
- Where should new state appropriations be allocated to cover costs and investments?
- Should state appropriation be moved from one RRC to another to better address “surpluses” and “shortfalls”?
- Where are opportunities to rely on increases in miscellaneous revenues to cover more cost increases?
- And so forth...

The budget model facilitates the math for these conversations and sets up the slate of decisions to be made at the unit level. A shared understanding of how the revenues and costs are attributed through the RCM model – and how the budget process is conducted to include those attributions in arriving at decisions - is key to assigning budget responsibility and accountability to RRC leaders. It is a transparent and open process with institutional strategies and goals providing the overall direction.

More details on how the model works and the overall budget decision-making process are always available from the University Budget Office.

Overview of University Budget Model

Julie Tonneson, Vice President and Budget Director

Finance & Operations Committee

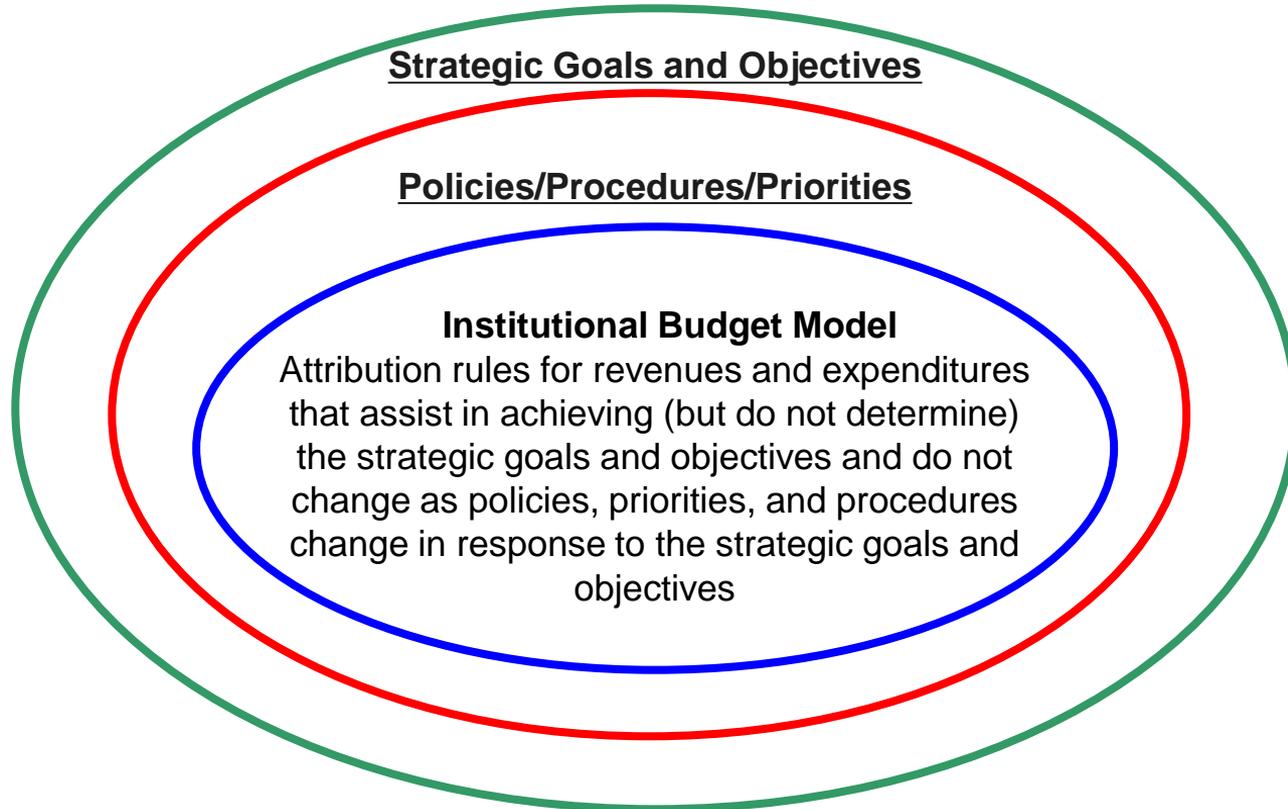
October 7, 2021

SENIOR VICE PRESIDENT FOR FINANCE AND OPERATIONS

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What is a budget model?



“Why” Move to a RCM Model?

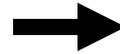
Primary Goals:

- Grow out of Budget Problems
- Improve Transparency Surrounding Decisions
- Improve Accountability and Management of Resources
- Clarify Maze of Cross-Subsidies
- More Clearly Link Performance to Rewards

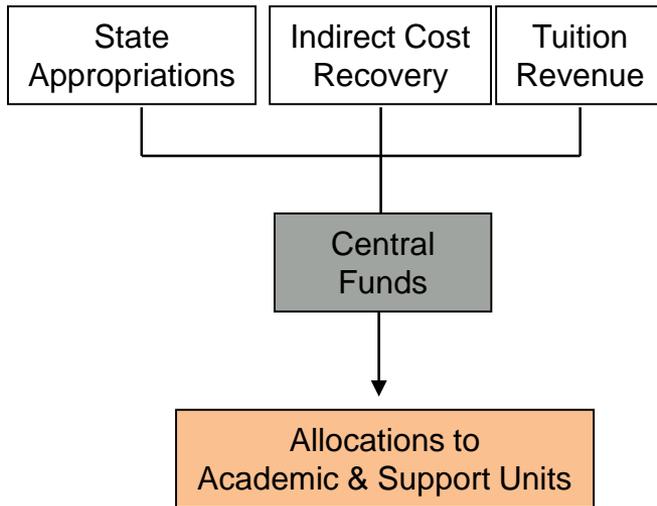


Reforming Resource Allocation

Traditional Higher Ed Model



RCM Model at U of MN:



a transparent, decentralized, approach to budgeting that engages deans and other mid-level managers in the responsibility and accountability for revenue generation as well as expense management

“Units” for Budgeting

Annual Budget Process

The Players:	
President	Sets broad goals, strategies, principles; Directs and delegates the overall process; Receives and acts on recommendations from Budget Committee and Delivers Final Recommended Budget to the Board
Budget Committee	Manages the overall budget development process; Interfaces with each unit of the University; Develops recommendations to the President on unit allocations and budget balancing tactics
Chancellors, Deans, VPs	Provide input into broad goals and strategies; Develop unit level goals and strategies; Respond to compact/budget instructions; Project revenues/expenditures under decision rules of the budget model; Request funding from Central; Implement a balanced budget
Departments	Respond to RRC level direction regarding development of departmental goals and strategies; Request funding from RRC; Respond to internal budget instructions; Implement final decisions
	
Board of Regents	Reviews and acts on Annual Budget submitted by the President; Provides input and direction during the development of the annual budget through agenda items focused on specific variables and issues



50 University of Minnesota Resource Responsibility Centers

Academic Units – Twin Cities

Academic Clinical Affairs
Agricultural Experiment Station
Carlson School of Management
College of Food, Ag. & Nat. Resource Sciences
College of Continuing & Professional Studies
College of Design
College of Biological Sciences
College of Education & Human Development
College of Liberal Arts
College of Pharmacy
College of Science and Engineering
College of Veterinary Medicine
Law School
Humphrey Institute of Public Affairs
Medical School
School of Dentistry
School of Nursing
School of Public Health
University of Minnesota Extension Service

Academic Units - Campuses

Crookston
Duluth
Morris
Rochester

Support Units

Academic Health Sciences
Associate VP Finance
Athletics*
Audit
Auxiliary Services*
Board of Regents
Capital Project Mgmt
Equity & Diversity
Executive VP and Provost*
Facilities Management
General Counsel
Global Prog/Strategy Alliance*
Graduate School
Human Resources
Information Technology
Planning, Space, Real Est
President's Office
Public Safety
Sr. VP Finance & Ops
Student Affairs*
Undergraduate Education*
University Health & Safety
University Libraries
University Relations
University Services
VP Clinical Affairs
VP Research*

*All or portions of these treated
as "academic" in the budget
model.



Unit/RRC designation within the model is determined by two factors:

“Academic Units”

- Primary mission: instruction, research, pub service – they exist to “do” those things
- Generate revenue from their activities: (primary - tuition & fees, sponsored grants, external sales; other misc.)

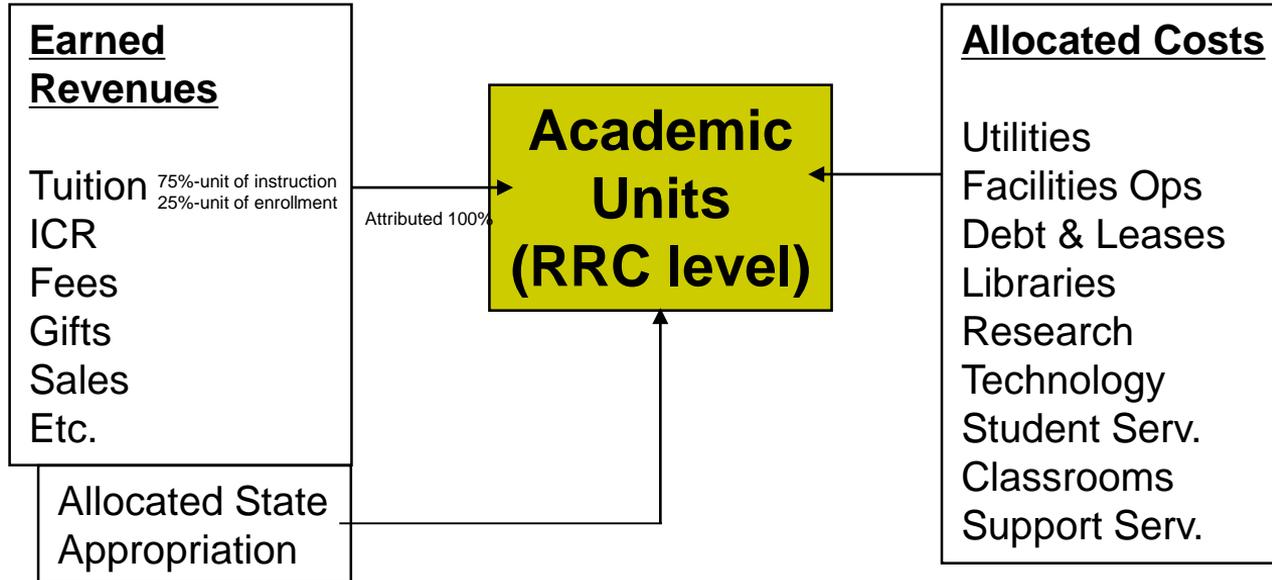
“Support Units”

- Primary purpose: provide services, direction, or oversight to the “Academic” units or to the University as a whole
- Generally do not generate revenue directly from their activities



The “Model”: Attribution of Revenues and Costs

Today's RCM - "The BUDGET MODEL"



★ In combination with the "Budget Framework" and the "Decision Making Process" = full Budget Development ★

Discussions on cost allocation resulted in three different types:

- 1) **Consumption Based Allocation Pools** – cost allocated based on actual measurement of use
 - *creates direct incentive toward desirable behavior*
- 2) **Cost Driver Based Allocation** – cost allocated based on relative share of identified cost driver variable
 - *variable acts as a “proxy” for use – no measurement of actual use*
 - *no direct incentive toward any behavior – provides better management information*
- 3) **Common Good Based Allocation** – cost allocated based on a variable accepted as reasonable measure of participation in the University community
 - *no direct or primary connection to incentives – reasonable way to fairly allocate a shared cost*



Summary of Cost Allocation Pools

X = Primary “type” assignment

	Utilities	Facilities O&M	Debt & Leases	Tech	Suppt Serv	Libraries	Research	Student Serv	Gen. Purpose Class- rooms
Consumption Based Cost Allocation	X		X						
Cost-Driver Based Cost Allocation		X		X		X	X	X	X
Common Good Based Cost Allocation					X				



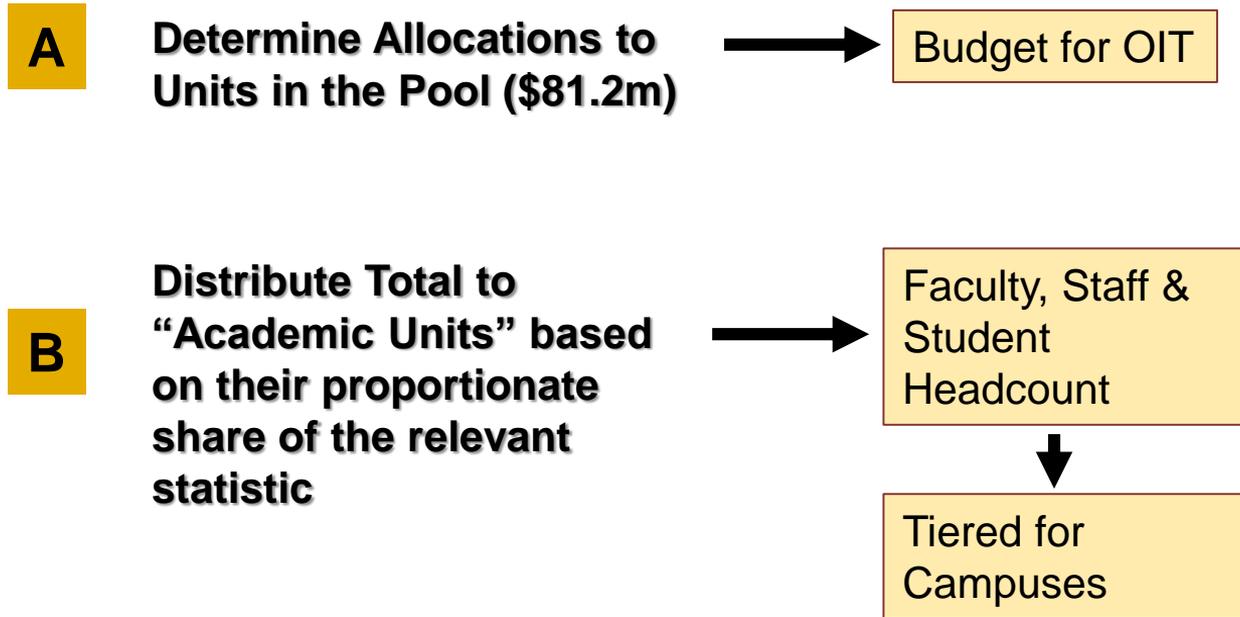
9 Primary Cost Allocation Pools = \$582.9m

FY22

Facilities Operations & Maintenance	→	Custodial, Waste, Land-care, R&R, Maintenance	\$88.3m
Utilities (direct)	→	Steam, Gas, Electricity, Chilled Water	\$61.1m
Debt & Leases (direct)	→	Actual cost of Debt Service and Leases by Building	\$42.8m
Information Technology	→	Internet, E-mail, Voice Serv, File Storage, PeopleSoft, etc.	\$81.2m
Support Service Units	→	HR, Controller, U Relations, Gen Cnsl, Pub Safety, etc.	\$119.5m
Libraries	→	Twin Cities Libraries, excluding the Law Library	\$48.4m
Student Services	→	Student Finance, Honors, Aid, Admissions, Grad Sch., etc.	\$87.4m
General Purpose Classrooms	→	Office of Classroom Management	\$11.5m
Research	→	OVPR, Sponsored Financial Reporting, U Hlth & Safety	\$42.7m

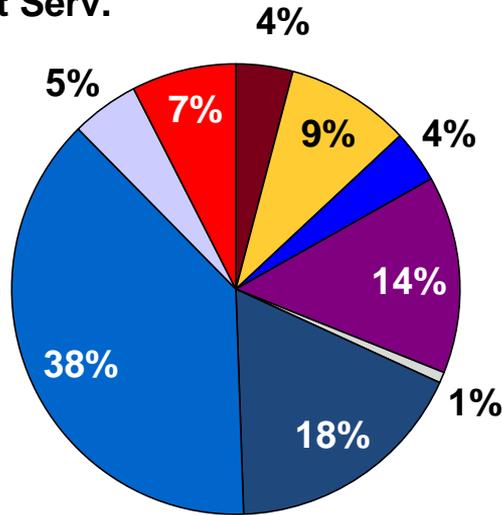


Example – IT Cost Pool

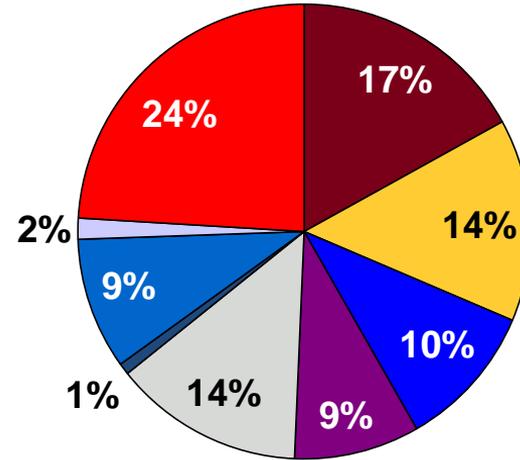


Cost Pool Distributions – Example Colleges

- Utilities
- Debt/Leases
- Research Admin
- Student Serv.
- Support Serv.
- Facilities
- Libraries
- Technology
- Classrooms



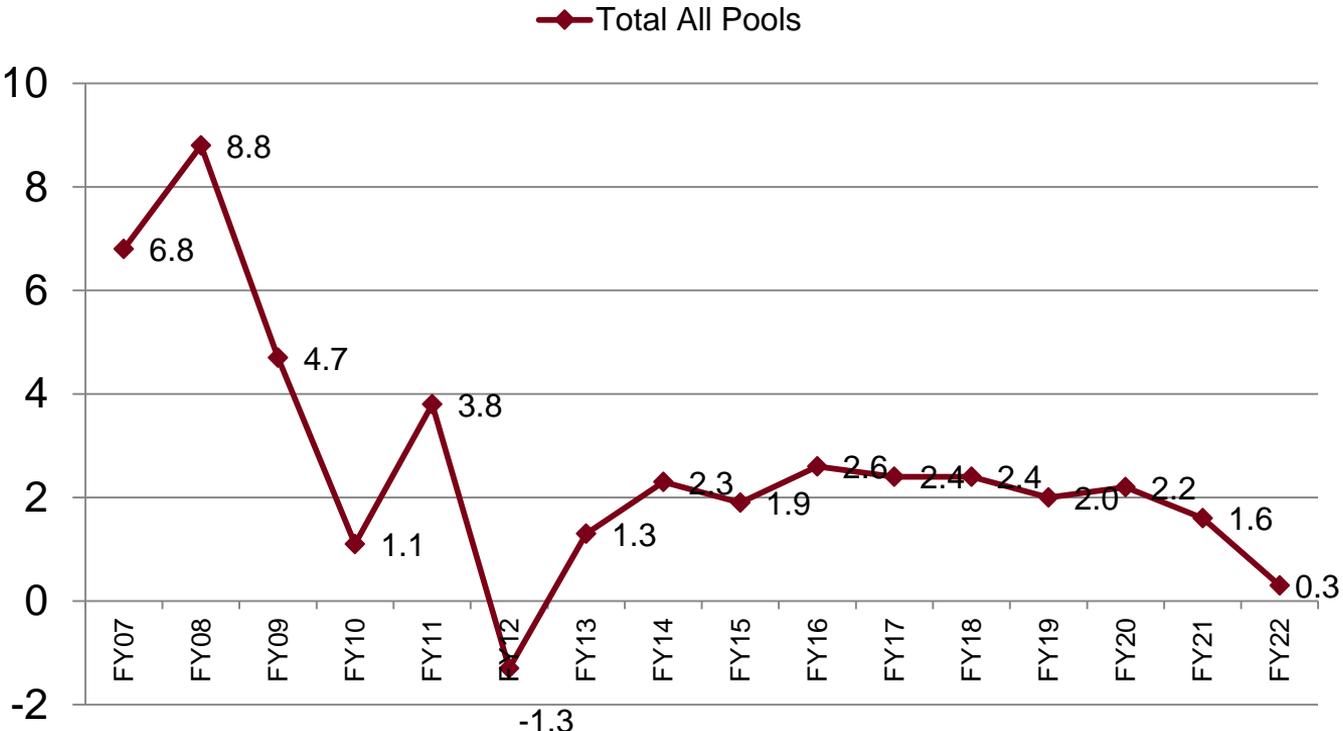
College Liberal Arts



Medical School



% Change in Total Cost Pool Charges FY07 – FY22

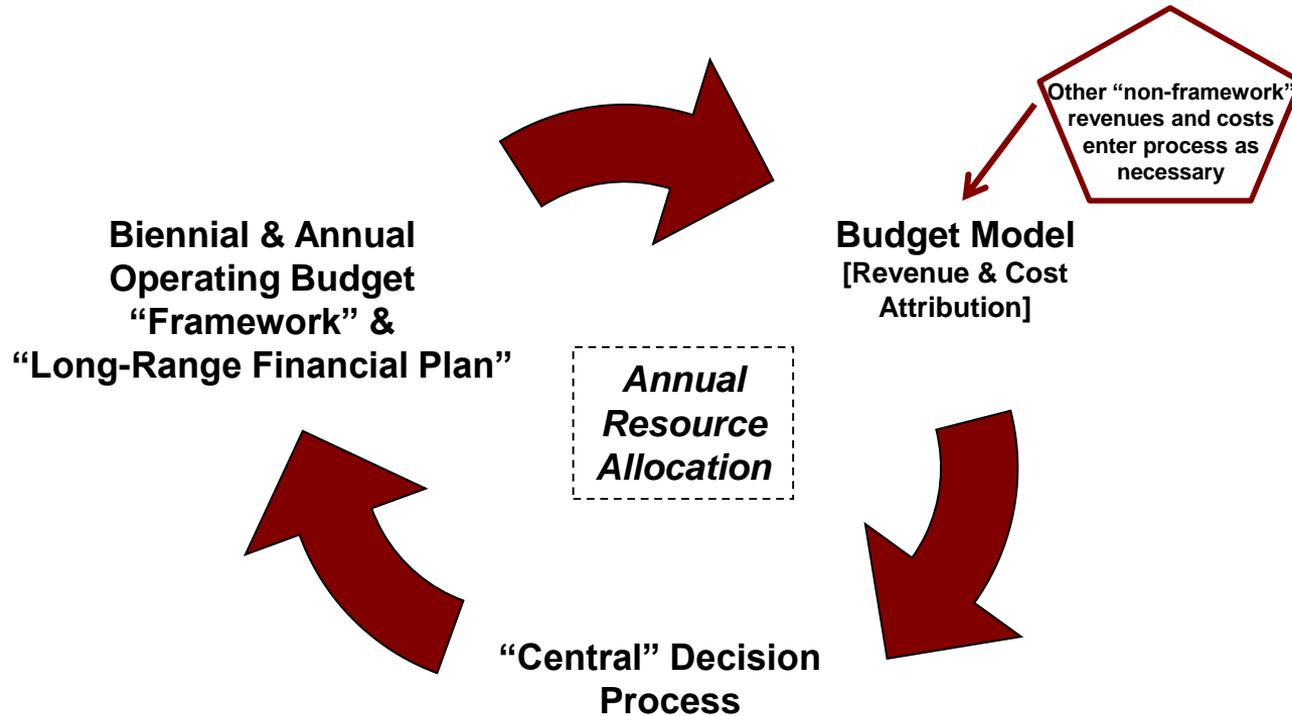


Includes utilities & debt



Decision Making Process Using the Model as a Tool

University of Minnesota Resource & Cost Allocation



Example Academic Unit

College of Biological Sciences – FY22

1	CBS - College of Biological Sciences	
2		
3	<u>Change in Incremental Resources:</u>	
4	Tuition Revenue Change - 1.5%	543,632
5	Reallocation 2.5%	1,313,000
6	O&M Increase for Budget Neutral Cost Pool Adj.	25,518
7	Total Change in Recognized Resources	1,882,150
8		
9	<u>Costs and Investments Funded from Line 7</u>	
10	Compensation Increase-O&M/State Specials	430,000
11	Cost Pool Increase	357,365
12	Investment in Strategic Plan	997,669
13	FY21 Tuition Revenue Below Budget	97,116
14	Total Costs & Investments	1,882,150

Reallocation Decisions:

- Eliminated Academic Positions
- Eliminated Admin. Support Positions
- Salary Savings – Personnel Changes
- Move Expenses to Growth in Endowment Funds and Grants



U of MN Characteristics That May Make RCM Easier:

- Relatively Large Unrestricted State Appropriation
- Autonomy from the State
- Ability to Carry Forward Balances at Year End
- Leadership that Strongly Supports Distributed Management and Accountability
- Strong Financial Personnel in Each Academic Unit
- Data Systems to Support Analysis and Methodology





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BOARD OF REGENTS DOCKET ITEM SUMMARY

Finance & Operations

October 7, 2021

AGENDA ITEM: Twin Cities Campus Master Plan

Review

Review + Action

Action

Discussion

This is a report required by Board policy.

PRESENTERS: President Joan T.A. Gabel
Myron Frans, Senior Vice President
Michael Berthelsen, Vice President, University Services
Monique MacKenzie, Director of Campus and Capital Planning
Greg Havens, Principal, Sasaki

PURPOSE & KEY POINTS

The purpose of this item is to review the Twin Cities Campus Master Plan (Plan) visioning, big ideas, and specific recommendations affecting the future of the campus. The narrative and visual material included, as well as the presentation, represent the multiple components and final content of the Plan. Input and feedback received from the committee will inform the visual layout and format of this content in its final form. This summary reports on engagement activities that have occurred over the course of developing a future-oriented set of actions in the Plan. This Plan also incorporates the strategic real estate principles discussed in September.

The Plan overview is divided into six sections, with a focus on:

- A. Campus Plan Demographics
- B. Campus Community Engagement and Survey Findings
- C. Plan Vision
- D. Plan Drivers
- E. Big Ideas Framework
- F. Plan Recommendations

The Big Ideas Framework, previously discussed with the Board, outlines the overarching vision that define the Plan:

1. Support patient care and the provider experience in the Health Sciences
2. Promote innovation through partnership development
3. Reinvest in the campus core
4. Create a more inclusive campus
5. Enrich the Student Experience
6. Make campus easier to navigate and prioritize pedestrian, bicycle and transit circulation
7. Align future development with the public realm framework
8. Enhance financial resiliency

9. Use land and resources sustainably
10. Engage the River

An adopted campus master plan serves as a foundation to guide and inform future six-year capital plans.

The Finance & Operations Committee has been engaged in the development of the Plan throughout the process. Based on feedback received at this meeting, the visual layout, format, and narrative for the plan book will be developed between the October and December meetings. The plan book will be included in the December 2021 docket.

BACKGROUND INFORMATION

Board of Regents Policy: *Reservation and Delegation of Authority*, Article I, Section VIII, Subd. 5 states: "The Board reserves to itself authority to approve campus master plans and amendments thereto."

In addition to content on the proposed Plan, an overview of Twin Cities housing strategy is included. The summary provides history and context for today's housing program as well as outlines administrative recommendations and Board action have guided decisions in this area. Consideration of an updated Plan will be one component of how adopted plans, goals, and targets inform future housing plans.

TWIN CITIES CAMPUS PLAN

October 2021

This document provides an overview of the visioning, big ideas, and specific recommendations affecting the future of the Twin Cities campus.

A. Campus Plan Demographics

The future horizon for this plan is ten years, through 2030. Other recommendations for physical change are linked to a future horizon of thirty years, to 2050. Geographically, the scope of this effort addresses all three primary locations of the Twin Cities campus (West Bank, East Bank and Saint Paul, including the Como Area).

Demographics and Growth

The plan assumes that campus demographics will evolve over time with highlights noted below:

- The campus community will become more racially diverse as it has been steadily changing over the last ten years. This will be reflected in the student population, and in staff/faculty population as well.
- Visitor trips to campus, for events, business purposes, health care, or other outreach purposes, may increase slightly over the immediate ten-year horizon.
- The student population will be maintained at approximately 33,000 undergraduates, consistent with Board-adopted goals, over the ten-year horizon.
- Graduate student population is expected to hold steady.
- Faculty and staff headcounts will be maintained similar to the current population count with minor adjustments following requirements for teaching and support services.

B. Campus Community Engagement and Survey Findings

Since the start of the planning effort in February 2021, important contributions have informed the direction of this plan, coming from Regents and the administration as well as from operations staff. Communication with adjacent landowners and neighborhood organizations continues as the plan develops. Faculty governance will continue between the October and December Board Meetings.

The Campus Plan Advisory Committee, representing faculty students and staff from all aspects of the Twin Cities campus community, took on a critical role in identifying themes and directions the plan should address as it moves towards its final draft form. The membership roster of that Committee drew from faculty in Cde and Humphrey School as subject matter experts for planning, mobility and landscape architecture. Representatives of the Senate Committee on Finance and Planning, the President and Provost as well as the VP for Student Affairs, the VP for Human Resources and the VP for Equity and Diversity were engaged in the effort. Staff from CS, P&A were part of this committee as were student representatives from COGS and MSA. Professional student representative was invited to participate as was a member of the Student Senate.

Given the realities of the 2020-2021 academic year, and the limited ability to interact with others on campus in a traditional, face to face manner, the planning team committed to a significant survey effort. Working with the Office of Measurement Services, a survey was distributed by email directly to more than 9,000 members of the campus community in February-March 2021. More were invited to participate through use of myU, Brief, and other modes of electronic communication. Close to 2,800 responses were received, with respondents identifying as 60% staff (1,683 people), 26% students (715 people) and 12% faculty (344 people). Respondents described their favorite places on campus and locations they felt needed improvement, their own frequency and mode of travel to campus, specific challenges or conveniences with access to campus destinations, with room for open comments as well. A summary of key findings from this survey are included in the reference slides. The results have guided much of the development of the big ideas framework discussed below.

Additional channels have been used to communicate the plan's evolution and collect feedback as it came in through meetings, website activities and other presentation events.

C. Plan Vision

The 2021 Twin Cities Campus Plan establishes a Vision for a vibrant, inclusive, and welcoming environment responsive to the unique sense of place that defines East Bank, West Bank, and Saint Paul as well as the academic, research, innovation, service, and clinical care goals of MPact 2025.

The future vision for the West Bank capitalizes on the proposed demolition of Anderson Hall to renew the West Bank Plaza and provide a new facility focused on student inclusion, collaboration, and engagement. It also provides guidance for improving the mobility experience and improving the conditions along the campus – community interface. Future expansion opportunities are coordinated with the vision for Plaza renewal and improved accessibility and bicycle circulation.

The future vision for East Bank builds upon the iconic and memorable assembly of buildings and landscapes that shape the Knoll and Northrop Mall. It calls for the renewal and reinvestment in these core areas to create a more inclusive campus, enhance the student experience, engage the Mississippi River, and improve mobility while addressing a range of deferred maintenance and operational issues. The Vision also provides guidance for the most significant expansion of the Twin Cities Campus in over 50 years. Restoration of the city grid in the southeast corner of the campus establishes the context for the renewal of the Health Sciences, a new hospital, and undergraduate housing. It also aligns plans for the campus with private sector and partnership developments emerging in the surrounding context.

The future vision for Saint Paul builds upon the direction provided in the 2019 Strategic Facilities Plan. It acknowledges the importance of the open spaces, landscape, and agricultural fields to the character and mission of the programs located in Saint Paul. It calls for a renewed core centered on the Magrath Library and the Saint Paul Commons and provides direction for future university and private sector partnerships focused on bioengineering. A redevelopment strategy for the Commonwealth Terrace area plans for the next generation of affordable graduate and family housing. The Vision also preserves the agricultural lands and natural systems of the campus in support of funded research and the overall focus on sustainability and resiliency in Saint Paul.

D. Plan Drivers

There are a handful of primary drivers that the team considered as recommendations were developed. These drivers represent many of the powerful influences that are likely to shape the future of the Twin Cities Campus. The drivers are as follows:

1. University Mission
2. Board of Regents Systemwide Campus Planning Principles
3. Strategic Plan Commitments (MPact 2025)
 - a. Sustainability
 - b. Fiscal Stewardship
 - c. Student Success
 - d. Community Belonging
4. Comparative Regional Advantages
5. Post-COVID Campus
6. Equitable Access and Universal Design
7. Mobility

1. University Mission

As a land grant institution, the University exists to foster teaching and learning, advance research and deliver outstanding service and outreach to our local, state and global communities. These activities, along with the facilities, people, and support systems needed to ensure success are the basis of the plan's recommendations for future change at the Twin Cities campus.

2. Systemwide Campus Planning principles

The Board of Regents approved campus planning principles in February 2021, and listed below.

1. Establish a sustainable vision of how the physical setting of each campus will embody its distinctive history, mission, and future.
2. Create an inclusive and welcoming experience for the increasingly diverse range of people who come to campus.
3. Optimize existing physical assets to facilitate flexible and innovative solutions toward an enduring future.
4. Consider the cost of attendance, investment, and operations when planning for each campus' future.
5. Integrate each campus' master plan with the Systemwide Strategic Plan.
6. Ensure an inclusive, accountable, and forward-looking process for developing and implementing the master plan.

These principles will implement Commitment 5, Goal 3 of the Systemwide Strategic Plan and ensure that there are long term physical master plans for each of the system campuses, and that these plans are updated regularly to ensure they remain relevant to each campus community.

Physical plans for each of our campuses address questions of growth, capital renewal, and interaction with the surrounding community, all based on the priorities shaped by the institution's (research, learning, outreach) mission. These principles are a strong foundation for best practices in campus master planning, they reflect changes in good planning practice by

integrating important themes such as sustainability, inclusion, diversity, and innovation in the face of an uncertain future.

3. Systemwide Strategic Plan: MPact2025

The campus plan is also closely aligned with the systemwide strategic plan, [MPact 2025](#). In the case of the Twin Cities campus and its unique features and conditions, the plan’s ‘Big Ideas’ grew out of the analysis of conditions and feedback received from various stakeholders. The alignment of the Strategic Plan commitments to this framework provides a way of thinking about how the campus should change and has been an important influence on the key recommendations of the plan.

MPact 25 STRATEGIC COMMITMENTS		 Student Success	 Discovery, Innovation, & Impact	 MNtersections	 Community & Belonging	 Fiscal Stewardship
Support the patient & provider experience in Health Sciences			X	X	X	
Promote innovation through partnership development			X	X	X	
Reinvest in the campus core	X				X	X
Create a more inclusive campus	X			X	X	
Enrich the student experience	X				X	
Make the campus easier to navigate and prioritize pedestrian, bicycle & transit circulation				X	X	X
Align future development with the public realm framework				X	X	X
Enhance financial resiliency				X		X
Use land and resources sustainably		X		X		x
Engage the River				X	X	

Figure 1: MPact 2025 Commitments and Big Ideas Framework

Sustainability

In keeping with the values of the University, the Campus Plan promotes a sustainable approach to campus development. It addresses the social, environmental, and economic dimensions of sustainability in terms of the analysis conducted and the recommendations provided.

The Campus Plan supports the University’s sustainability goals and initiatives related to the physical environment, including the goal of achieving climate neutrality by 2050. The recommendations set out in the Campus Plan will support the upcoming Climate Action Plan update.

The Campus Plan addresses the following aspects of the campus environment:

- a. Landscape and ecology – the Plan guides operations to maintain and renew natural systems that are found on campus, in order to protect habitat areas and promote an appreciation of important resources which are also campus assets;
- b. Water Resources – the Plan encourages progressive stormwater management strategies and best management practices.
- c. Energy and Emissions – the Plan supports the energy management and climate neutrality goals of the University by recommending robust Energy Use Intensity (EUI) targets tailored to each of the capital improvement projects, in addition to the adopted policies. The University is a 2008 signatory of the Climate Commitment and has targeted 2050 to achieve climate neutrality.
- d. Mobility – the circulation network improvements focus on promoting accessibility, human powered movement, and bus / transit use. This also promotes health and wellness goals by encouraging exercise. The modal split of the University continues to be the focus of these efforts. Reduction in the use of single occupancy vehicles is aided by the increase in the number of students living in the areas surrounding the campus and by increased use of transit.

Fiscal Stewardship

Financial resiliency is an important measure for the University, especially in the aftermath of the Covid-19 Pandemic. Furthermore, in support of the systemwide Campus Planning Principles, the consideration of impact to cost of attendance has supported the development of the following principles:

- i. Reduce renewal backlog by using comprehensive assessment tools for every building on campus and coordinate investment with broader ideas such as restoring the core, creating an inclusive campus, and enhancing the student experience;
- ii. Prioritize opportunities to reduce the total need for space through hybrid education, work, and service delivery models and changes in occupancy of space;
- iii. Demolish obsolete and surplus buildings for the financial benefits as well as the campus design and development opportunities; and,
- iv. Strategically dispose of property that no longer serves the mission of the University in alignment with Board-reviewed real estate principles.

The university's capital planning process translates high priority investments to a Six Year Plan, revised and approved by the Board of Regents annually. This plan is a critical capital planning tool as it represents all funds- local college or academic unit as well as University funds, and state capital requests. One of the most important alignments once each campus has an approved plan is to ensure the appropriate time horizon and reconciliation of priorities across the University system.

Student Success

All students experience the Twin Cities campus differently. Survey results polling undergraduate and graduate students indicate that students living on campus feel welcomed in program and living spaces, including recreation and other student focused activities. However, there is less affiliation or affinity for other campus locations, or with faculty, advisors and staff.

The location, physical form and staffing of student service facilities is an important component of the Campus Plan, including academic support, wellness and mental health services. The locations and relative convenience of access of these services based on population density and concentrations of activity will guide thinking about where to invest in support facilities going forward.

Other tangible needs related to student success include expanding the variety and location of study and collaborative spaces, when students are on campus. Managing safe travel routes, lighting and other operational-based efforts to support students who live off campus is another component of student success that the University is committed to in the present day and on-going.

Community Belonging

The Twin Cities Campus is a gathering place for many Minnesotans, whether they have an affiliation with the University or are occasional visitors. Creating a more inclusive campus for all students, staff, students, alumni and visitors is a key aim as investment and renewal occurs in response to a more diverse campus population.

As the campus becomes more racially diverse as it recruits and retains staff students and faculty from many different backgrounds It will be important to maintain focus on actions that will link the physical place to an experience that feels more inclusive and representative.

Representation in terms of the people who are on campus, and how places are designed and operated/ used by members of the community are part of this focus. Equitable and a universal design approach to funding and retrofitting the vast amount of existing spaces (buildings, paths, facilities overall) is another example of how community belonging can be improved in the plan's future.

Neighborhood strategies to mutually benefit the University and local residents and business owners are an important part of community belonging as well. Investments in public safety and strengthening relationships with adjacent neighborhoods businesses and residents is a powerful component of this driver towards the campus' future.

4. Comparative Regional Advantages

The University of Minnesota Twin Cities is one of few major land grant universities located in a large and diverse metropolitan area and is one of just four campuses in the nation that have agricultural programs and a health sciences center with a major medical school. The University's position in the greater Minneapolis – Saint Paul area and its status as a Tier 1 R1 institution result in major strategic advantages. The location provides students and faculty/staff recruits with a host of opportunities for entrepreneurship and partnership made possible by the high number of Fortune 500 companies based in the Twin Cities, hovering between 15-18 of these entities over a multi-decade survey. This is one of the highest per capita ratios of any city in the United States. Corporations can be a signal of a strong startup culture as well, also borne out in regional data for the Twin Cities relative to its peers. The strong economic activity across multiple sectors, the cultural diversity of the metropolitan area, and the specialized facilities and lands support University activities in a mutual benefits equation.

All of the activity at the Twin Cities campus results in significant economic, employment, and government revenue impacts generated throughout the state. [Recent studies](#) of direct and indirect economic impact estimated the Twin Cities campus contribution at \$5.6 billion (FY17 data). The employment impacts of the campus supported more than 49,500 jobs throughout the state. Considering the campus's operations, an additional \$309.7 million was generated in state and local government revenue that is attributable to the Twin Cities campus.

The Saint Paul facility and land resources help the University attract students and faculty—resources that will be even more crucial as CFANS enhances its experiential learning opportunities. Saint Paul encompasses 185 acres of cropland and animal research facilities. These on-campus resources, close physical connection between cropland, animals, and facilities is essential for research. Access to research plots as well as growth chambers, facilities for plant and animal processing, and refrigerators and freezers for preservation are often critical components of successful research. Research funds to support this work have been awarded by federal agencies (majority), with other sponsored research from the State, industry, and non-profit foundations.

5. Post-COVID Campus

While there is no template for responding to the radical changes experienced in 2020 and 2021 as a result of the COVID-19 pandemic, the Campus Plan provides recommendations for the future in an intentional way informed by emerging trends and considerations.

Some of the trends considered in planning process include:

- The continued focus on Diversity, Equity, and Inclusion and the types of spaces and environments that will be required on campus;
- Rationalization of space and a focus on renovation, flexibility, and multi-purpose space;
- A focus on libraries as central academic success + support service location, especially as classes move online;
- Use of central campus areas for student engagement rather than administrative uses
- Hybrid learning, service delivery (financial aid, advising and counseling), and telework for some members of the campus population;
- Student convenience, with a focus on one-stop services for financial aid, records, and other services;
- Faculty and staff offices, with potential for more collaborative and shared spaces rather than private offices; and,
- Budget challenges focusing on cost reduction, finance, revenue generation and private partnerships.

6. Equitable Access and Universal Design

The principles of Universal Design provide a broader framework for evaluating future building, interior, and site design projects on the campus. Making campus more accessible creates a welcoming and inclusive place. This is especially important on a long-established campus, as buildings are renovated and when new facilities are designed and built. Accessibility affects everyone on campus, whether on their travel path, their entry into a building, or when using space over the course of a typical day. The plan recommendations will take a system-wide approach to applying these principles as capital investment decisions are made.

7. Mobility

Travel surveys tell us there are more than 84,000 trips per day to the Twin Cities campus, about 4,000 more than the last time the campus plan was updated in 2009. The campus community is moving around considerably over the course of the typical day, with highest ranking campus shuttles showing volumes moving between East Bank and Saint Paul, East Bank and West Bank, Dinkytown to Saint Paul, and Southeast Como neighborhood to East Bank and Dinkytown. Overall, most people (students, staff, faculty) are not coming to campus driving alone (on average this is about 25% of all travel). Once getting off transit, or parking a vehicle, or a bike, the majority of our campus community travels along a pathway, on foot or by other means. This is why the campus promotes non-motorized travel as the first priority in the most dense, core places of each location.

Physical accessibility of our buildings and connections such as Gopher Way are variable. There are immediate-term initiatives mapped in the final plan document that direct attention to some of the most important investments needed.

Congestion and delay on streets remains a challenge for some destinations particularly on the eastern edge of the East Bank. Solving these complex transportation challenges while maintaining optimal campus operations will require active work with partners at the city, county, and the state.

The fundamental challenges for the campus plan update related to mobility are:

- i. How do we best accommodate increasing demand on the Huron Corridor?
- ii. How do we effectively prioritize different modes of travel?
- iii. How do we plan for future travel patterns and technologies?
- iv. What are future parking needs and where can they be accommodated

E. Big Ideas Framework

Ten Big Ideas that build on existing conditions and aspirational goals for change inform the Campus Plan. The “Big Ideas” emerged from the consultation, surveys and analysis carried out during the planning process. They represent goals, actions, and opportunities for enhancing the Twin Cities campus in response to the identified planning drivers and the aspirations for the future. They can be traced directly to the specific actions called for in section F. The Big Ideas language will also provide guidance to support decision making when unforeseen opportunities arise, beyond the locations noted in this campus plan.

1. Support patient care and the provider experience in the Health Sciences
 - a. Reserve land and transportation capacity to support a future hospital
 - b. Relocate housing to riverfront sites when hospital relocation is complete
 - c. Manage the evolution of parking supply in the area related to changes resulting from expansion in the clinical campus related to the relocated hospital and housing redevelopment
 - d. Plan for future growth for academic and research activity between Harvard Street and Oak Street between academic core and clinical campus
2. Promote innovation through partnership development
 - a. Promote interaction between healthcare and innovation

- b. Direct initiatives to specific Innovation Corridor sites
 - East Gateway
 - 2407
 - Biotech District - Saint Paul
 - West Bank
3. Reinvest in the campus core
 - a. Recognize the campus' iconic character as an asset
 - b. Pursue selected demolitions such as Williamson Hall, Anderson Hall (West Bank), Peik Hall (Knoll), Mayo block redevelopment and other health sciences initiatives
 - c. Renovate West Bank plaza and Knoll landscape
 - d. Reinvest in Campus Centers: Saint Paul Commons, Coffman Union
 - e. Expand the connected open space system, including new open spaces in growth areas such as the clinical campus and East Gateway
 4. Create a more inclusive campus
 - a. Design and build welcoming environment for Indigenous students
 - b. Reinvest in student focused spaces such as Student Unions, wellness and recreation, University-owned housing with consideration as to how to make such spaces more welcoming to all
 - c. Align with namings/renamings policy as developed
 - d. Invest in universal design through retrofitting and new construction
 - e. Provide daily use facilities for all - lactation, gender neutral restrooms, meditation and wellness rooms
 5. Enrich the Student Experience
 - a. Expand study, classroom, and collaborative spaces
 - b. Enhance safety and manage safe routes, lighting, crime prevention through environmental design, and operations
 - c. Develop engagement and active participation strategy related to physical University presence in critical locations at multiple locations where the campus meets the neighborhood.
 - d. Locate student facing units and renovate spaces to support student service in prime location buildings such as Morrill, Appleby, Armory, Eddy
 - e. Add to student recreational fields and facilities.
 - f. Work with Minneapolis Park and Recreation Board towards improvements to and shared use of East River Flats Park
 6. Make campus easier to navigate and prioritize pedestrian, bicycle and transit circulation
 - a. Create University-branded, unified, and user-friendly wayfinding to support all modes of travel and all types of trips (patients and first-time visitors) throughout campus, with digital and physical signage and navigation tools.
 - b. Define parking locations for the future considering daily use and visitor patterns.
 - c. Work with external agencies and others to advance access to and performance of regional road systems (such as Huron/I-94, State Highway 280)
 - d. Coordinate efforts to support a hierarchy of campus streets within the campus' jurisdiction, and plan for future needs as they emerge

7. Align future development with the public realm framework
 - a. Develop sites that enhance and benefit from existing iconic open spaces or connecting corridors.
 - b. Preserve opportunities to support expanded open space and public realm in key locations (Clinical Campus, East Gateway)

8. Enhance financial resiliency
 - a. Reduce renewal backlog by using comprehensive assessment tools for every building at all locations.
 - b. Prioritize opportunities to save space use through hybrid work models and changes in occupancy of space.
 - c. Pursue demolition sites for the financial benefits related to removing capital renewal needs as well as the campus building opportunities
 - d. Strategically dispose of properties that no longer serve the University's mission, in alignment with Board-reviewed real estate principles.

9. Use land and resources sustainably
 - a. Continue to manage mobility and mode choice as well as flexible work schedules to minimize increases in single occupant vehicle use.
 - b. Manage and expand resilient infrastructure corridors to be reserved in perpetuity
 - c. Identify land that should be reserved for sustainable infrastructure
 - energy plants, geothermal fields, solar arrays, etc.
 - electric vehicle charging stations
 - d. Continue to meet state SB 2030 standards for building/facility design, siting, and operations to reduce carbon emissions

10. Engage the River
 - a. Replace Anderson Hall on the West Bank, focused on active learning and student services
 - b. Work with Minneapolis Park Board to create usable spaces on river flats
 - c. Consider relocation of the southeast steam plant over a ten year future

F. Plan Recommendations

West Bank

The Campus Plan calls for the renewal of key West Bank buildings and the public realm while respecting the modernist planning and design principles that define its character and image. The intent is to renew and enhance the West Bank in support of the campus experience and to support the needs of the academic and research programs in the social sciences, the professional schools, and the arts. This includes introducing elements of the arts throughout the West Bank. With top ranked professional programs and arts, the vision is to create an environment that puts more of the activities on display making a center for Law, Management, and Public Affairs to assemble for cross-disciplinary events and activities.

The West Bank public realm and landscape occurs at the plaza level with extensive areas of occupied space beneath the plaza. Plaza accessibility, pedestrian routes, bike routes, and service / emergency routes are in need of a detailed rejuvenation plan to coordinate landscape and

circulation improvements. Consideration is needed as to the best way to move through the West Bank and provide connections to Riverside Avenue and the adjacent M Health Fairview Medical Center. Connections to future development opportunities north of the Law School are also needed. It is recommended that the University develop a detailed plan and strategy for restoring the West Bank Plaza and ground levels and in doing so, identify ways to improve the campus experience and create a more welcoming and inclusive campus.

The Campus Plan generally maintains the existing land use pattern in support of current and future activities; however, it illustrates potential changes and provides facility recommendations across the West Bank campus with the most significant proposed in the following areas: 1) Anderson Hall site, including transit improvements; 2) public realm investments at grade and below ground to support the core of the West Bank; and, 3) peripheral development at the north side of Washington Avenue, along 19th Avenue, and at strategic sites on Riverside Avenue.

The specific recommendations for West Bank are listed below and illustrated in the Board presentation

1. New pedestrian and bike connection to East Bank from Bridge 9 trail
2. Corridor and open space development north of Washington Avenue, including potential recreation and academic buildings
3. Student facing building (replacement of Anderson Hall) for student services and classrooms
4. Innovation Corridor: West Bank location, development to support activities of professional schools interactions with wider community
5. Academic commons (Wilson Library), renovation of existing building to relocate stacks collections and support collaborative and interactive activities and facilities
6. Academic expansion, program to be determined
7. Improved transit connections to revise current bus rider experience on West Bank
8. Wayfinding and pedestrian signage at key locations to support orientation to buildings and destinations
9. Student focused new open space, to support programming and activity in high pedestrian traffic location
10. Relocated parking (new structure) when academic expansion (#5) is imminent
11. Campus edge open space to bridge the Riverside Avenue edge at an important campus entry point
12. Washington Avenue Bridge improvements related to improved shelter for those using bridge as well as safety features to better distinguish between bike and pedestrian movement.

Phasing

Phasing for the recommendations on the West Bank are mapped in the Board presentation and are shown in two stages, as follows:

Near Term (0-10 years)

3. Student facing building (replacement)
5. Academic commons (Wilson Library)
7. Improved transit connections
8. Wayfinding and pedestrian signage
12. Washington Avenue Bridge improvements

Long Term (More than 10 years)

1. New pedestrian, bike connection to East Bank
2. Corridor and open space development
4. Innovation Corridor: West Bank
6. Academic expansion
9. Student focused new open space
10. Relocated parking (new structure)
11. Campus edge open space

East Bank

The vision for the East Bank is a composite of each of the sub-districts that comprise the area between the Mississippi River and the eastern boundary of the site. There are five districts described in the plan, with a supporting vision for the future land use and the public realm framework to each. The districts are mapped in the Board presentation

Major change areas on the East Bank are planned around the clinical campus, including the relocation of the hospital and expansion of clinical services including patient care and research. Hospital relocation and the evolution of academic research activity will free up sites along the Mississippi River bluff for housing development, allowing the Twin Cities campus to extend its residential district along the riverfront at a range of potential housing density. As new housing is built, it will be possible to incrementally demolish existing residence hall sites in the 'Superblock' and redevelop those locations as academic buildings, well-located within 1-2 blocks from the core academic health sciences and clinical campus district.

As partnership mixed use development occurs in the East Gateway and 2407 Joint Venture sites, these locations will also see change on the long-term horizon. The Biomedical Discovery District is expected to continue to expand in support of the University's strong research activity profile.

Renewal in the core of campus is an essential part of the plan's recommendations for East Bank. Landscapes such as Northrop Mall are important to this aspect of the plan. Select demolitions in the Old Campus Historic District and at the Mayo building south of Washington Avenue are planned.

The specific recommendations for East Bank are listed below and illustrated in the Board presentation

1. Hospital relocation contingent on confirmed affiliation agreements and planning/engineering analysis to confirm key issues, such as transportation.
2. Clinical campus expansion, including development of clinical research capacity in the near-term future
3. Delaware connection, with ample pedestrian and landscape treatment in support of a street network connection to Huron Boulevard (east) and eventually to Oak Street and impacting the Oak Street parking ramp.
4. Essex Corridor, to create a wider corridor that will support vehicle traffic in some segments and be primarily pedestrian at other locations, between Church Street and Huron Boulevard. A key part of the future open space network.
5. Innovation Corridor: East Gateway is planned to be a large-scale, multiple decades long development focused on mixed use development complementary to University activity in the area.

6. Innovation Corridor: 2407 joint venture is planned to be a mid-scale change focused on mixed use development complementary to University activity in the area.
7. Stadium open space expansion, involving the relocation of occupants then demolition of the office building to create a premier open space supporting stadium and game day activities
8. Biomedical Discovery District research expansion will support essential expansion over time around the established neighborhood of applied research activity
9. Academic expansion will occur after housing has been redeveloped along the riverfront sites, capturing the value of the sites between the traditional core of health sciences buildings south of Washington Ave and the emerging clinical neighborhood.
10. Housing redevelopment will begin once the hospital relocation plan is confirmed. Redevelopment and replacement could result in a net increase in beds over the current bed count in the residential Superblock, subject to future needs.
11. River flats open space is owned by the Minneapolis Park Board, the University proposes to work together in planning for the future of the area, in support of recreational access and activities of interest to students and other members of the campus community.
12. Northrop Mall renewal is a critical component of investing in the iconic landscape in the core of the East Bank campus
13. Renovation of student-facing buildings, including candidates such as Morrill and Appleby as well as the Armory, to align iconic open spaces and student-facing services and improve physical access to these buildings, in order to enrich a student's daily campus experience
14. River focused visual connections at two locations, Appleby and Church Street/ Essex Corridor as locations with unique qualities that merit unique architectural and landscape treatment.
15. Selective demolitions, to remove obsolete, poor condition buildings, and in some cases restore landscapes (in the Old Campus Historic District) or capture the high value of adjacencies and location to build at other sites (at the Mayo Building).
16. Enhanced wayfinding throughout campus, to support orientation to buildings and destinations
17. Land acknowledgement opportunity, potentially including artwork related to community identity among tribal nations, related to the River.

Phasing

Phasing for the recommendations on the East Bank campus are mapped and shown in two stages, as follows below. Note that there are a few recommendations that will occur in the near term and long term (eg. selective demolitions, river-focused visual connections). Many of the changes in the vicinity of the housing and academic development on the southern part of campus will occur comprehensively in the longer term horizon.

Near Term (0-10 years)

7. Stadium open space expansion
12. Northrop Mall renewal
13. Renovation of student-facing buildings
14. River focused visual connections
15. Selective demolitions
16. Enhanced wayfinding throughout campus
17. Land acknowledgement opportunity

Long Term (More than 10 years)

1. Hospital relocation
2. Clinical campus expansion
3. Delaware Connection
4. Essex Corridor
5. Innovation Corridor: East Gateway
6. Innovation Corridor: 2407 joint venture
8. BDD research expansion
9. Academic expansion
10. Housing redevelopment
11. River flats open space
14. River focused visual connections
15. Selective demolitions

Saint Paul

The vision for Saint Paul aligns the programs, research activities, facilities, research land, and character of the campus with the overarching sustainability initiatives of the University as set out in MPACT 2025. The natural features of the campus combined with the agricultural fields and research land are critical to those initiatives. The 2019 Saint Paul Strategic Facilities Plan defined the purpose and principles that will guide the Saint Paul campus as follows:

- i. Create a discovery district focused on food, water, and the environment.
- ii. Promote regenerative campus design.
- iii. Reuse existing buildings in support of the academic and research mission.
- iv. Maintain an ecosystem of buildings—a system where activities in one building contribute to collaboration and innovation in adjacent buildings.
- v. Support interdisciplinary research and innovation.
- vi. Create experiential learning and public engagement environments.
- vii. Locate collaboration and social hubs to serve a variety of population groups.
- viii. Establish a destination for University of Minnesota students and the broader community.
- ix. Construct catalyst projects and quick wins.
- x. Maintain and enhance the agricultural land of the campus

The proposed land use pattern of the Saint Paul campus includes several areas supporting a range of activities and uses. The major areas include: 1) the academic zone with the main academic and research facilities; 2) the research lands; 3) the animal teaching and research area; 4) the animal support area; 5) athletics and recreation; 6) student-focused uses such as housing (Commonwealth Terrace and Bailey) and a reinvestment in the Student Center; 7) outreach areas; and, opportunity sites such as the Les Bolstad Golf Course.

The quality of the arable agricultural land on the Saint Paul Campus is a remarkable asset, especially given its location within the Twin Cities. The land is critical for advancing the land-grant mission of the University and the mission of CFANS and CVM. The proximity of these lands to the research labs and research support facilities is critical to the efficiency and delivery of ongoing academic and research programs. The productivity of the soil and the extensive longitudinal research records for many of the plots dating back to the establishment of the Agricultural Experiment Station/University Farm make the land highly valuable for ongoing research. The Campus Plan protects these lands for ongoing and future research and limits the encroachment of

development. The Plan also protects these lands in the interest of the University's sustainability and resiliency goals and emphasis on food, water, and soil security.

Open space networks in Saint Paul were studied in detail in the 2019 Strategic Facilities Plan. The result of that work proposed a Public Realm framework defined by a series of thematic activity and movement corridors, some of which are well-known and others that would bring great value as they are developed further. Buford Avenue is an important main street to the Saint Paul campus, and it is bisected by three north-south circulation corridors which build on existing street and landscape corridors present on the campus. Continued investment in iconic places such as the Lawn and the Bowl remain essential features of the Saint Paul campus for the future.

The specific recommendations for St Paul are listed below and illustrated in the Board presentation:

1. Innovation Corridor: Partnership District including plans to develop facilities and infrastructure to support biomanufacturing and prototyping activity
2. Student-focused space such as reinvestment in key student spaces for study, as well as retail and not retail services at the Student Center
3. Campus Commons, to re-purpose Magrath Library for academic collaboration and support services
4. Research Renewal, the potential for demolition of the worst condition, least adaptable buildings at Upper Buford Circle and replacement with a new research building in the area
5. Animal teaching facilities, to renovate and repurpose existing facilities with intentional design to support animal science and other disciplines' teaching and learning activity
6. Veterinary Med renewal, including small animal hospital, research facilities, and student learning needs
7. Community outreach: pavilion structure available for seasonal event use by University or affiliated community entities
8. Student housing redevelopment at affordable rates on the existing Commonwealth Terrace site
9. Mixed-use district along Como Avenue including higher density housing, services that support the campus and surrounding neighborhood.
10. Landscape renewal at Sarita Wetland/ Commonwealth Terrace to manage surface water and create a beautiful functional
11. Sustainable strategy opportunity and continued campus support at Como Area, including potential development of carbon-neutral and/or net positive utility infrastructure

Phasing for the recommendations on the St Paul campus are mapped and are shown in two stages, as follows:

Near term (0-10 years)

1. Innovation Corridor: Partnership District
2. Student focused space
3. Campus commons
11. Sustainable strategy opportunity and continued campus support at Como Area

Long term (More than 10 years)

4. Research renewal
5. Animal teaching facilities
6. Veterinary Med renewal

7. Community outreach
8. Student housing
9. Mixed-use district
10. Landscape renewal

University of Minnesota Twin Cities Campus Plan Draft Plan Materials

Board of Regents Finance and Operations Committee
7 October 2021

Today's Presentation- Agenda

- A. Twin Cities campus
- B. Plan Drivers
- C. Big Ideas
- D. What We've Heard
- E. Future Campus Recommendations
 - West Bank
 - East Bank
 - St Paul (including Como area)
- F. Future Change Overview

How will we use this Campus Plan to make real change on campus?

- Link mission and strategic priorities to needed physical changes
- Prioritize capital resources in planning tools such as the Six Year Capital Plan
- Initiate planning, design and operational requirements across multiple units in order to implement plan objectives
- Draw on the Plan as a communications tool to work with partners towards mutually beneficial efforts.

A. Twin Cities campus

UMTC Urban Peers

UMTC's location, host economy and mission provide unique opportunities relative to its urban peers.



What's changed since the last Plan was completed?



Enrollment and Campus Life



Learning and research



Events and Activities



Clinical Activity



Mobility, transit use, parking

Comparative Regional Advantage- Talent

The contributions of the University to the local economy...is the human capital that we train and send into our economy. Corporations no matter the industry are in need of the type of talent found in professional management, because those skills are applicable across different industries.”

- Myles Shaver, PROFESSOR, CURTIS L. CARLSON CHAIR IN CORPORATE STRATEGY, Strategic Management & Entrepreneurship

Job Access **63.4%** Population with a commute time of less than 30 mins.
Peer Rank 1

Entrepreneurship **57.4%** Establishments surviving 5 years
Peer Rank 1

Talent Availability **40.5%** Population 25+with a bachelor’s degree or higher
Peer Rank 5

Innovation Corridor



West Gateway

East Gateway

Bio Discovery District

Towerside Innovation District

Partnership District

Partnership Development

Clinical Campus

Transit Corridor

UMN Transitway

The Planning Context



Minneapolis

MARCY
HOLMES

SOUTHEAST
COMO

DINKYTOWN

ST
ANTHONY
PARK

FALCON
HEIGHTS

Saint Paul

STADIUM
VILLAGE

PROSPECT PARK

CEDAR
RIVERSIDE

B. Plan Drivers

Plan Drivers

- University Mission Activity
- Regents' Systemwide Planning Principles
- Strategic Plan Commitments (MPact 2025)
 - Sustainability
 - Fiscal Stewardship
 - Student Success
 - Community Belonging
- Comparative Regional Advantages
- Post COVID campus
- Equitable Access and Universal Design
- Mobility

THE PLAN

Inspired by the State of Minnesota, MPact 2025 reflects our deepened commitment to research, teaching, and service, open access to opportunity, and forward-thinking innovation to advance the University's land-grant mission and impact the world.

MPact 2025 is specific and measurable. It has clear goals and action items. It is a guidepost for the kind of institution we want to be—and it will be adaptable to changing circumstances. Like most strategic plans, approximately 70% of this plan advances our historic mission and what we do well; 15% fixes where past practice got it wrong, or actually caused harm; and 15% promotes innovative ideas and operations. However, it is not a detailed playbook that provides an answer to every potential decision.



Commitments

Commitments represents the intersection of our values and action. They are like a spine to which all else is connected, and are intended to freely complement and interact with one another. The Commitments help us to articulate our vision at the 100,000 feet level, as well as provide direction to frame our organizational identity. The Commitments are inspiring, unifying, and impactful, but not constraining.



1: STUDENT SUCCESS

Meeting all students where they are and maximizing their skills, potential, and well-being in a rapidly changing world.



2: DISCOVERY, INNOVATION & IMPACT

Channeling curiosity, investing in discovery to cultivate possibility, and innovating solutions while elevating Minnesota and society as a whole.



3: MINTERSECTIONS

Inspired by Minnesota to improve people and places at world-class levels.



4: COMMUNITY & BELONGING

Fostering a welcoming community that values belonging, equity, diversity, and dignity in people and ideas.

5: FISCAL STEWARDSHIP

Stewarding resources to promote access, efficiency, trust, and collaboration with the state, students, faculty, staff, and partners.

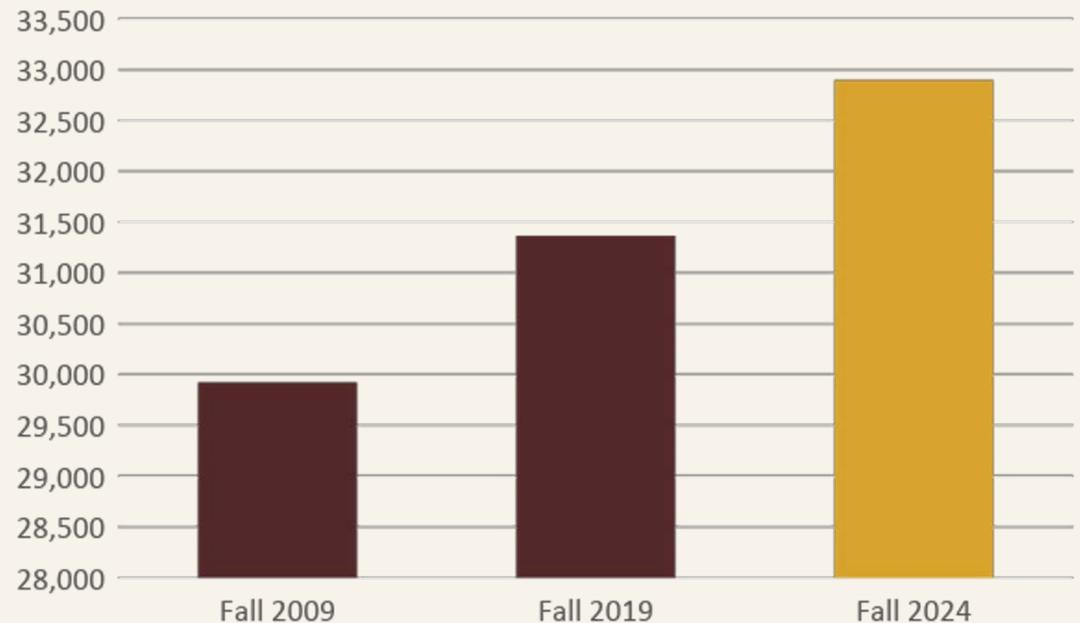
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MPact2025 Strategic Plan

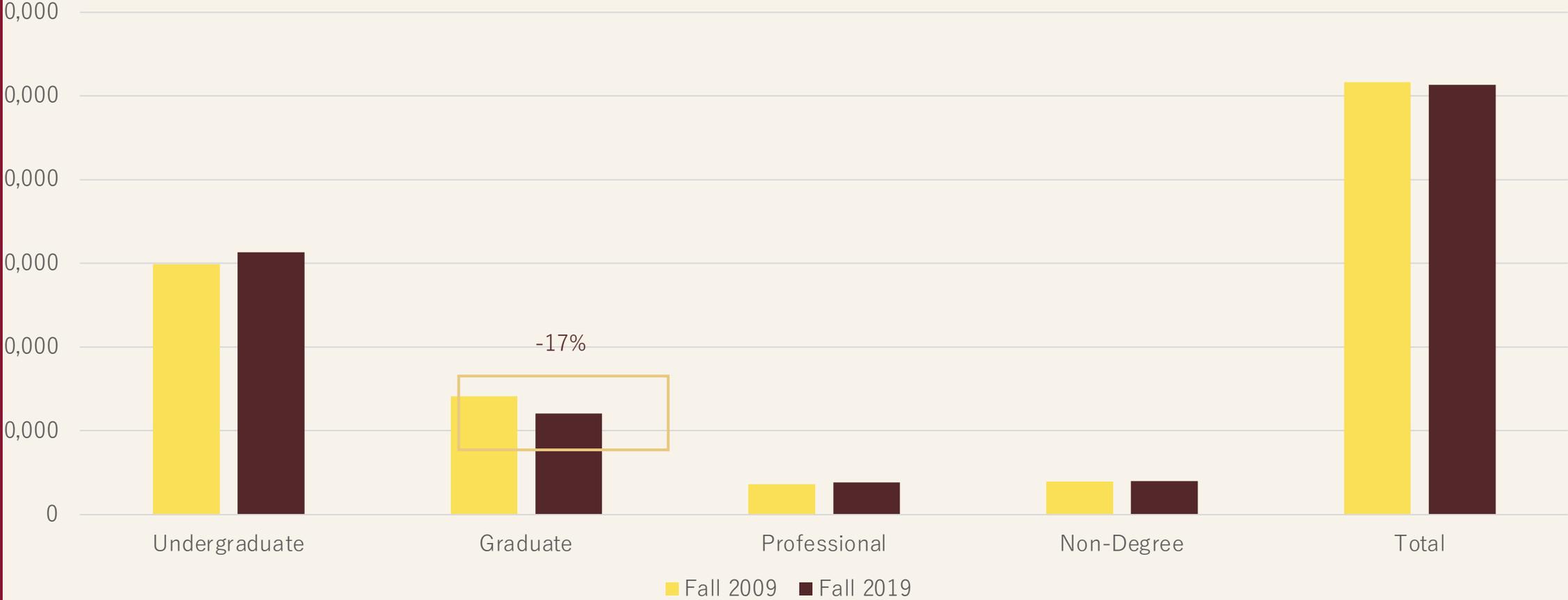
Enrollment Growth

10 Priority Areas for Enrollment Growth

1. Plan for modest undergraduate growth over the next five-year period.
2. Admit for success.
3. Maintain affordability and access for Minnesota students.
4. Provide a high-quality education and student experience.
5. Maintain commitment to transfer students.
6. Value ethnic, social, economic, and geographic diversity.
7. Support timely graduation.
8. Adjust enrollment levels and set tuition rates to provide revenues.
9. Continue to enhance need-based and merit-based financial aid programs.
10. Be attentive to state, national, and global workforce needs.



Enrollment by Academic Level

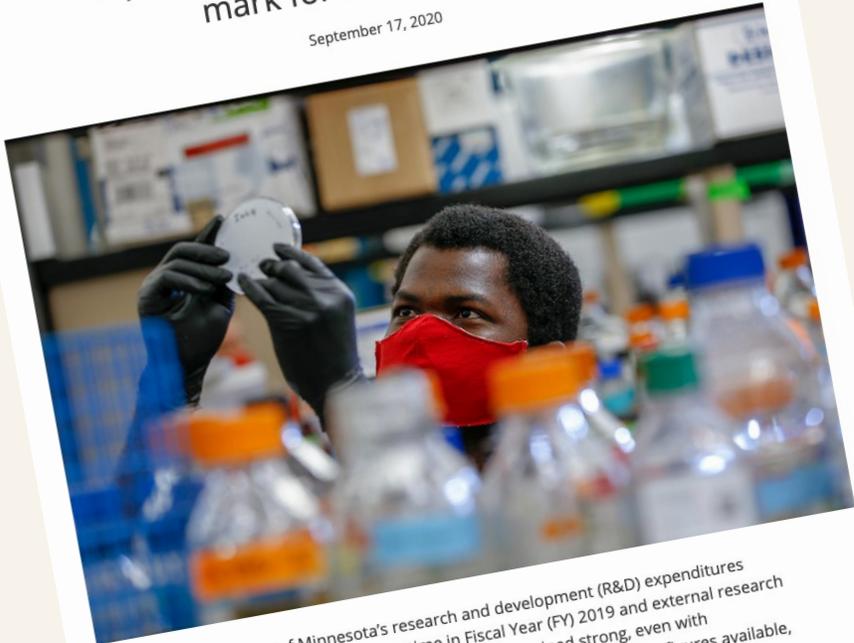


Source: University of Minnesota, Office of Institutional Research. <https://oir.umn.edu/student/enrollment>

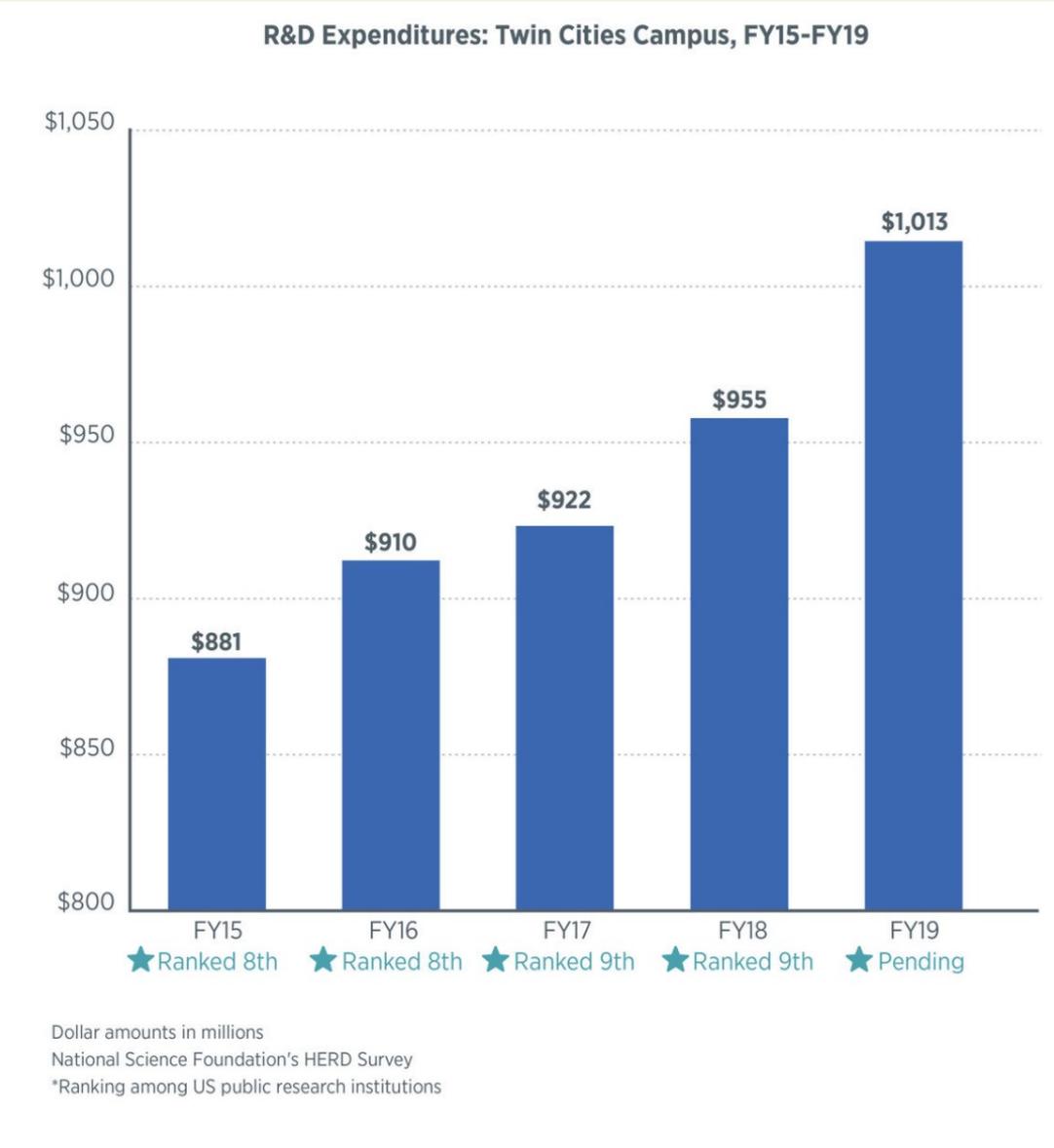
Research Profile

University of Minnesota R&D expenditures break the billion-dollar mark for the first time

September 17, 2020



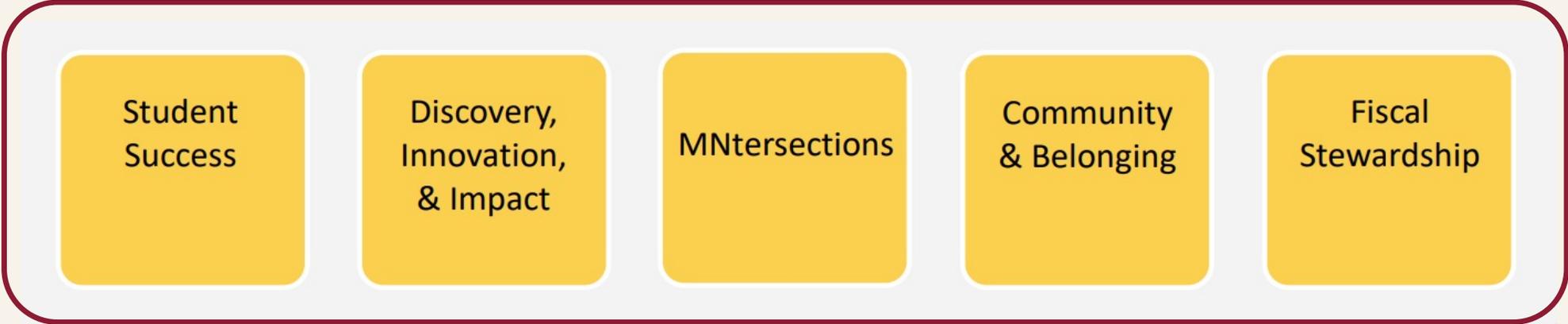
The University of Minnesota's research and development (R&D) expenditures exceeded \$1 billion for the first time in Fiscal Year (FY) 2019 and external research awards in FY2020 to University researchers remained strong, even with interruptions created by COVID-19, according to the most recent figures available, which were released today.



Regents Systemwide Principles to Guide Campus Planning (Feb 2021)

1. Establish a sustainable vision of **how the physical setting of each campus will embody its distinctive history, mission, and future.**
2. Create an **inclusive and welcoming experience** for the increasingly diverse range of people who come to campus.
3. **Optimize existing physical assets** to facilitate flexible and innovative solutions toward an enduring future.
4. Consider the **cost of attendance, investment and operations** when planning for each campus' future.
5. Integrate each campus' master plan with the **Systemwide Strategic Plan.**
6. **Ensure an inclusive, accountable, and forward-looking process** for developing and implementing the master plan.

Strategic Plan Commitments



Where and how can the student experience and a “holistic approach to wellness” be enhanced on campus?

Where are there opportunities for business, tech, and corporate partnership innovation on campus today?

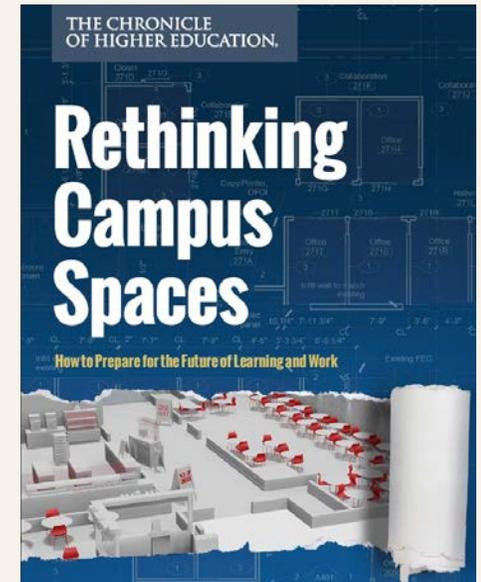
What opportunities exist on the East Bank, West Bank, and in Saint Paul to advance next-generation health, natural resources, and sustainable agricultural technology?

What aspects of the physical campus contribute to the goal of recruiting and retaining diverse talent?

What should be priorities when establishing a land retention, acquisition, and use strategy and addressing deferred maintenance in the existing buildings?

Post COVID campus trends in Higher Education

- Continued focus on diversity, equity, and inclusion
- Rationalization of space: focus on renovation, flexibility, and multi-purpose space
- Library as central academic success + support service location, especially as more classes move online
- Use of central campus for student engagement rather than administrative uses
- Continued trend toward Hybrid Campuses - remote learning and telework
- Continued trend toward online financial aid, advising, and counseling services
- Student Convenience – one-stop services for financial aid, and records
- Faculty offices: potential for more collaborative and shared spaces rather than private offices
- Budget challenges: a focus on cost reduction, finance, revenue generation, and public/private partnerships



How should the Master Plan support the commitments and respond to emerging themes + trends?

STUDENT SUCCESS

DISCOVERY, INNOVATION + IMPACT

INTERSECTIONS

COMMUNITY & BELONGING

FISCAL STEWARDSHIP

Diversity, Equity + Inclusion

Student Support

Wellbeing

Technology

The “Blended” Campus

The Year Round Campus

The Outdoor Campus

Space Optimization

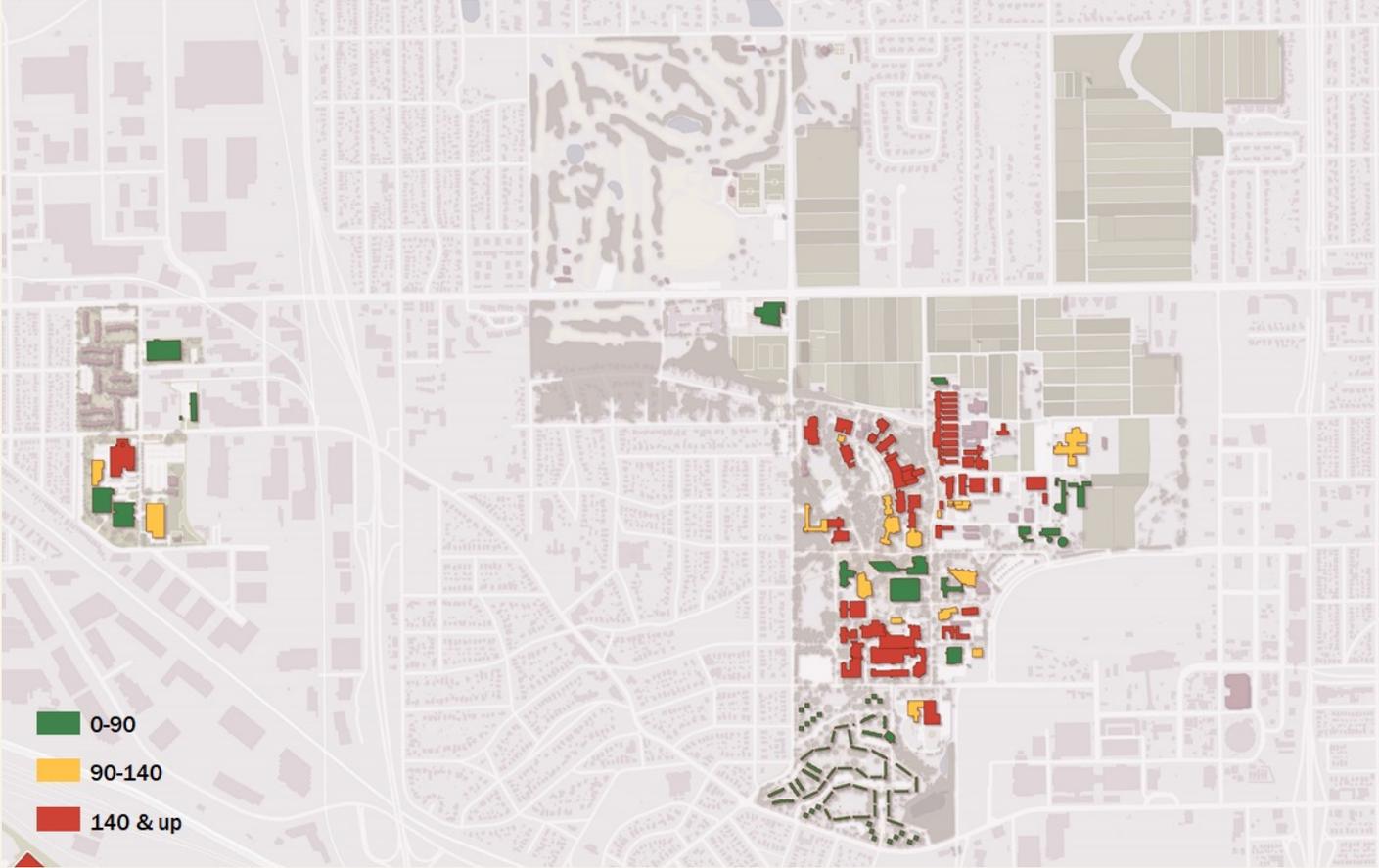
Work Environments

Sustainability

Mobility

Financial Resiliency

Sustainability- Energy Use



Source data: Baseline Energy Use Intensity (EUI, B3 Benchmarking), 2019

Equitable Access and Universal Design



Equitable Use

The design does not disadvantage or stigmatize any group of users



Tolerance for Error

The design minimizes hazards and the adverse consequences of accidental or unintended actions



Flexibility in Use

The design accommodates a wide range of individual preferences and abilities



Low Physical Effort

The design can be used efficiently and comfortably, and with a minimum of fatigue



Simple, Intuitive Use

Use of the design is easy to understand, regardless of the user's experience, knowledge, language skills, or current concentration level



Size and Space for Approach & Use

Appropriate size and space is provided for approach, reach, manipulation, and use, regardless of the user's body size, posture, or mobility



Perceptible Information

The design communicates necessary information effectively to the user, regardless of ambient conditions or the user's sensory abilities

Challenges to mobility, accessibility and connections

1. How do we best accommodate increasing demand on the Huron Corridor?
2. How do we effectively prioritize different modes of travel?
3. How do we plan for future travel patterns and technologies?
4. What are future parking needs and where can they be accommodated?

C. Big Ideas

Big Ideas Framework

Campus Experience

1. Support patient care and the provider experience in the Health Sciences
2. Promote innovation through partnership development
3. Create a more inclusive campus
4. Enrich the student experience

Mobility

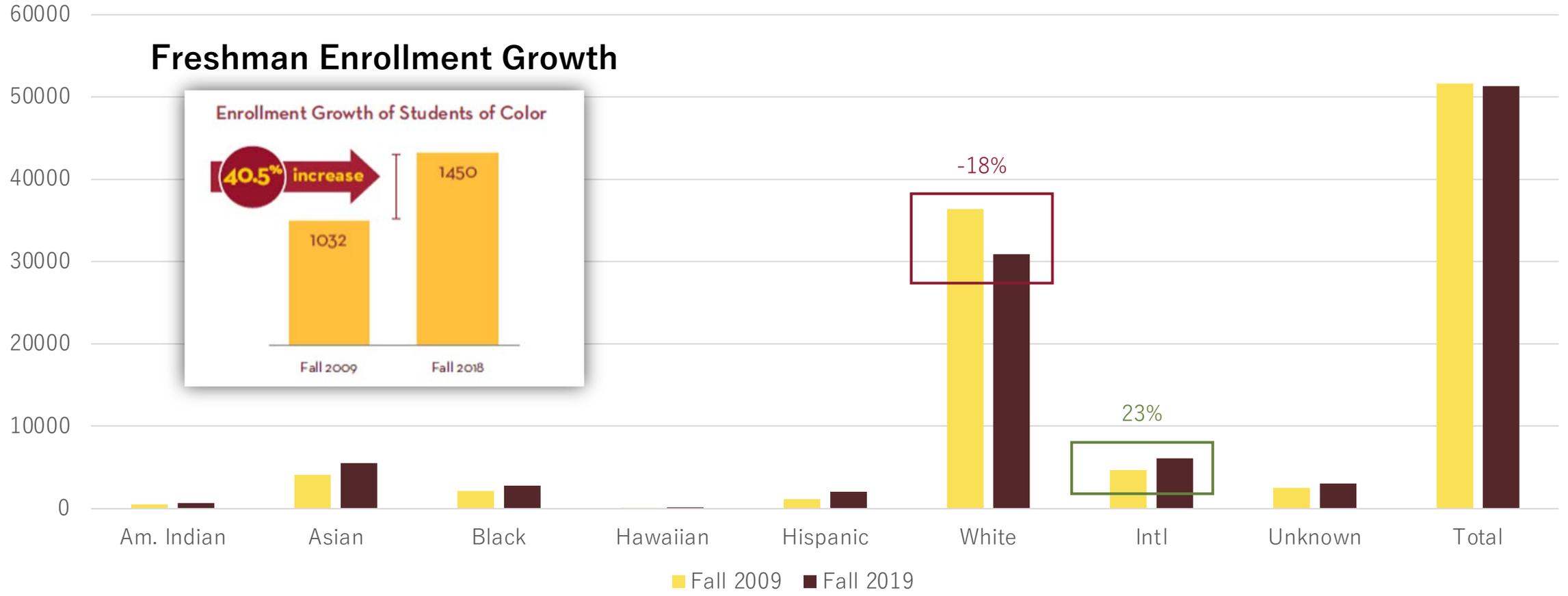
5. Make campus easier to navigate and prioritize pedestrian, bicycle and transit circulation

Land and Buildings

6. Reinvest in the campus core
7. Align future development with the public realm framework
8. Enhance financial resiliency
9. Use land and resources sustainably
10. Engage the River

Campus Experience

Students are increasingly diverse



Source: University of Minnesota, Office of Institutional Research. <https://oir.umn.edu/student/enrollment>

Inclusive Campus Considerations



CAMPUS HISTORY



LEARNING ENVIRONMENTS



IDENTITY SPACE



WELCOMING DESIGN



PUBLIC SPACE & LANDSCAPE



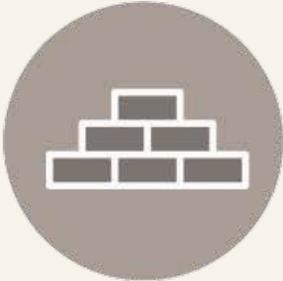
THRESHOLDS & GATEWAYS



ACCESSIBILITY / UNIVERSAL DESIGN



ART, MONUMENTS, & PLAQUES



BASIC NEEDS & SERVICES



RESOURCE ALLOCATION



CAMPUS CONNECTIVITY

Wellbeing and mental health- President's Initiative for Student Mental Health (PRISMH)



Student Services



Bruininks Hall One Stop



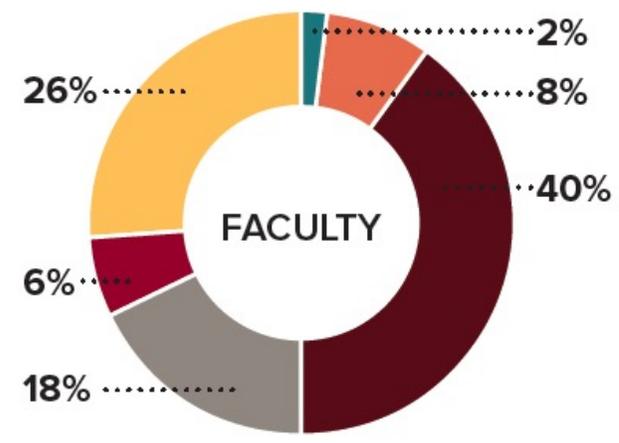
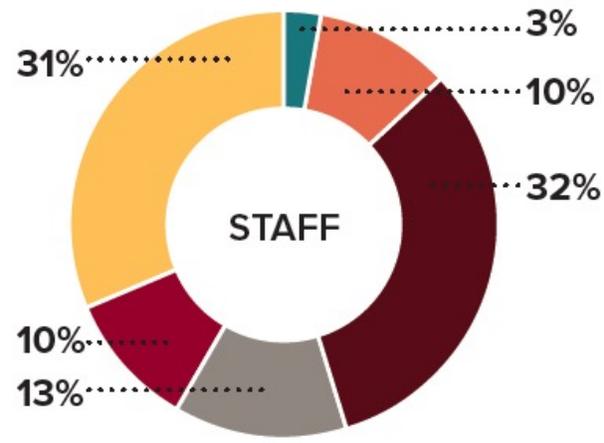
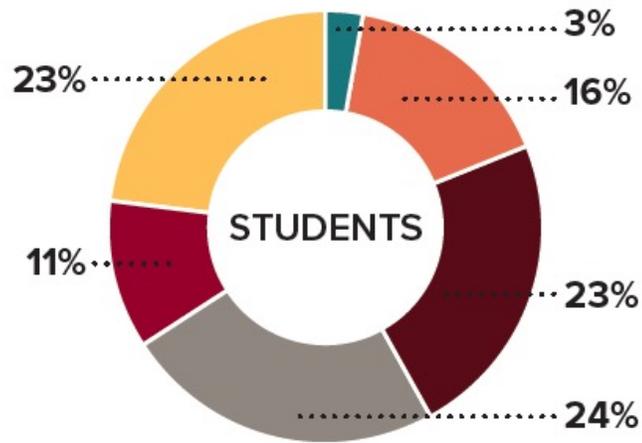
UCard office @ Union

Academic Support



Mobility

Future commuting travel patterns will impact our campus.



Students, Staff & Faculty (combined)

- U of M Campus Shuttle Bus
- Public Transit
- Walk
- Bicycle
- Drive Alone
- Carpool
- 0% Motorcycle
- 0% Moped
- 0% Other

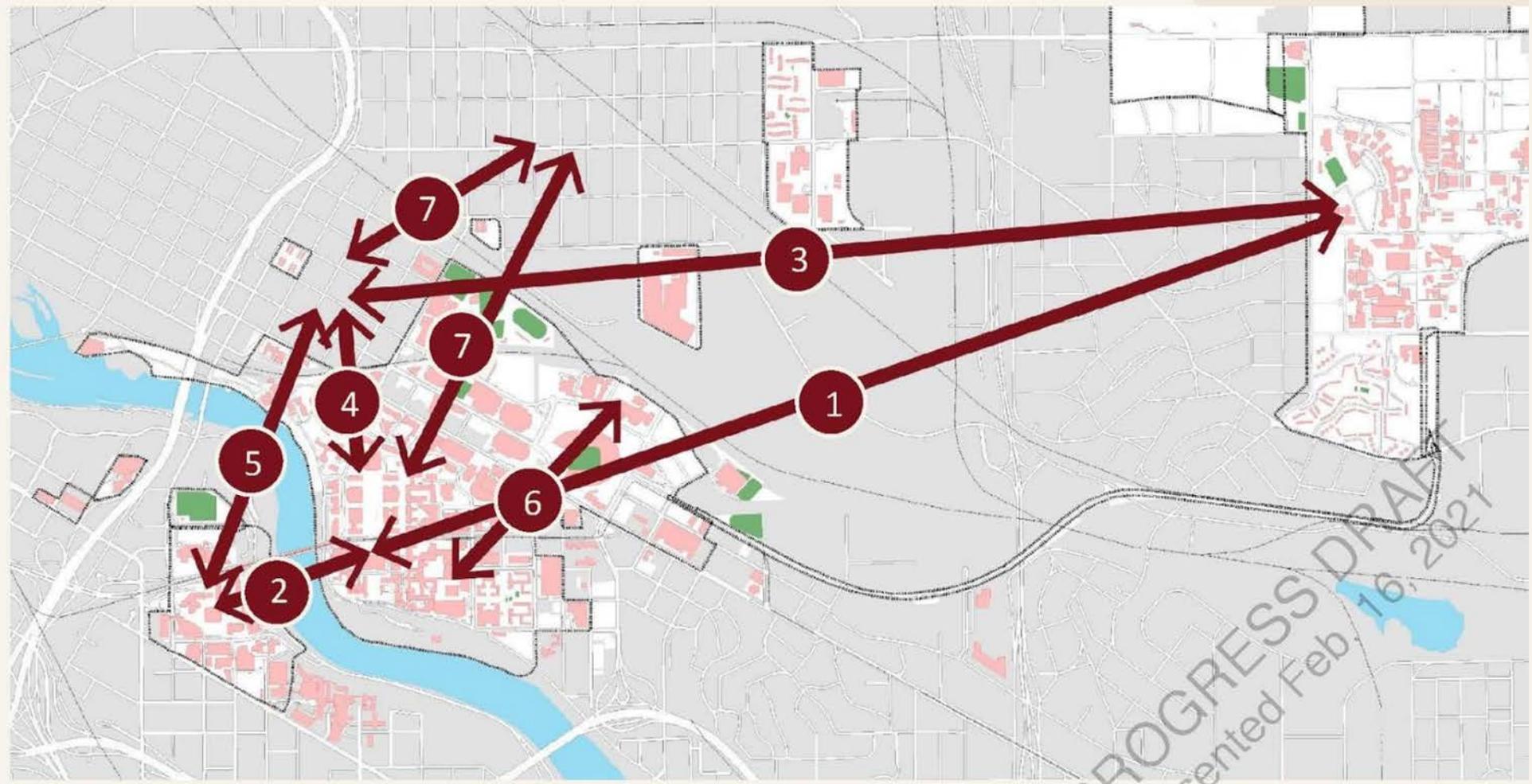
(Fall 2016 data*)

- Approximately 84,000 visits per day
 - Up from 80,000 in 2009

Where are people coming and going?

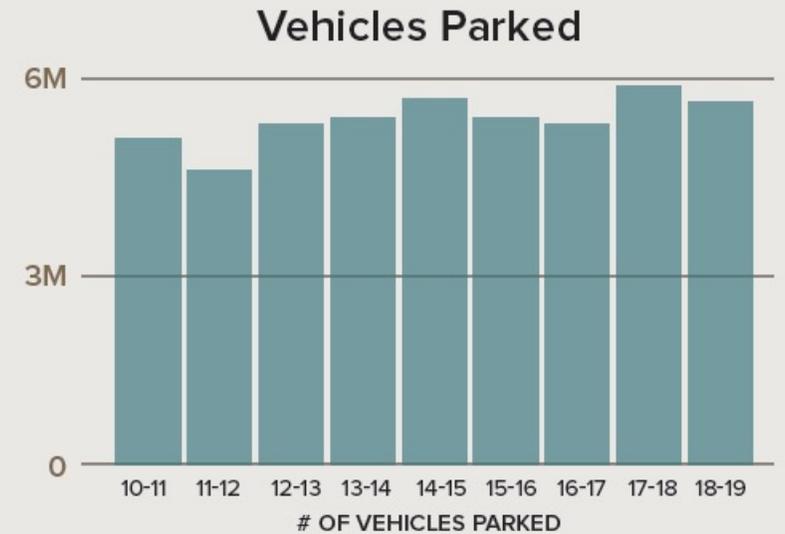
Top ranked Origins and Destinations, 2016

- 1. East Bank from/to St Paul Student Center Area
- 2. East Bank from/to West Bank
- 3. Dinkytown from/to St. Paul Student Center Area
- 4. East Bank from/to Dinkytown
- 5. West Bank from/to Dinkytown
- 6. BDD area from/to Health/Medical Area
- 7. Como area from/to East Bank and Dinkytown

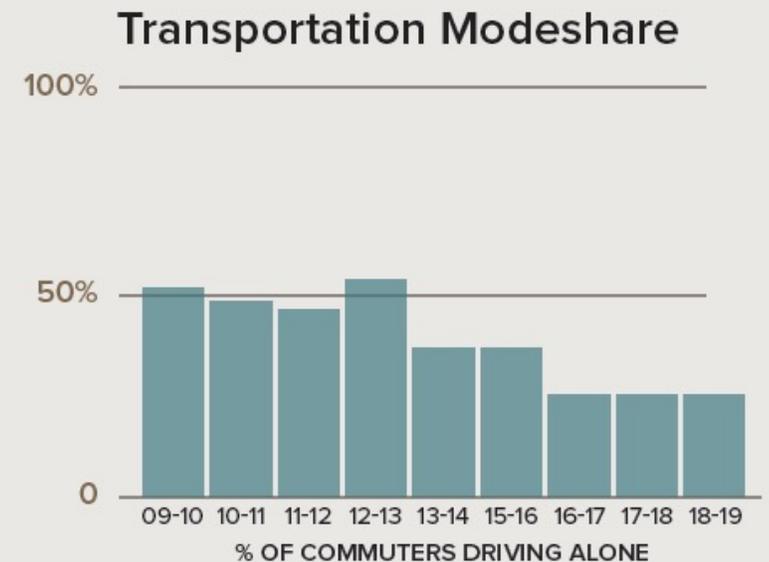


Change in parking demand

- 5.4 million cars parked in 2018-19
- Number of vehicles parked on campus has remained relatively steady in recent years
- Rate of auto commuters has decreased
 - 25% in 2016
- **Successfully accommodating increasing without increasing parking demand**
- **How can we continue this trend into the future?**

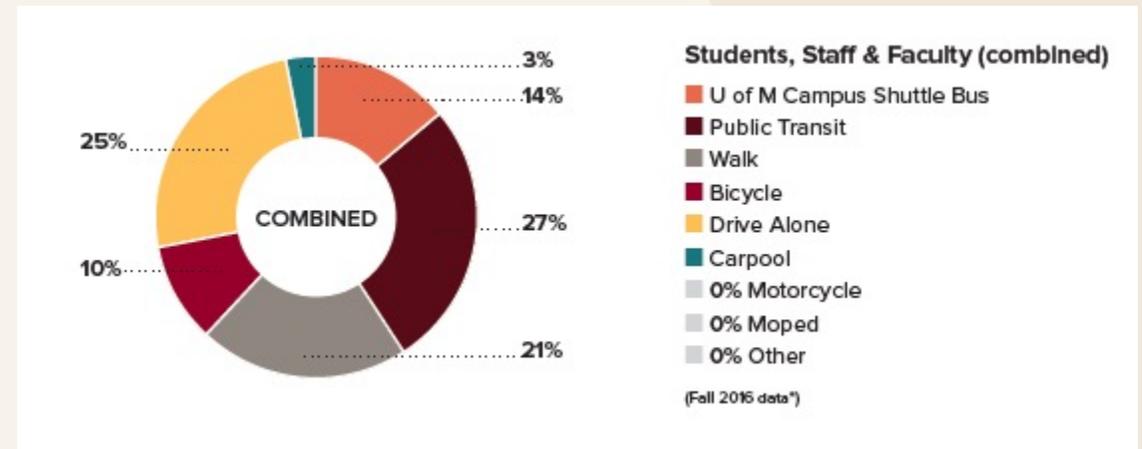


Total Vehicles Parked Annually On Campus



Percentage of Commuters Driving Alone

What if we're wrong?



If parking demand **decreases 20%?**

- Likely to create excess supply, higher parking availability in all districts

If parking demand **increases 20%?**

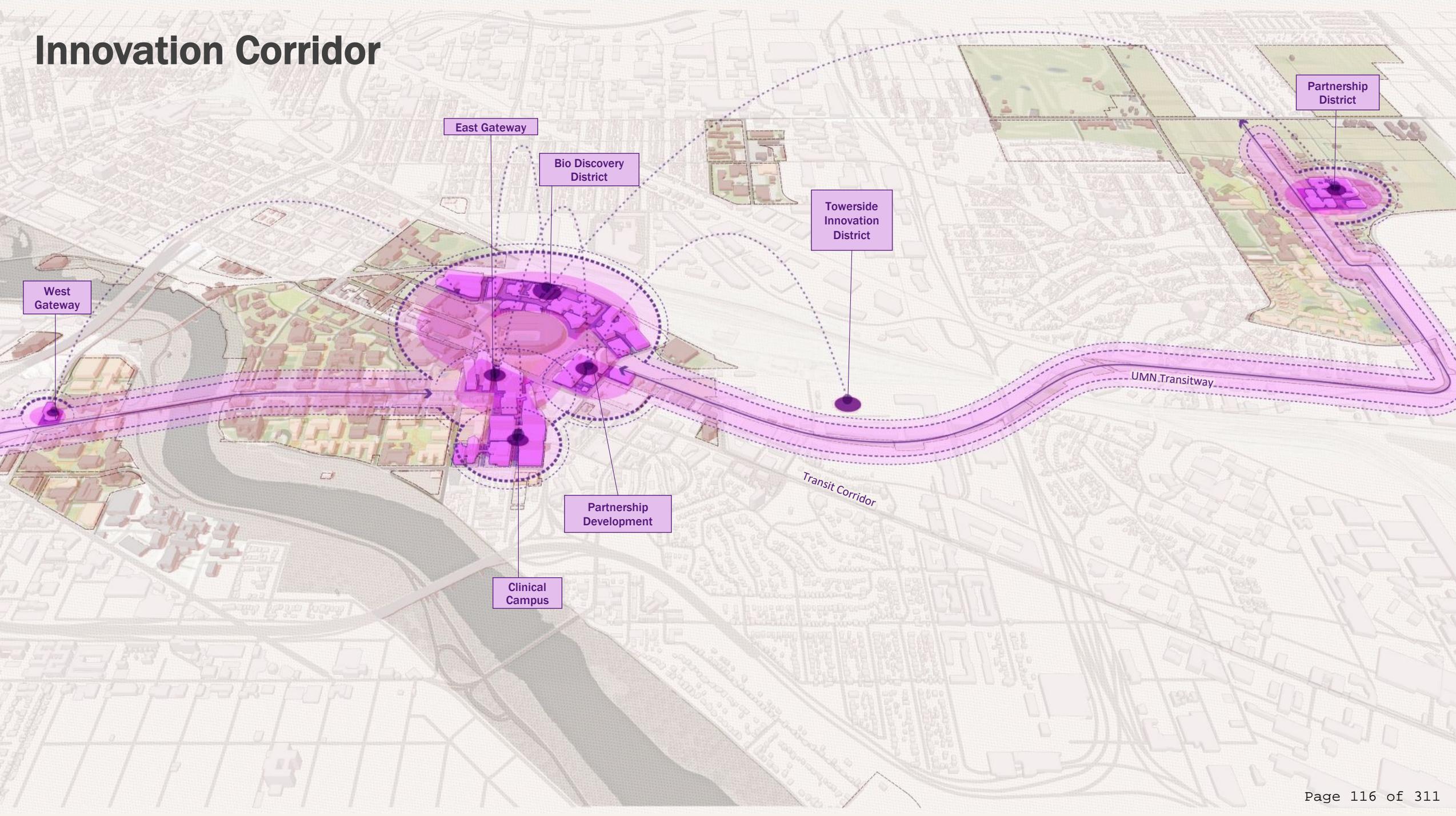
- Likely to create a parking deficit
- West Bank and St. Paul will absorb demand as East Bank fills up
- May be manageable, or may required additional supply

If Huron Corridor development creates **higher demand?**

- Huron Corridor area will see significant deficit of parking
- Spots available on campus, but not where they're most needed
- Additional parking supply likely needed

Land and Buildings

Innovation Corridor



West Gateway

East Gateway

Bio Discovery District

Towerside Innovation District

Partnership District

Partnership Development

Clinical Campus

Transit Corridor

UMN Transitway

Campus Open Spaces

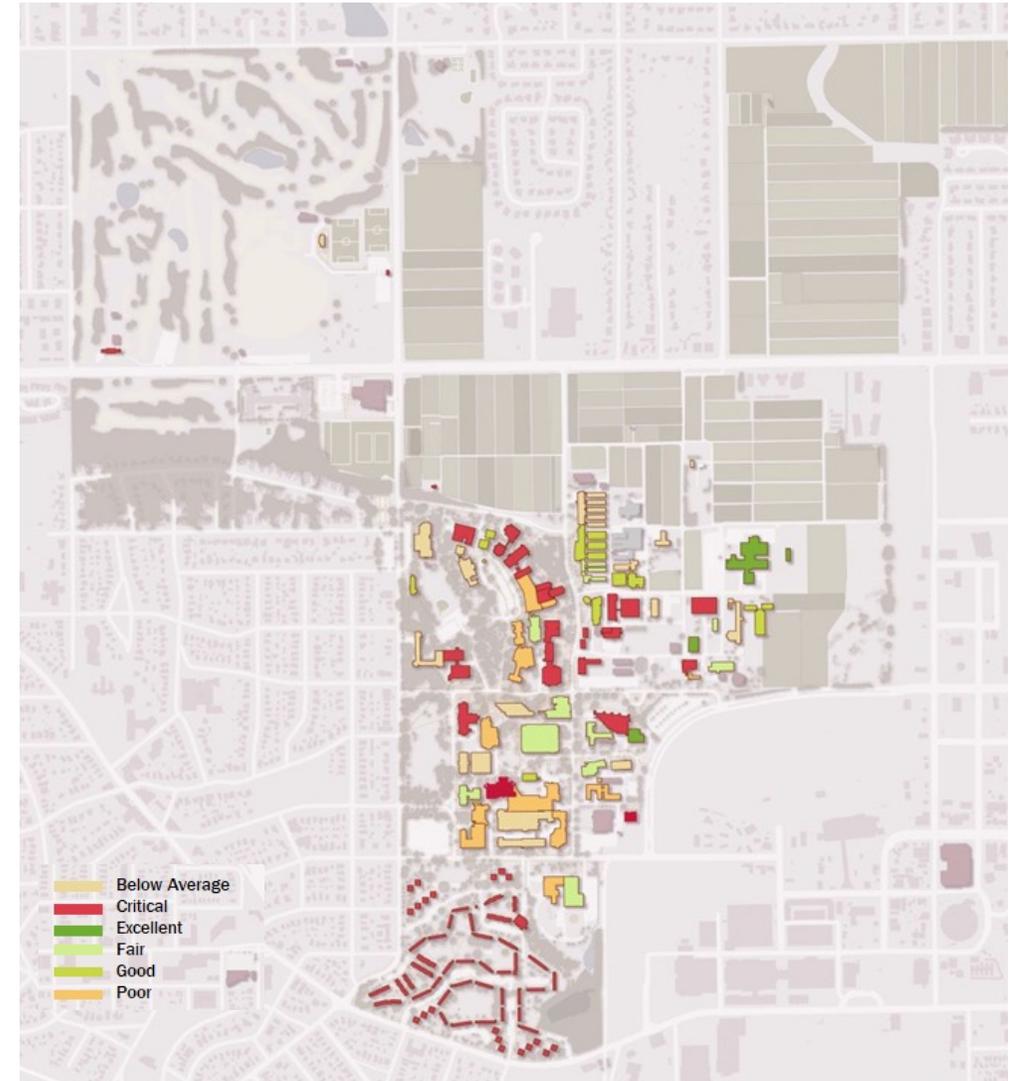


A Sustainable Future: Master Plan Support for Climate Action Goals

Goal: support growth in campus activity while reducing energy use, water use and carbon emissions

- Maximize use of existing facilities through renewal and renovation to meet reduced
- Invest in renewable infrastructure to support heating and cooling needs while meeting targets for reductions in energy, water, carbon emissions
- Plan, design and build new facilities and utilities to the state's leading standards (SB 2030)

Sustainability- Building Condition



Predominant Space Use

- Classroom
- Lab
- Office
- Library/study
- Athletics and Recreation
- Special use
- Support
- Healthcare
- Housing



Predominant Space Use

- Academic/Research
- Administration
- Residential
- Campus Life
- Community
- Support
- USDA

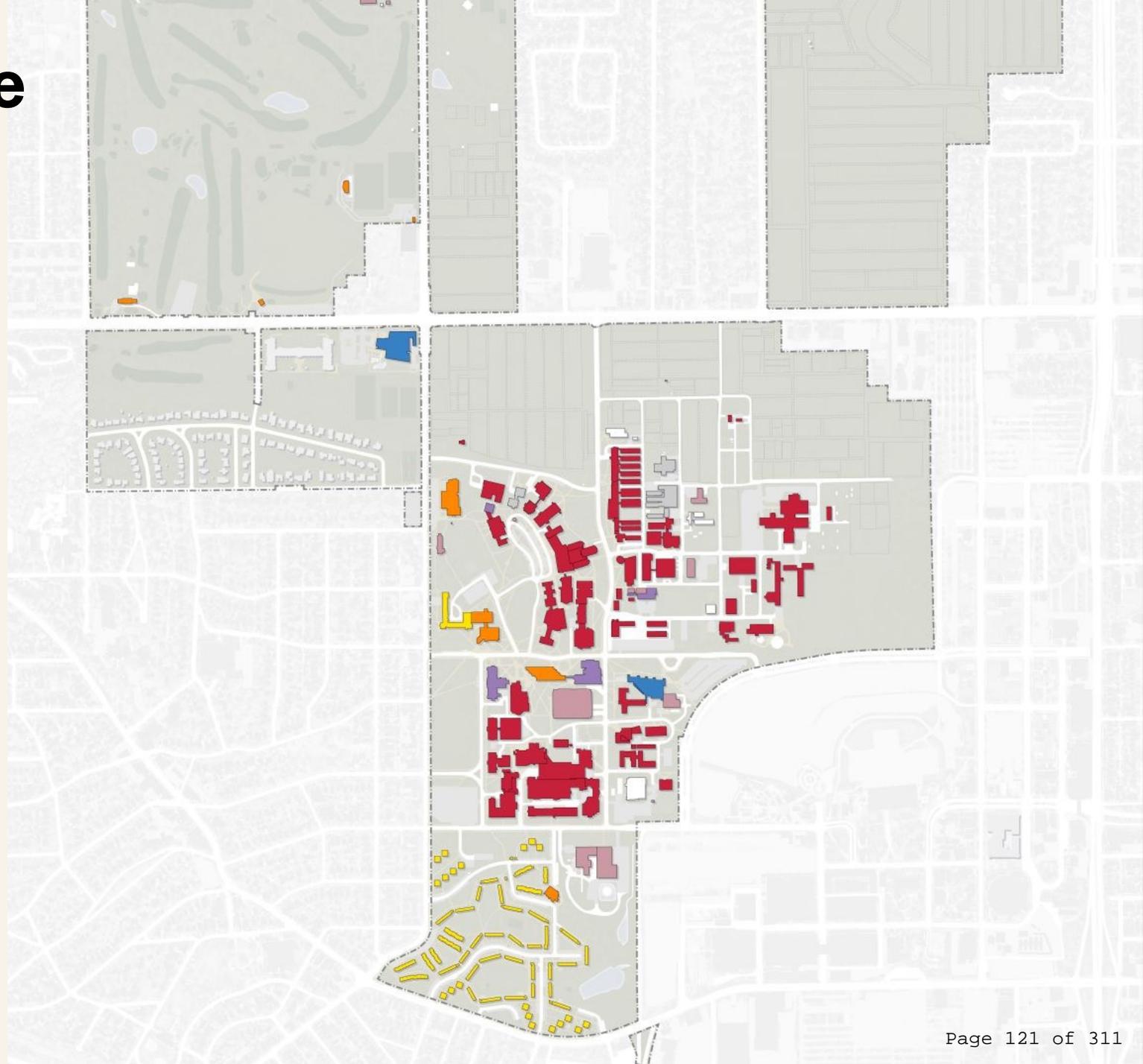
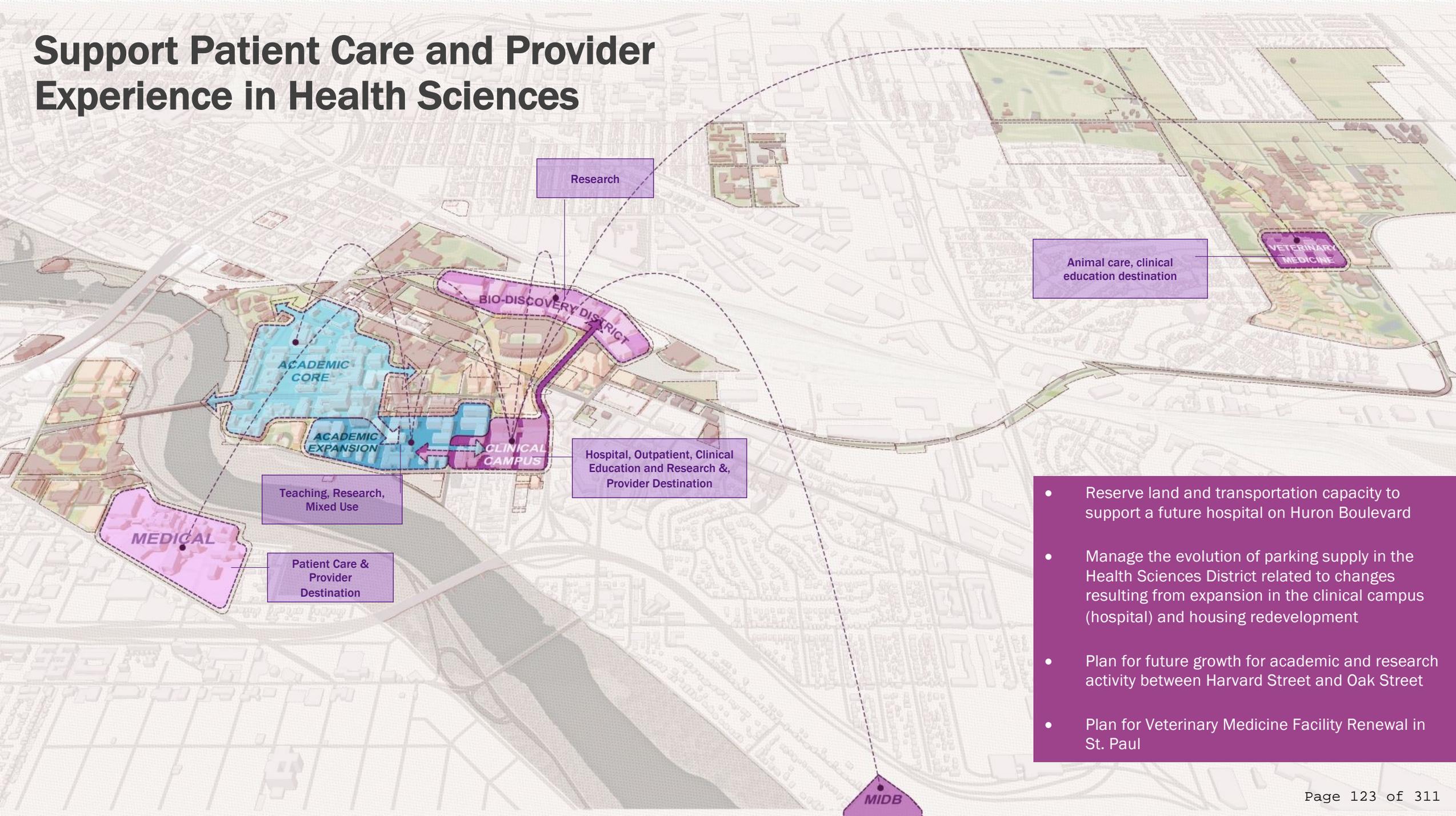


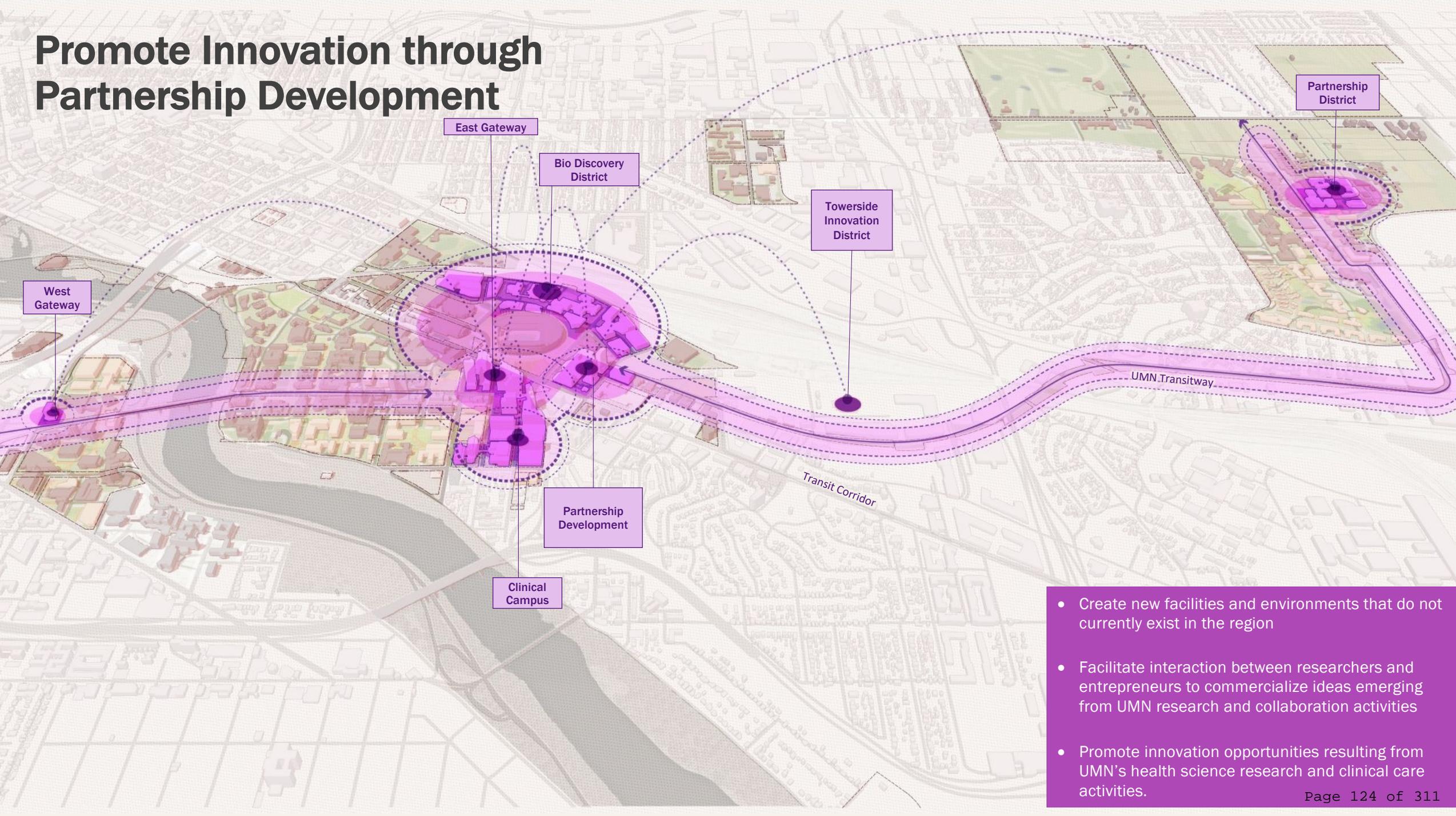
Illustration of Big Ideas

Support Patient Care and Provider Experience in Health Sciences



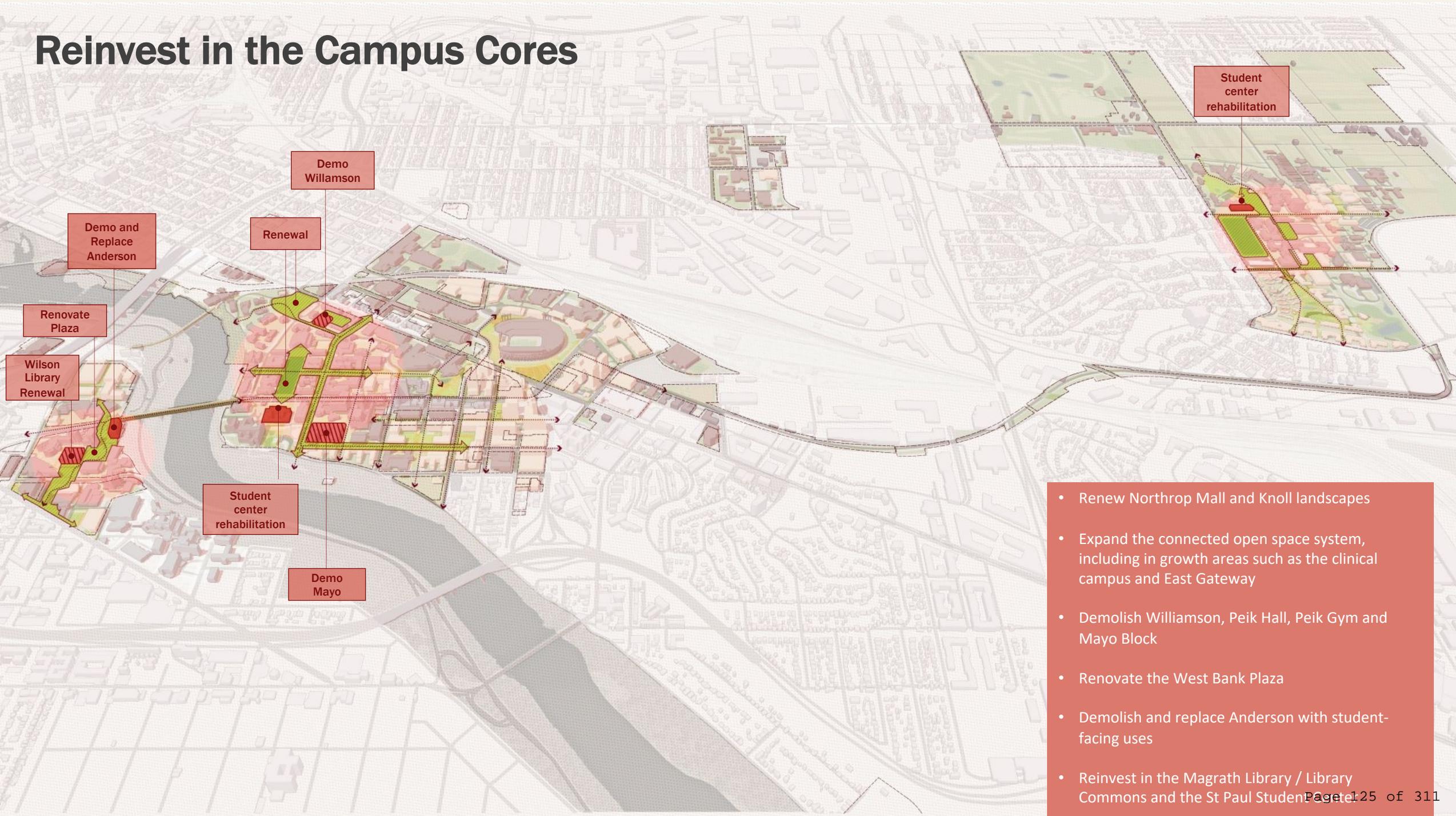
- Reserve land and transportation capacity to support a future hospital on Huron Boulevard
- Manage the evolution of parking supply in the Health Sciences District related to changes resulting from expansion in the clinical campus (hospital) and housing redevelopment
- Plan for future growth for academic and research activity between Harvard Street and Oak Street
- Plan for Veterinary Medicine Facility Renewal in St. Paul

Promote Innovation through Partnership Development



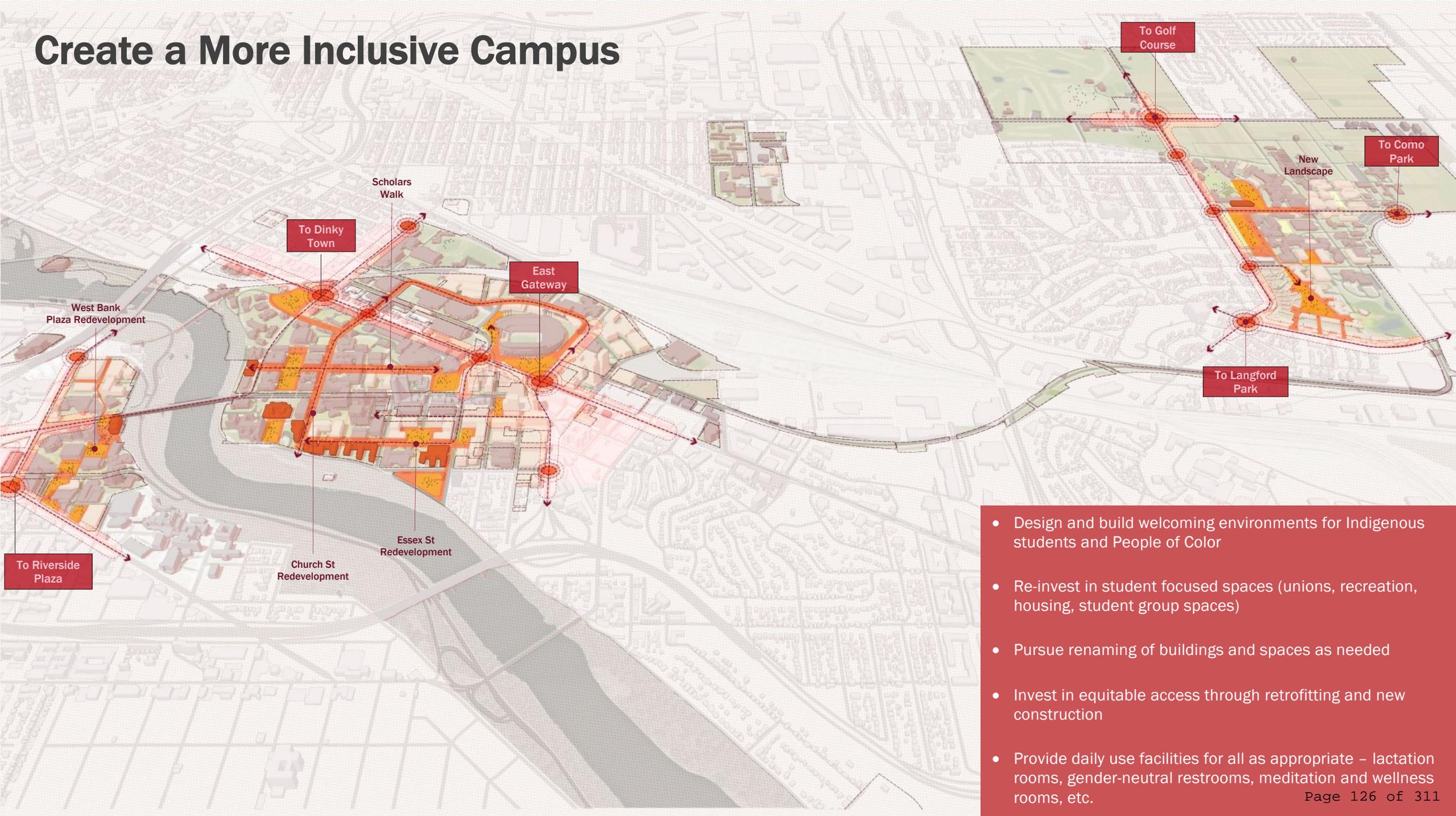
- Create new facilities and environments that do not currently exist in the region
- Facilitate interaction between researchers and entrepreneurs to commercialize ideas emerging from UMN research and collaboration activities
- Promote innovation opportunities resulting from UMN's health science research and clinical care activities.

Reinvest in the Campus Cores



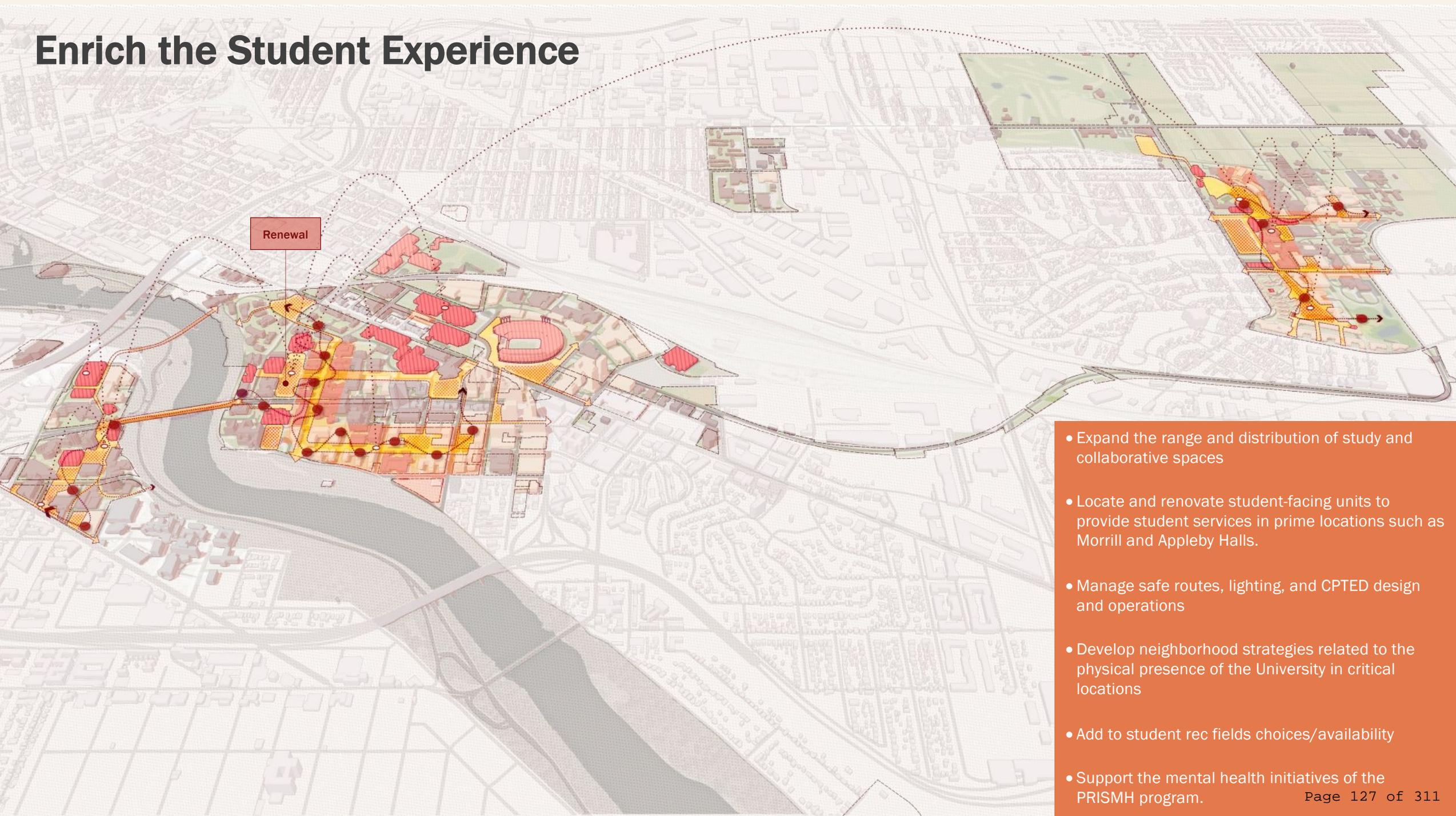
- Renew Northrop Mall and Knoll landscapes
- Expand the connected open space system, including in growth areas such as the clinical campus and East Gateway
- Demolish Williamson, Peik Hall, Peik Gym and Mayo Block
- Renovate the West Bank Plaza
- Demolish and replace Anderson with student-facing uses
- Reinvest in the Magrath Library / Library Commons and the St Paul Student Center

Create a More Inclusive Campus



- Design and build welcoming environments for Indigenous students and People of Color
- Re-invest in student focused spaces (unions, recreation, housing, student group spaces)
- Pursue renaming of buildings and spaces as needed
- Invest in equitable access through retrofitting and new construction
- Provide daily use facilities for all as appropriate – lactation rooms, gender-neutral restrooms, meditation and wellness rooms, etc.

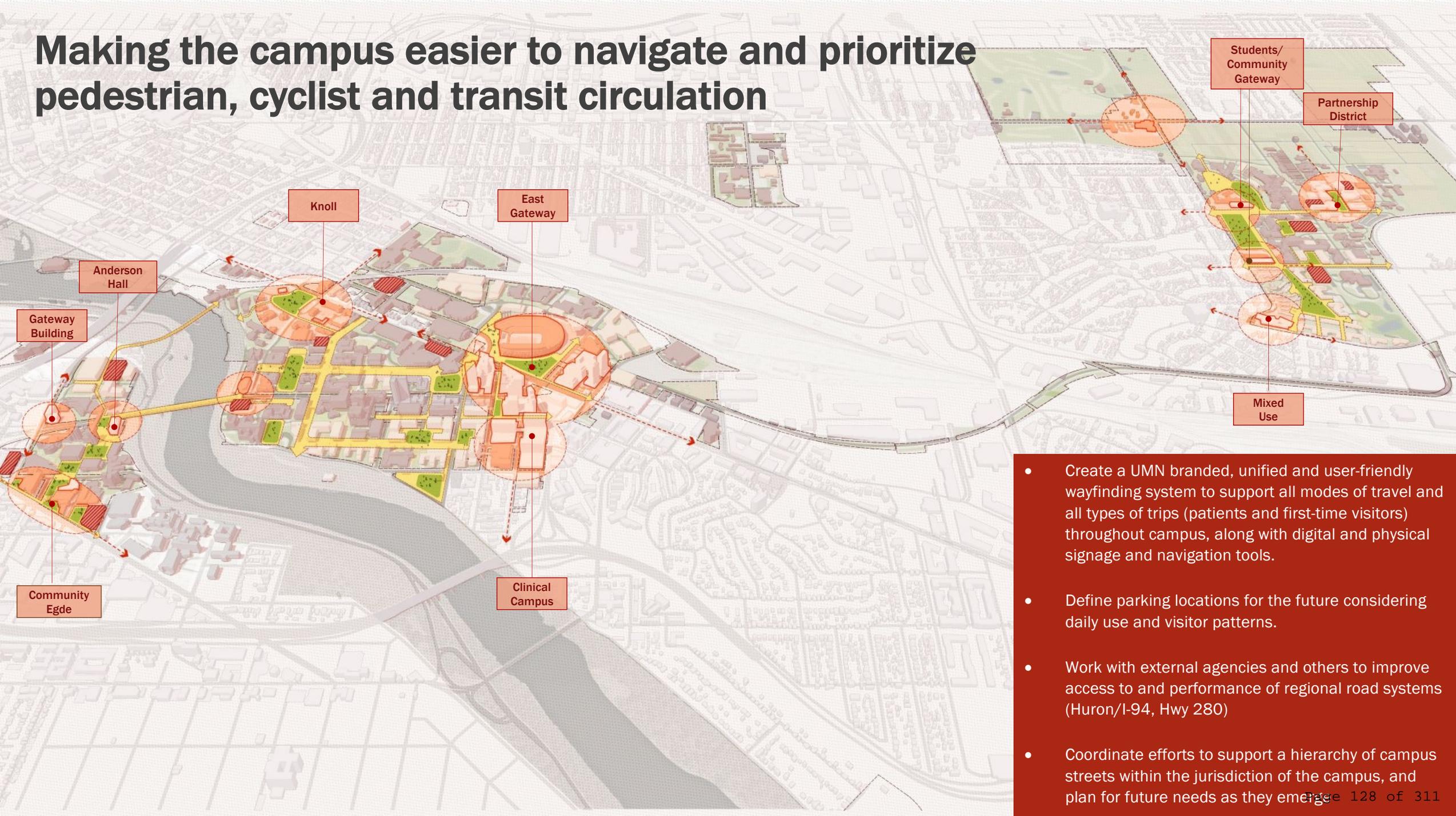
Enrich the Student Experience



Renewal

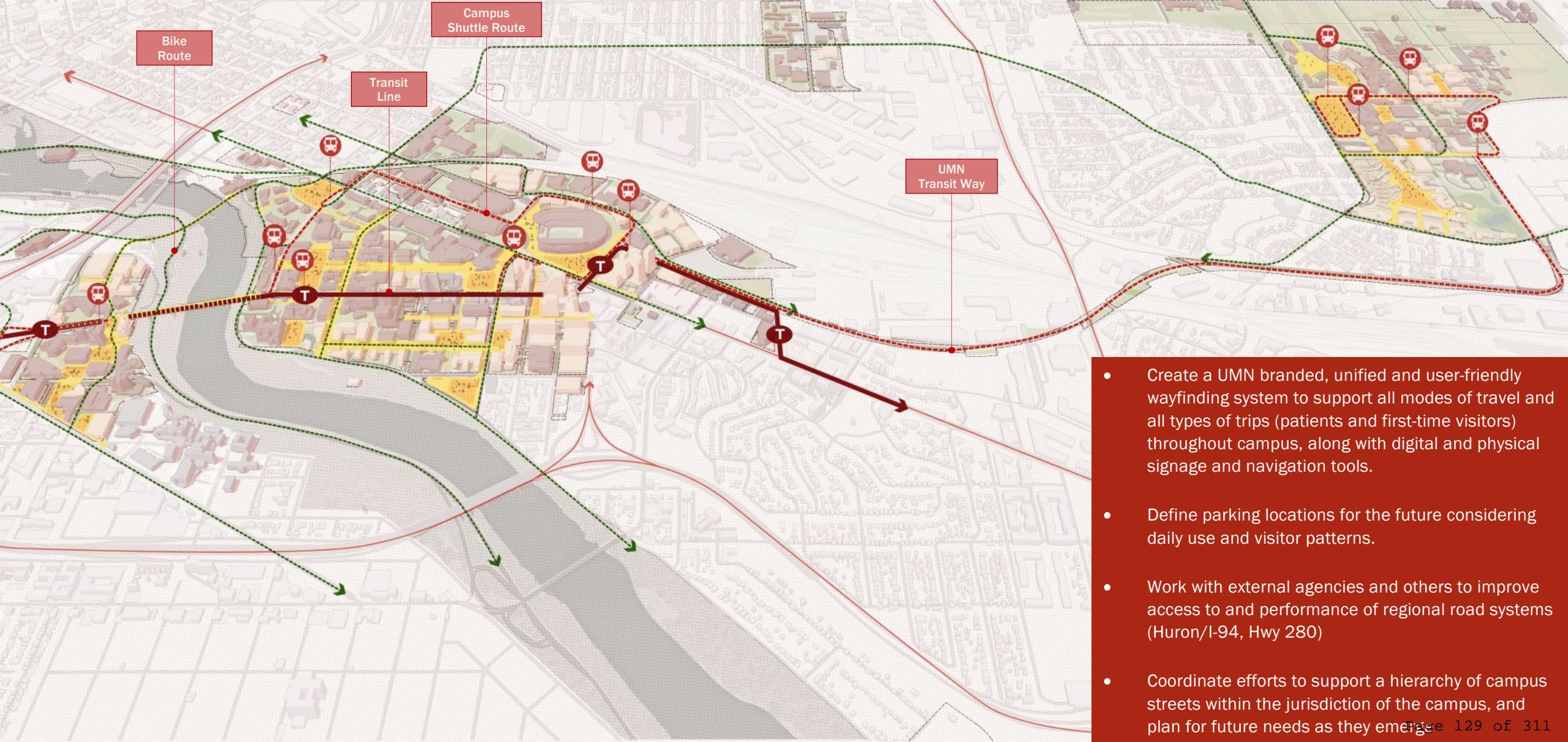
- Expand the range and distribution of study and collaborative spaces
- Locate and renovate student-facing units to provide student services in prime locations such as Morrill and Appleby Halls.
- Manage safe routes, lighting, and CPTED design and operations
- Develop neighborhood strategies related to the physical presence of the University in critical locations
- Add to student rec fields choices/availability
- Support the mental health initiatives of the PRISMH program.

Making the campus easier to navigate and prioritize pedestrian, cyclist and transit circulation



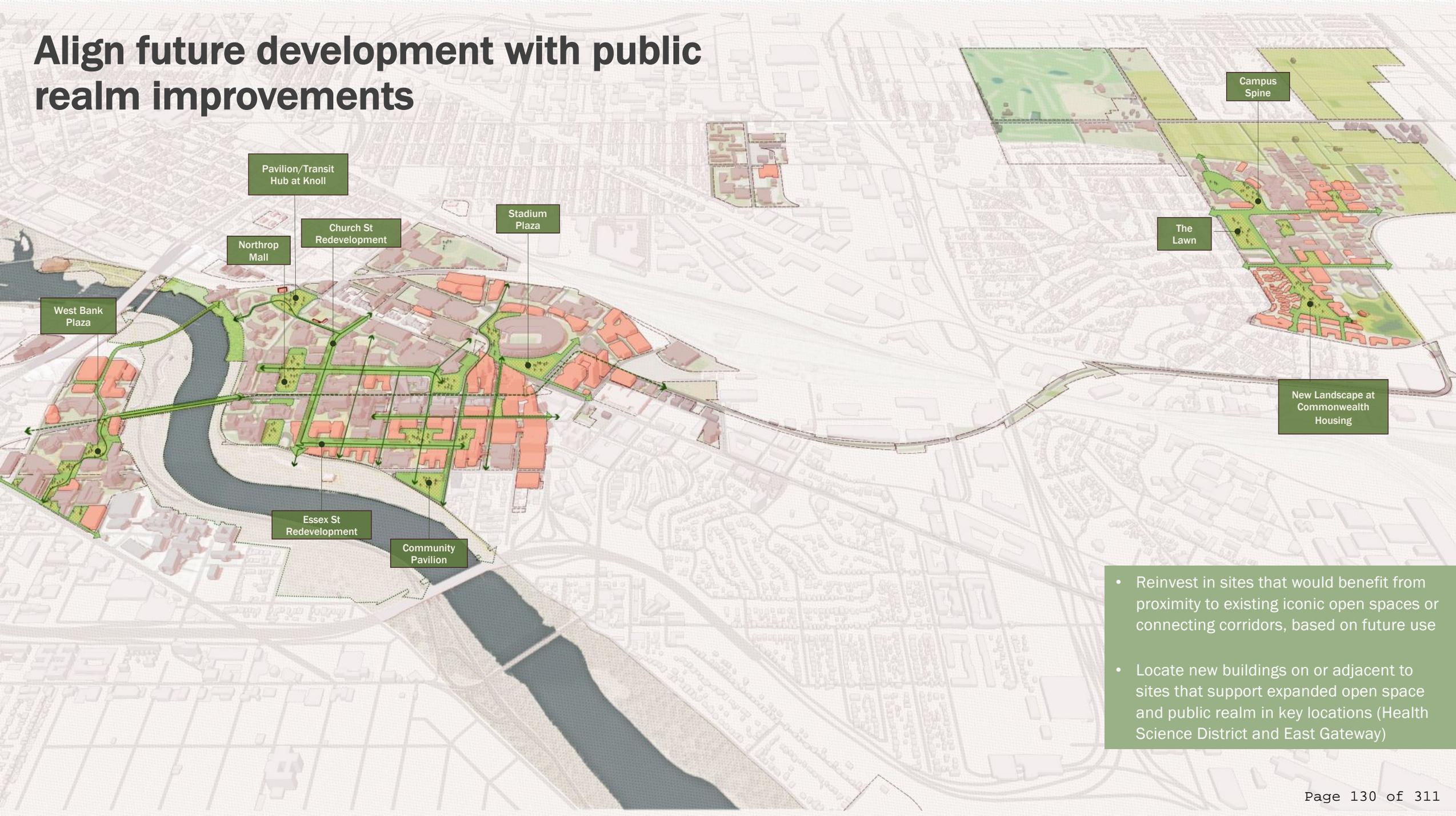
- Create a UMN branded, unified and user-friendly wayfinding system to support all modes of travel and all types of trips (patients and first-time visitors) throughout campus, along with digital and physical signage and navigation tools.
- Define parking locations for the future considering daily use and visitor patterns.
- Work with external agencies and others to improve access to and performance of regional road systems (Huron/I-94, Hwy 280)
- Coordinate efforts to support a hierarchy of campus streets within the jurisdiction of the campus, and plan for future needs as they emerge

Making the campus easier to navigate and prioritize pedestrian, cyclist and transit circulation



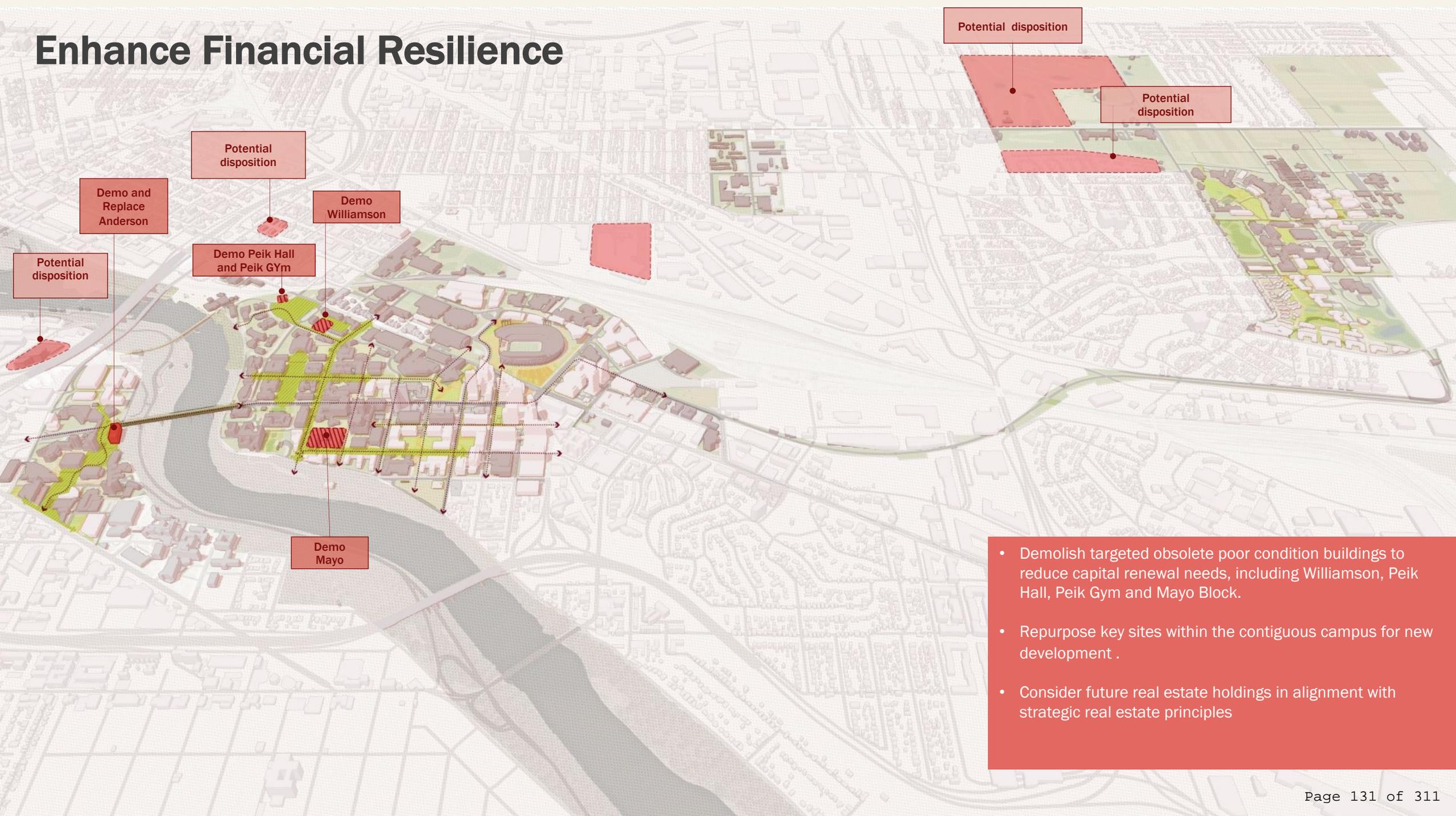
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- Work with external agencies and others to improve access to and performance of regional road systems (Huron/I-94, Hwy 280)
- Coordinate efforts to support a hierarchy of campus streets within the jurisdiction of the campus, and plan for future needs as they emerge

Align future development with public realm improvements



- Reinvest in sites that would benefit from proximity to existing iconic open spaces or connecting corridors, based on future use
- Locate new buildings on or adjacent to sites that support expanded open space and public realm in key locations (Health Science District and East Gateway)

Enhance Financial Resilience



- Demolish targeted obsolete poor condition buildings to reduce capital renewal needs, including Williamson, Peik Hall, Peik Gym and Mayo Block.
- Repurpose key sites within the contiguous campus for new development .
- Consider future real estate holdings in alignment with strategic real estate principles

Use Land and Resources Sustainably



Improve non-motorized connections

Access to the River

Plan, design and build to SB 2030

Expand sustainable energy infrastructure

Future opportunity

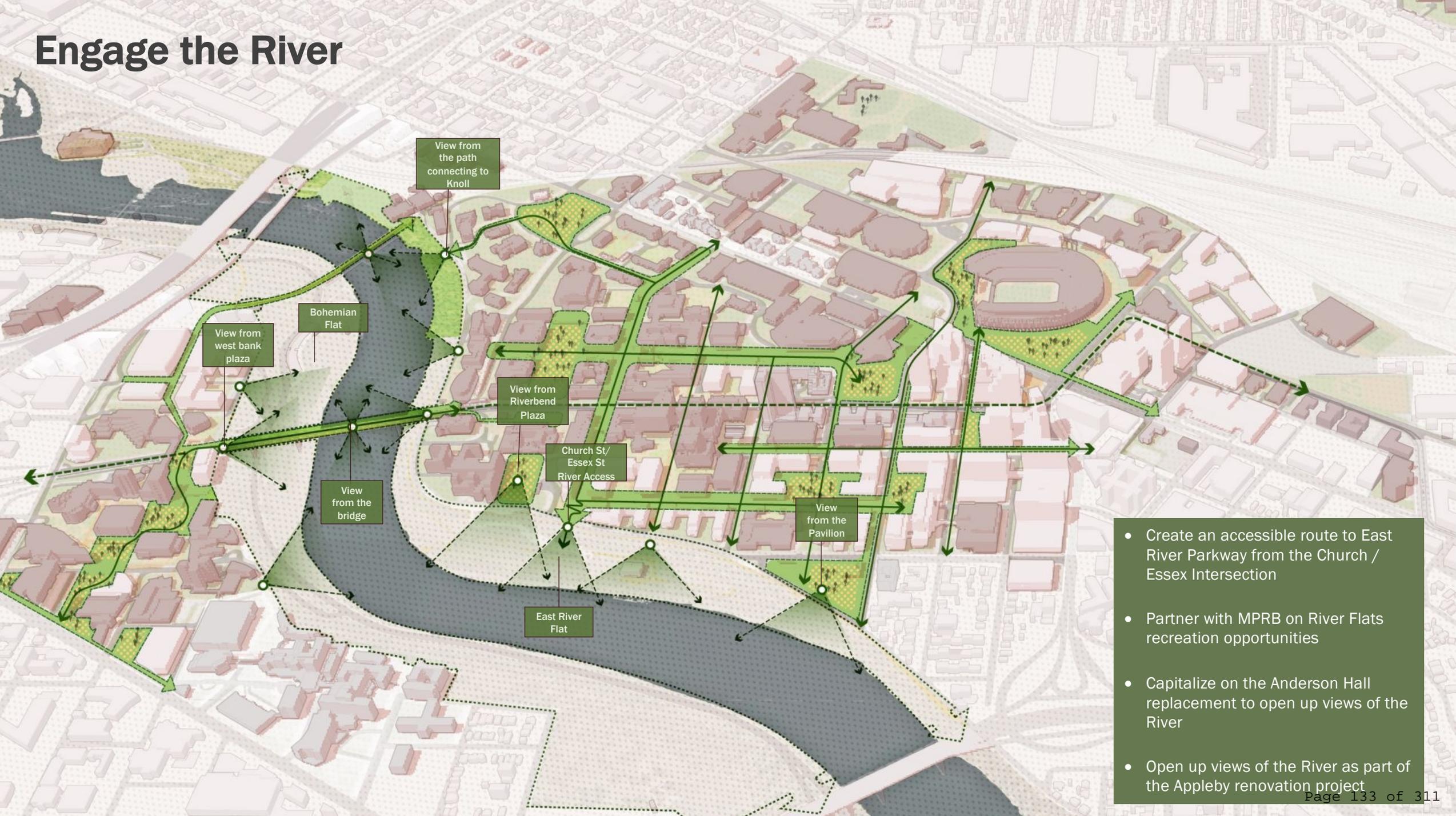
Maintain Agricultural Research Land

Renew natural landscapes and ecosystems

Expand the Sarita Wetlands

- Renew natural landscape and ecosystems to protect habitat and use resources wisely
- Maximize use of existing facilities through renewal that supports growth and uses reduced energy.
- Plan, design and build new facilities and utilities to meet the State’s leading design standard (SB 2030).
- Improve mobility connections for non- motorized travel to all campus destinations
- Expand sustainable energy infrastructure
- Maintain agricultural research land
- Expand the Sarita Wetland
- Consider future opportunity at the golf course site

Engage the River



- Create an accessible route to East River Parkway from the Church / Essex Intersection
- Partner with MPRB on River Flats recreation opportunities
- Capitalize on the Anderson Hall replacement to open up views of the River
- Open up views of the River as part of the Appleby renovation project

D. What We've Heard

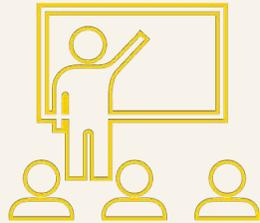
Engagement & Governance

Group	Role	Activity Type
Board of Regents	Approval Authority	<ul style="list-style-type: none"> • Work Sessions • Milestone driven decisions
President and Cabinet	Direct, recommend to Board	<ul style="list-style-type: none"> • Work Sessions • Milestone driven decisions • Campus Plan Update Survey
Advisory Committee	Advise, participate	<ul style="list-style-type: none"> • Work Sessions • Campus Plan Update Survey
Stakeholders	Participate	<ul style="list-style-type: none"> • Campus Plan Update Survey • Town Hall Presentation • Listening Sessions • Focus group interviews
Subject Matter Experts <ul style="list-style-type: none"> • U of M Faculty and Staff 	Participate	<ul style="list-style-type: none"> • Campus Plan Update Survey • Focus groups • UServices staff workshops

Meetings, Focus Groups and Town Hall Discussions

- Advisory Committee meetings (7x)
- Staff and other subject matter experts
- Student representatives and advisory Boards
- Neighborhoods and business associations
- UMN Foundation
- UMN Alumni Association
- Staff at municipalities and agencies
 - Minneapolis (City, Park Board)
 - MnDOT
- Campus survey
- Project website as broadcast tool
- Public access to prior presentations
- Webinar presentation of plan overview

Advisory Committee Topics and Themes



Student Experience



The River



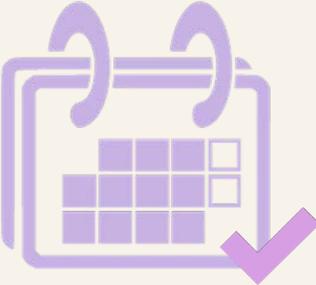
Mobility



Getting To/Around Campus



Parking



Implementation

Advisory Committee Interests:

- **Student Experience** – How can the Twin Cities campus plan support the student experience? Where are the opportunities to expand and enhance affordable housing choices, inclusivity and belonging, safe spaces, health and wellness, and evolving pedagogies? How should the plan prioritize reinvestment in the academic cores?
- **The River** – How can the University strengthen its relationship to the Mississippi River through physical and visual connections as well as partnerships? Which buildings and locations could facilitate these connections and support teaching, research and recreational opportunities? How should the urban campus complement the river corridor?
- **Mobility** – How can transit facilities contribute to an attractive, inviting and navigable campus? How can mobility hubs and micro-mobility options support “last mile” access as mode-share shifts away from single-occupancy vehicles? How can the Gopher Way be extended and made more accessible?
- **Getting to and around Campus** – What components contribute to a more welcoming, equitable and accessible campus? How to better connect the West Bank, East Bank, and St. Paul campuses? Where are the key arrival points and what are those experiences like? How can signage and wayfinding be used to continue to make campus navigation easier?
- **Parking** – How are the University’s parking lots and ramps used today? Who is using them, and how often? What are the implications of relocating parking to the campus peripheries? How does this impact access to key buildings in the core? How much parking should be integrated with destinations such as medical clinics and event venues?
- **Implementation** – Which initiatives can be implemented to improve the campus experience in the near term?

Surveys and Other Data

- **UMTC Campus Plan Update survey**
 - 9,000+ invitations
 - 1,800+ respondents (Feb-March 2021): 60% staff, 26% students and 12% faculty
 - Many comments on mobility and access, equity and inclusivity, the value of open spaces and the River, and more...
- **Other surveys (select)**
 - 2021 Student Experience in the Research University (SERU) Undergrad & gradSERU
 - 2019 Multicultural Student Success Committee Report
 - 2020 Student Unions and Activities: student preferences
 - 2020 Big Ten Housing Capacity and Rate
 - Office of Classroom Management: classroom and study space preferences
 - Recreation and Wellness: student interests and activities
- **Previous studies and plans (select!!)**
 - 2021 President's Systemwide Strategic Planning
 - 2018-2025 UMTC Undergraduate Enrollment Plan
 - 2020 St. Paul Campus Strategic Facilities Plan
 - 2019 Como Area Utility and Energy Masterplan
 - 2018 Academic Health Center Strategic Facilities Master Plan
 - 2016 Minneapolis Campus Development Framework
 - 2016 Campus Traveller Mode Share & Origin-Destination Study
 - 2009 Climate Action Plan

Summary of Survey Questions

Experience

- How often do you use Twin Cities campus space or attend events?
- What types of places enrich your experience on the Twin Cities campus?
- What types of student life spaces are most important for creating a sense of community?
- What types of academic spaces are most important for student success?

Mobility

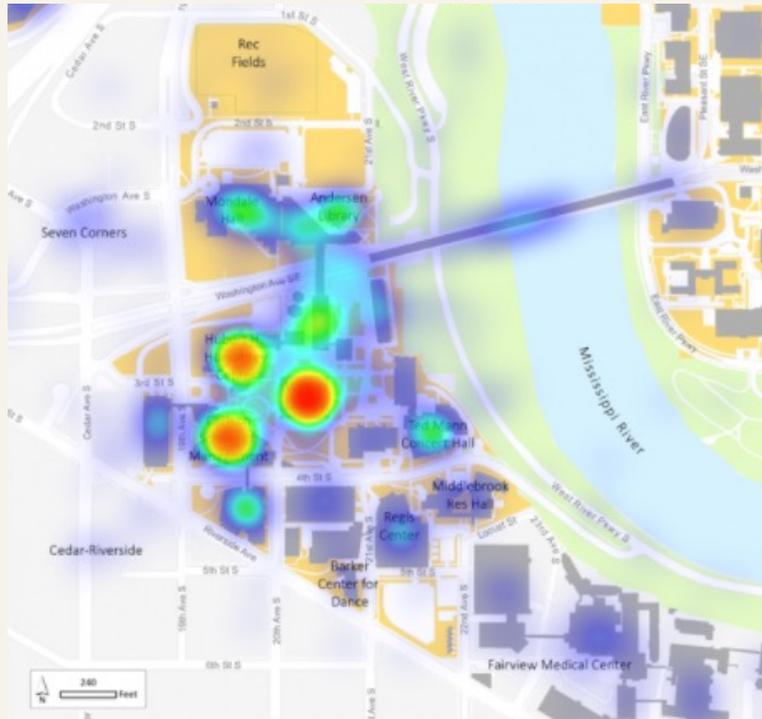
- How often do you travel to campus? What mode of transportation do you use? How do you get around when you arrive at campus?
- Where are the most common destinations for you?
- What are the biggest challenges to moving around on campus?

Buildings and Land

- What are your favorite places to spend time?
- What places are favorites? What places need more attention, resources, renewal?

Student Hang Out Locations

West Bank



East Bank



St. Paul



East Bank: Ped & Bike Comments



PEDESTRIAN/BIKE/VEHICULAR CONFLICTS

Connection between East and West Bank; conflict between cyclists vs. pedestrians vs. cars (pedestrians are always on the losing end! Cyclists can be careless and put people in danger—people in cars and on foot); crossing University Ave into campus could be safer and smoother.

PEDESTRIAN & BICYCLE CONFLICTS

Intersections could be more pedestrian friendly. One place that always feels very dangerous to me is the space right before one enters the east side of the pedestrian bridge over the river, and on the West Bank, where there are bike paths right in the middle of walk areas and they are really hard to navigate as a pedestrian when there are tons of bikes speeding by. (people ride fast)

SCOOTER POLICIES

All campus locations would benefit from strict enforcement of banning scooters from sidewalks, parking lots et al. Get rid of the scooters! They are dangerous for pedestrians, bikers, and cars.

BIKE LANE PARTNERSHIPS

Partner with the city of Minneapolis to continue to improve bike access from the Minneapolis Como neighborhood - one of the main access points is down 15th Ave, under the train tracks and past the McDonalds and Dinkydome, and that stretch feels super dangerous.

BIKE LANES

More dedicated bike lanes (for example, the bike lanes on the west bank are just painted lines that go over uncomfortable level changes and surfaces) More connections in the east bank medical area. There's a lot of dead ends within that campus.

BIKE SAFETY & AMENITIES

Bike and pedestrian intersections & paths. Sometimes visibility for bikers and peds is challenging even when the lanes are clearly marked. Buildings can obstruct view which is dangerous. As a biker and a ped, I would appreciate more investment in bike safety, sheltered storage, mirrors for blind intersections, and increased surveillance of bike rack areas.

PEDESTRIANS / LIGHT RAIL

Change the light rail signals so that pedestrians take precedence. The goal would be to minimize the time pedestrians have to wait to cross the tracks. Crossing Washington Avenue is not as easy with light rail

East Bank: Gopher Way Comments



UNIVERSAL DESIGN

There is a certain lack of universal design that could really improve our campus and show that we are more inclusive and welcoming to ALL people. Showing that we thought about folks before they even entered our spaces.

GOPHER WAY EXPANSION / SIGNAGE

Expanding the Gopher Way and adding better signage and audio cues for people with low vision/blind.

ACCESSIBILITY

Tunnels or skyways for those in wheel chairs, crutches, or visually impaired. We need campus to be welcoming to people of all motilities.

Winter: Mobility Comments

I am disabled. It is extremely hard to walk around campus as well as take buses, particularly in the winter. I purposely pick classes to be near one another, which limits my options considerably. The door to door ride service is not something I have tried because I am scared because of previous bad experiences with similar services. I cannot drive, or ride a bike or scooter. Please, please do more to accommodate disabled students safely.

Quicker campus connectors--less waiting in winter!

A tunnel to the CSC. It is difficult for disabled faculty to perform clinical service in the winter and with COVID.

Indoor walkways to reduce street & sidewalk congestion and improve winter walking across campus/es

Accessibility - easy access to all buildings (elevators that work and ramps that are functional even in winter)

Larger bus stop facilities that can house everyone that uses it (esp. in winter)

More skyways to connect campus during winter months. For many, the tunnels feel unsafe and we just refuse to use the tunnels.

Larger bus stop facilities that can house everyone that uses it (esp. in winter)

Skyways and tunnels for connecting locations. The Gopher Way is a good start, but it has too many breaks and times where winter eliminates it as an option.

It is terrible to get between the biomedical discovery district and east and west bank hospitals during the winter. These locations are not well connected by shuttles or transit.

E. Recommendations

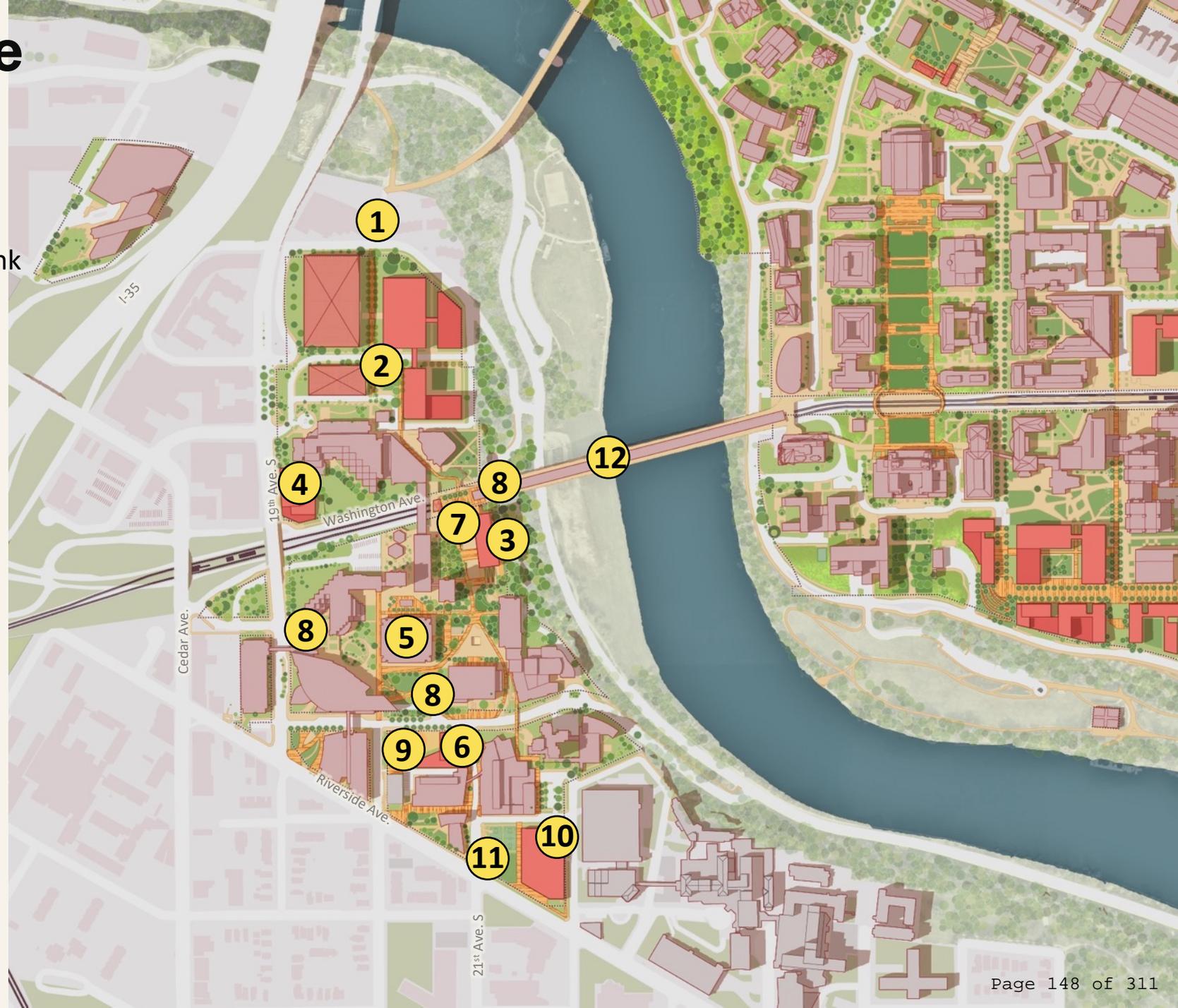
West Bank

West Bank Future State Recommendations

1. New pedestrian, bike connection to East Bank
2. Corridor and open space development
3. Student facing building (replacement)
4. Innovation Corridor: West Bank
5. Academic commons (Wilson Library)
6. Academic expansion
7. Improved transit connections
8. Wayfinding and pedestrian signage
9. Student focused new open space
10. Relocated parking (new structure)
11. Campus edge open space
12. Washington Avenue Bridge improvements

Legend

-  Existing building
-  Proposed building
-  Potential recreation site

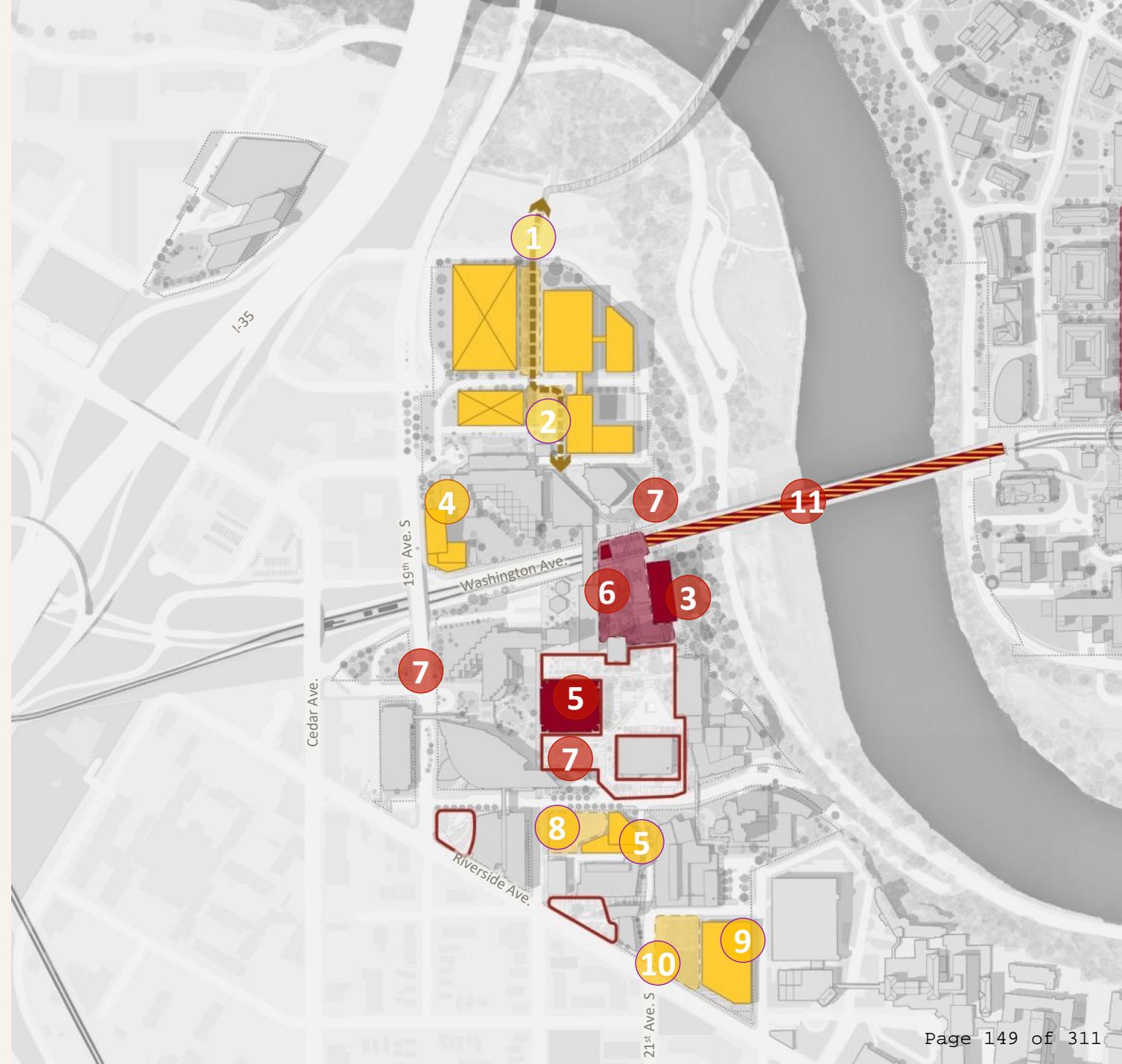


West Bank Future State-Phasing

1. New pedestrian, bike connection to East Bank
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12. Washington Avenue Bridge improvements

Legend

- 0 to 10 Years
- +10 Years



Future West Bank view from the east



- Legend**
- Parking
 - Sports
 - Art
 - Open Space
 - Food Service
 - Public Transit
 - Existing Building
 - Proposed Building
 - Pathways

Anderson Hall Replacement



- Legend**
- Classroom
 - Student Lounge
 - Building Entrance
 - Food Service
 - Public Transit

WASHINGTON AVE

SKYWAY

BLEGEN HALL

HELLER

Future West Bank view from the west



Legend

- Existing building
- Proposed building
- Parking
- Sports court
- Art
- Open Space
- Food service
- Retail
- Pathways

Precedent: Transit Hub



Community Edge: Landscape Strategy

- A series of open spaces with distinct character
- Art is the unifying scheme
- Elevate pedestrian experience with installations, streetscape improvements and ground floor programs

1. S 4th Street Improvement
2. Riverside Ave Plaza
3. Arts Plaza
4. Sculpture Lawn
5. Arts Walk
6. Community Sports Park
7. Event Lawn
8. Food Court Plaza



E. Recommendations

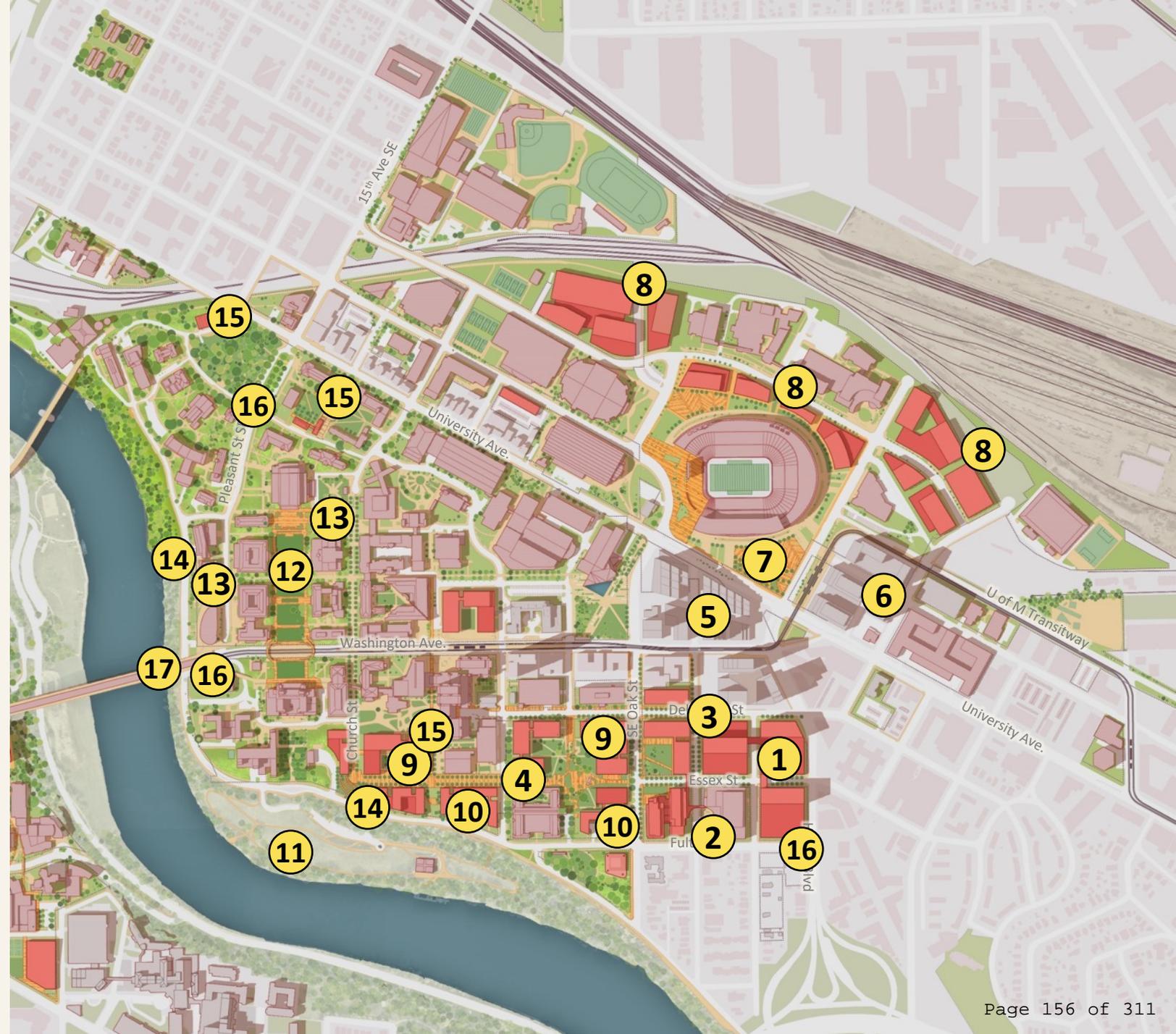
East Bank

East Bank Future State Recommendations

1. Hospital relocation
2. Clinical campus expansion
3. Delaware Connection
4. Essex Corridor
5. Innovation Corridor: East Gateway
6. Innovation Corridor: 2407 joint venture
7. Stadium open space expansion
8. BDD research expansion
9. Academic expansion
10. Housing redevelopment
11. River flats open space
12. Northrop Mall renewal
13. Renovation of student-facing buildings
14. River focused visual connections
15. Selective demolitions
16. Enhanced wayfinding throughout campus
17. Land acknowledgement opportunity

Legend

-  Existing building
-  Proposed building
-  East Gateway / 2407

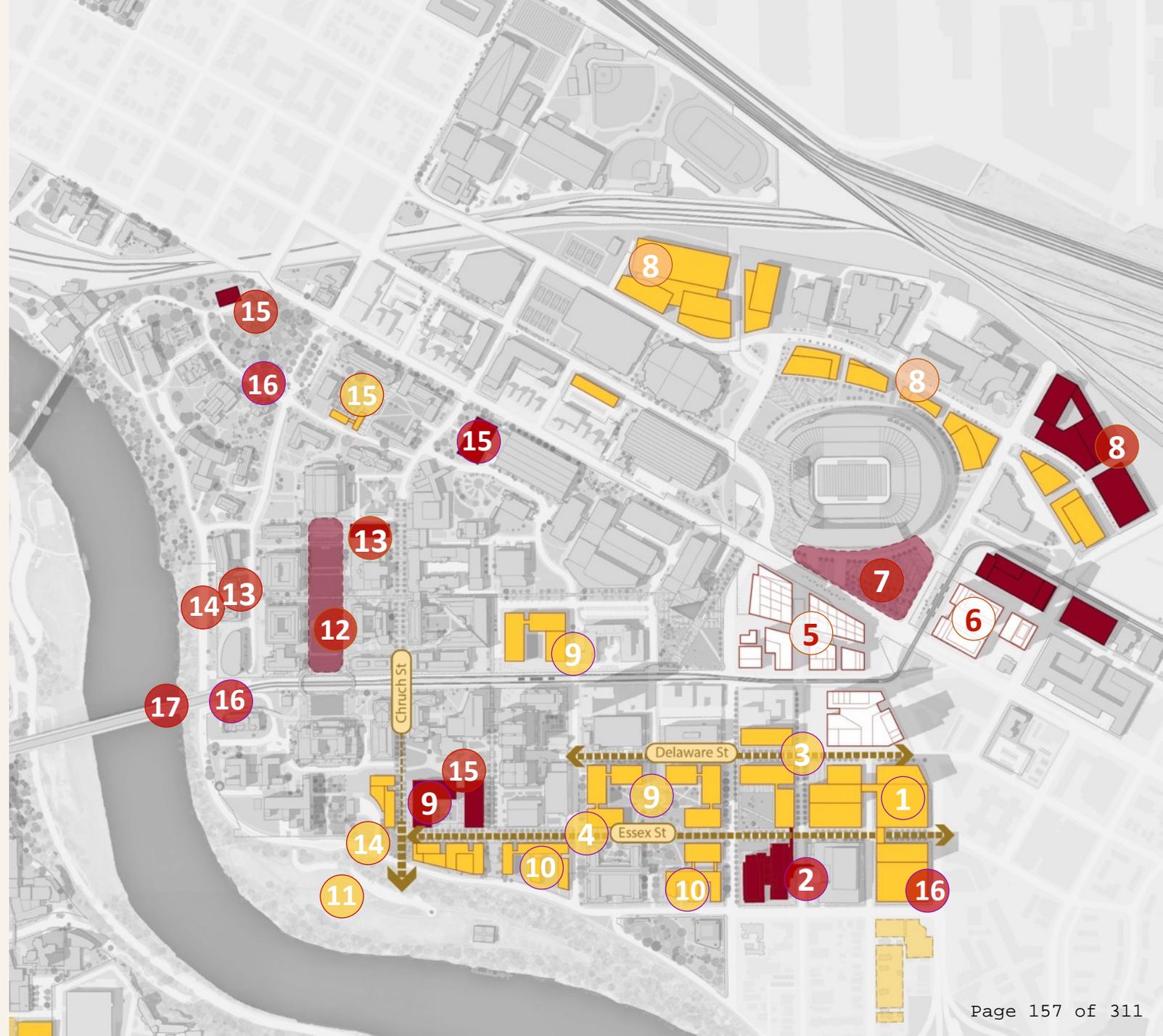


East Bank Future State Phasing

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12. Northrop Mall renewal
13. Renovation of student-facing buildings
14. River focused visual connections
15. Selective demolitions
16. Enhanced wayfinding throughout campus
17. Land acknowledgement opportunity

Legend

- 0 to 10 Years
- +10 Years
- Partnership Timeline



Future East Bank

view from the east



Legend

-  Existing building
-  Proposed building

The Knoll

- Demolish Peik Hall and open up the Knoll landscape
- Reforest Peik Hall site with similar mix of species at Knoll
- Introduce a Mobility Hub at the Peik Gym Site and Williamson
- Connections to Dinkytown, campus core and river overlook
- Seating areas along pathways

Legend

- Existing building
- Proposed building

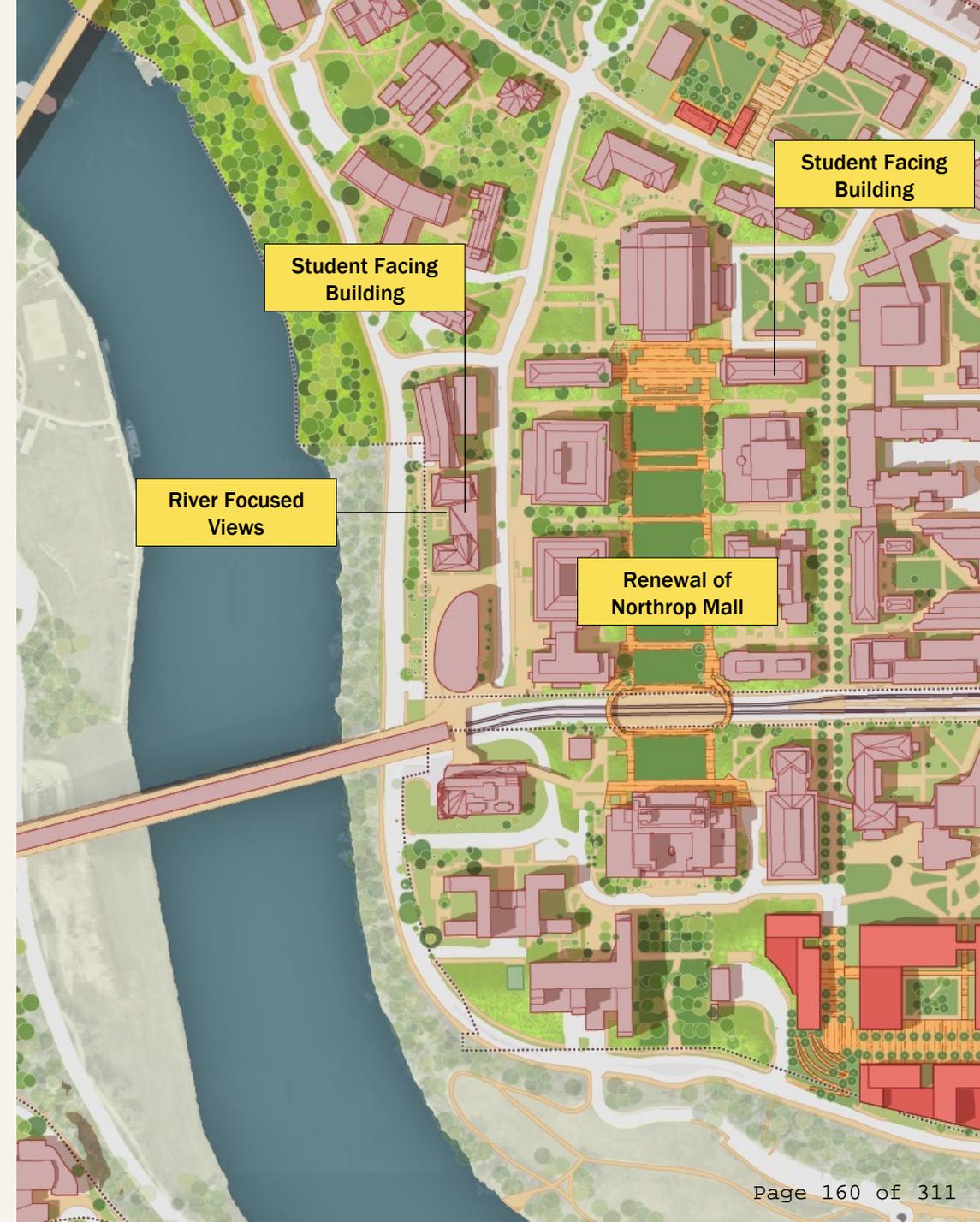


Academic Core

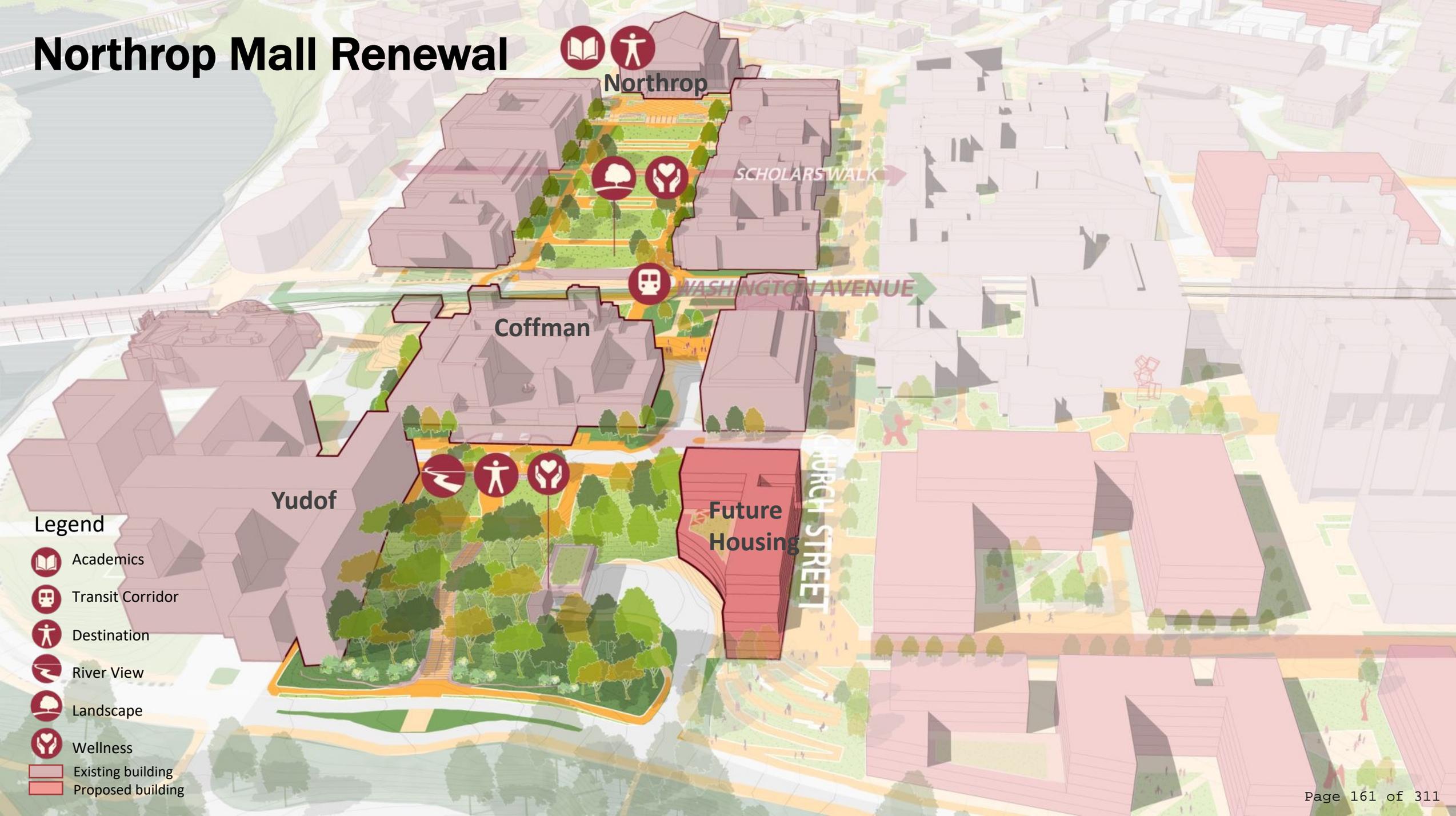
- Reinvest in the open space that defines Northrop Mall
- Renovate buildings adjacent to iconic open spaces to complement student-facing activity
- Create river focused connections (visual or physical) when investing in building and landscapes
- Allocate resources to renewing adaptable, older buildings in support of core academic activity

Legend

- Existing building
- Proposed building



Northrop Mall Renewal



Northrop



SCHOLARS WALK



WASHINGTON AVENUE

Coffman



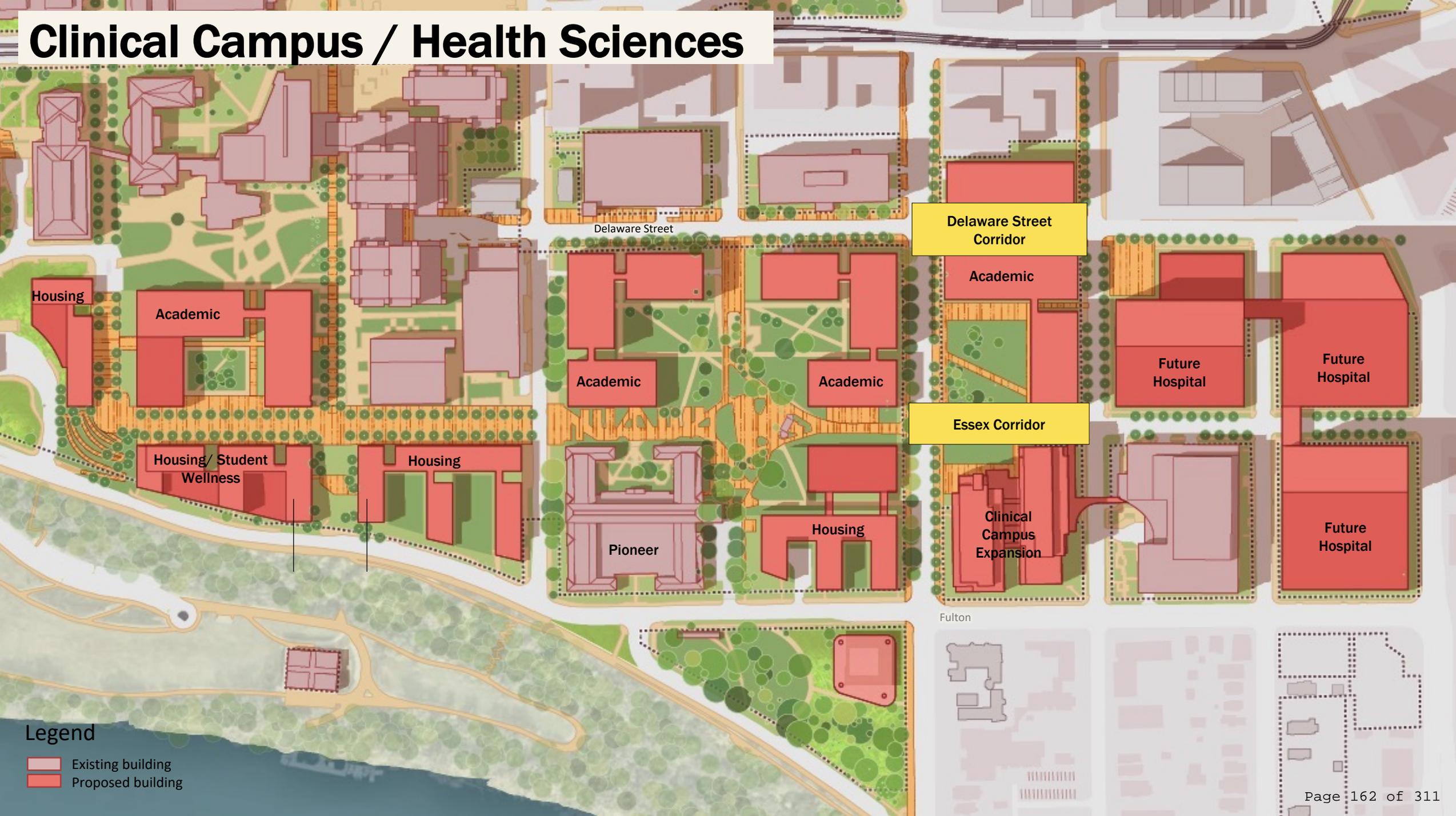
Future Housing

CHURCH STREET

Yudof

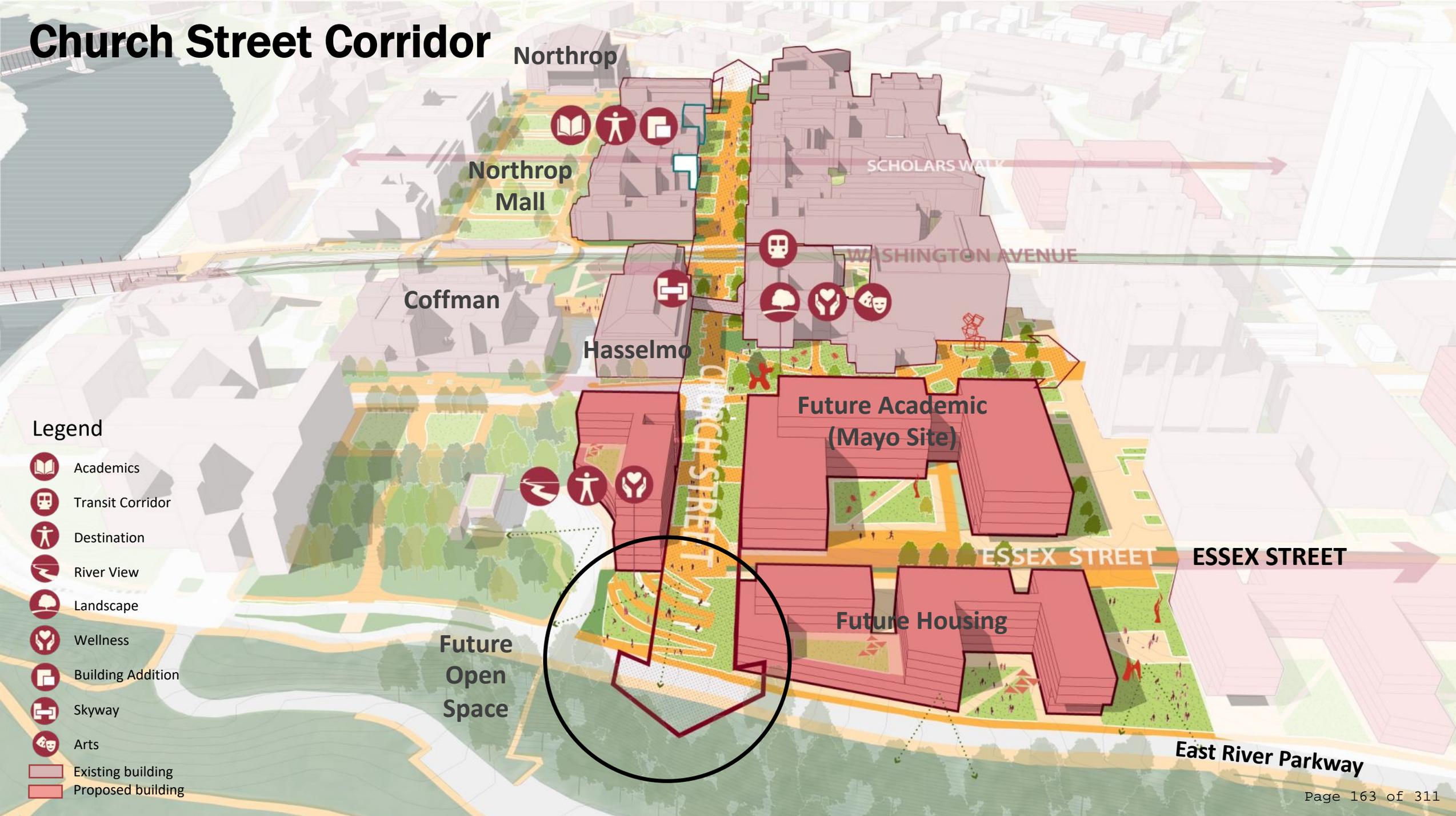
- Legend**
- Academics
 - Transit Corridor
 - Destination
 - River View
 - Landscape
 - Wellness
 - Existing building
 - Proposed building

Clinical Campus / Health Sciences



- Legend**
- Existing building
 - Proposed building

Church Street Corridor



Northrop

Northrop Mall

Coffman

Hasselmo

Future Academic (Mayo Site)

Future Housing

Future Open Space

SCHOLARS WALK

WASHINGTON AVENUE

ESSEX STREET

ESSEX STREET

East River Parkway

Legend

- Academics
- Transit Corridor
- Destination
- River View
- Landscape
- Wellness
- Building Addition
- Skyway
- Arts
- Existing building
- Proposed building

Future Landmark, Church & Essex



Legend

-  Bike Lane
-  Housing
-  Gathering Place
-  Academic
-  Landscape
-  Proposed Building

Accessible Ramps connecting
Church / Essex Intersection
and East River Parkway

Essex Street Corridor

Downtown Minneapolis



Legend

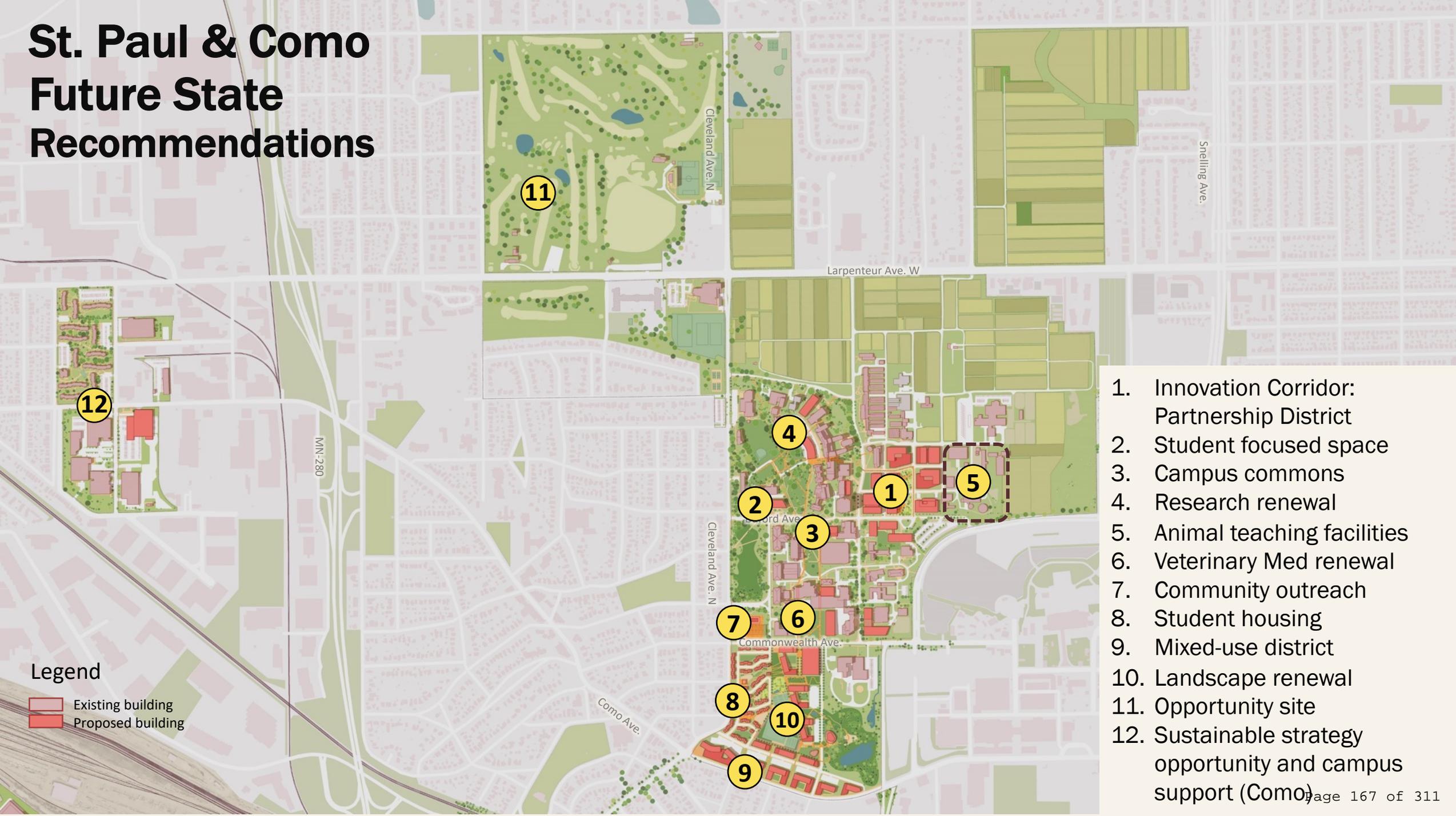
- Existing building
- Proposed building

- Bike Lane
- Transit Corridor
- Destination
- River View
- Landscape
- Wellness
- Sustainability
- Skyway

E. Recommendations

St. Paul

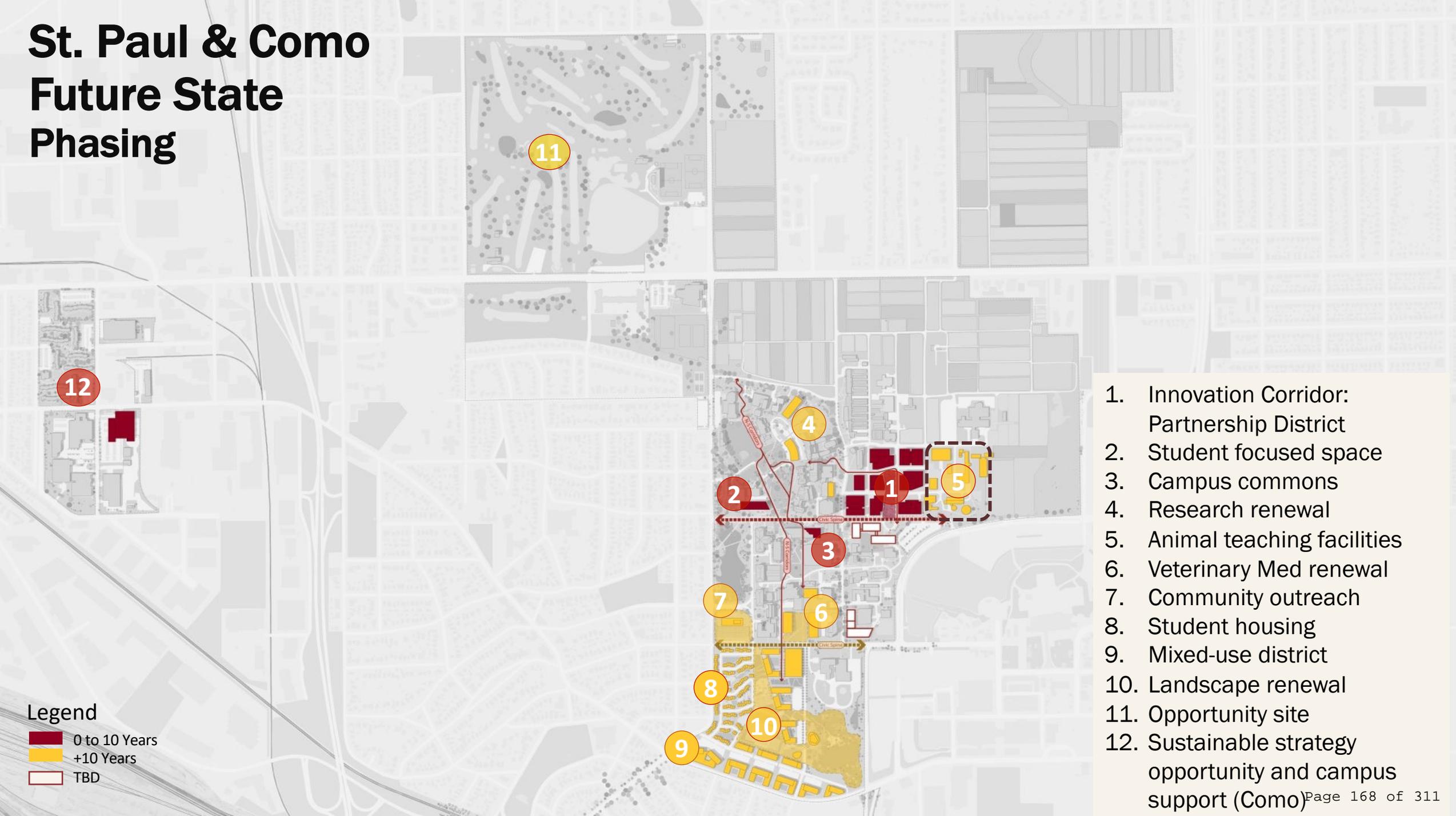
St. Paul & Como Future State Recommendations



1. Innovation Corridor: Partnership District
2. Student focused space
3. Campus commons
4. Research renewal
5. Animal teaching facilities
6. Veterinary Med renewal
7. Community outreach
8. Student housing
9. Mixed-use district
10. Landscape renewal
11. Opportunity site
12. Sustainable strategy opportunity and campus support (Como)

Legend
 Existing building
 Proposed building

St. Paul & Como Future State Phasing



- Legend**
- 0 to 10 Years
 - +10 Years
 - TBD

1. Innovation Corridor: Partnership District
2. Student focused space
3. Campus commons
4. Research renewal
5. Animal teaching facilities
6. Veterinary Med renewal
7. Community outreach
8. Student housing
9. Mixed-use district
10. Landscape renewal
11. Opportunity site
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St Paul Campus



- Legend
- Existing building
 - Proposed building

Partnership Development

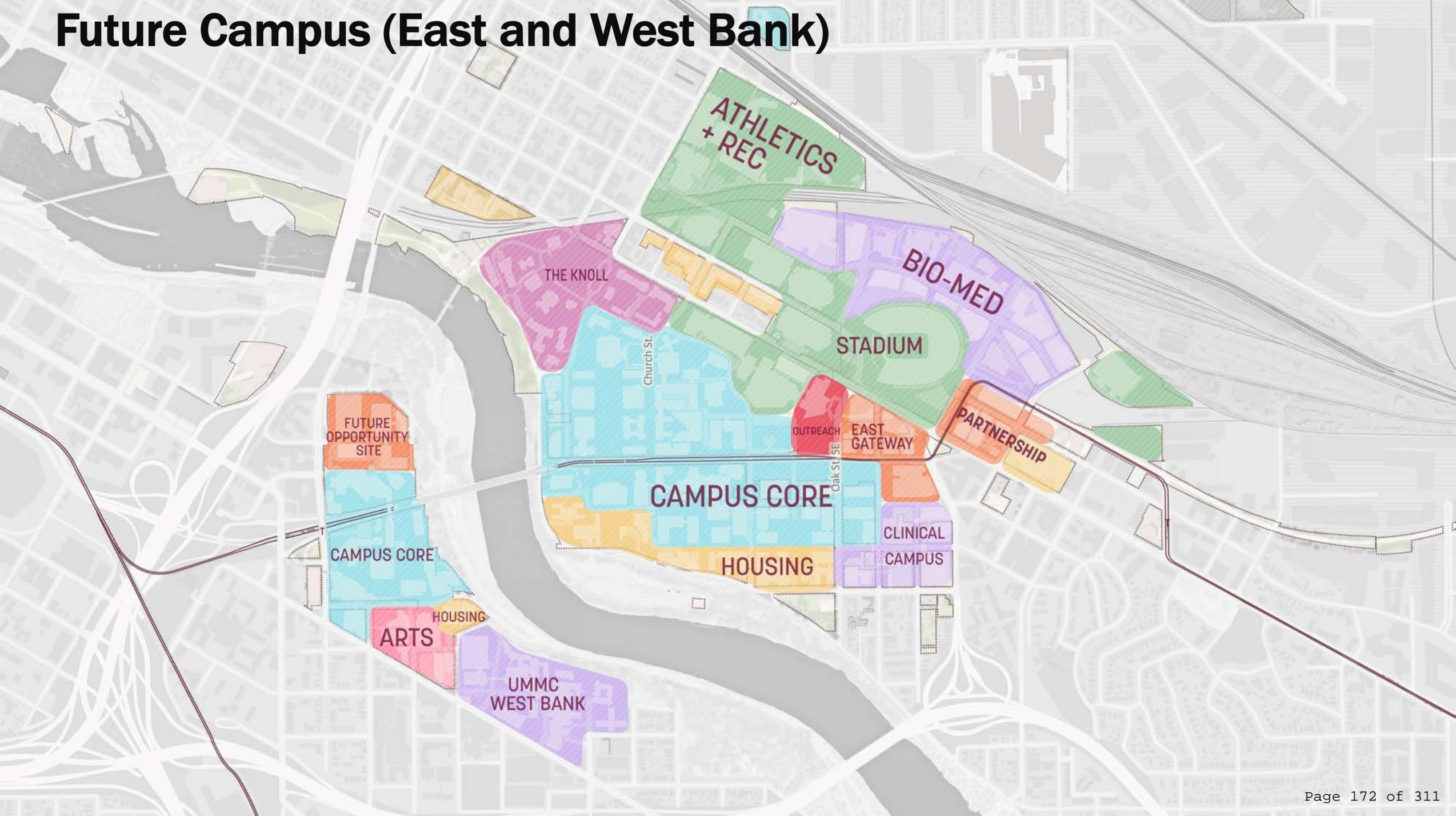


Legend

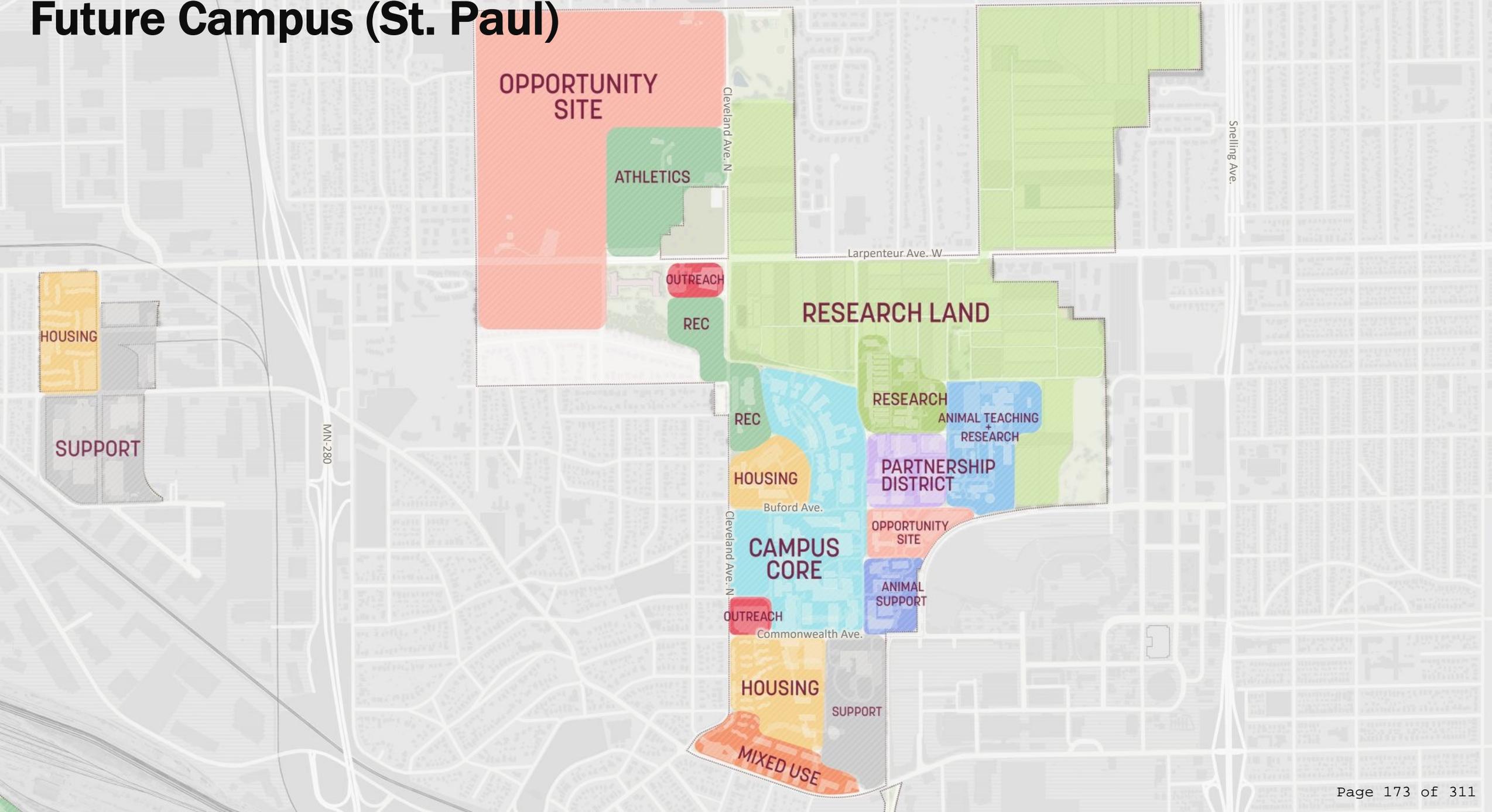
-  Existing building
-  Proposed building

F. Future Campus Overview

Future Campus (East and West Bank)



Future Campus (St. Paul)



Next Steps

Website and email

- Prior presentations and findings
- Comments, through September 15th

<http://z.umn.edu/campusplan>
planning@umn.edu

Focus group meetings

- Various

Regents Review

- October 2021

<https://regents.umn.edu/meeting-materials>

Regents Action

- December 2021



Thank you!



Twin Cities Housing Strategy Overview

Board of Regents • September 2021

This University housing overview provides context for the housing component of the Twin Cities campus master plan. It outlines the history of the campus' shift from a commuter to residential model, development of the housing program, Board actions informing housing strategy, and an update on the near-campus housing market. Current Board guidance regarding enrollment, housing targets, and the location of future housing inventory were established in 2016 and continue to guide the work of the housing staff and planning for capital investment.

University-owned and managed housing will continue to respond to and support the goals set by the Board and University leadership. In order to facilitate long-term planning, the following questions should be considered and resolved in order to guide the administration's work:

- What are the long-term undergraduate enrollment targets?
- What are the housing targets for first-year, second-year, and transfer students?
- What principles should guide University housing?
- What is the strategy for University capital and land holdings regarding apartment-style housing?

Overview

University-owned and managed housing exists to support the institution's academic mission, student development, and Board-adopted enrollment goals. University housing provides distinct facilities and programs that, in the aggregate, help students build a supportive social network. Institutional data show a clear correlation between a first-year University housing experience and higher GPA, higher retention rates, and higher four-year graduation rates. On the Twin Cities campus, Housing and Residential Life (HRL) manages this program. As a self-sustaining auxiliary service, HRL is required to generate revenues to cover expenses. This means that a carefully managed housing supply is critical to supplying enough capacity to support enrollment goals without an overabundance of vacant inventory that is not generating revenue.

HRL builds or leases sufficient capacity to meet Board-adopted enrollment goals. The current enrollment strategy, [adopted in March 2016](#), calls for undergraduate enrollment of 32,000-33,000 through 2024 with the following targets for students living in University-managed housing:

- 90% of first-year students
- 25% of those students returning for a second-year
- 10% of transfer students

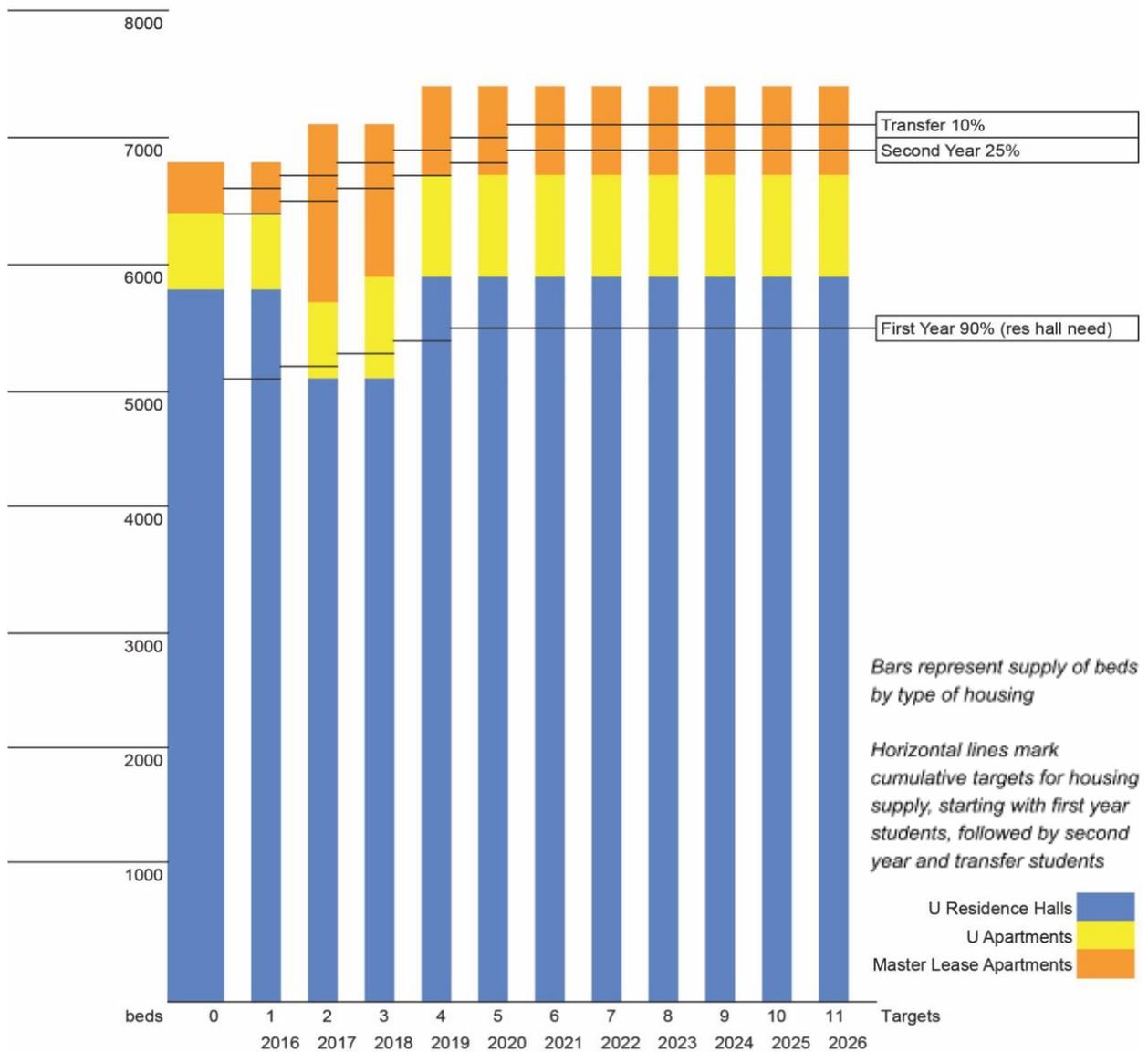
With the exception of FY2021 and the enrollment impacts from COVID-19, HRL is meeting housing targets for first-year and transfer students. And while the number of students returning for a second-year has been approximately 15% versus the target 25%, all second year students

who wish to are likewise accommodated in University housing. We are not seeing high demand for second-year students to live in University-managed housing.

The following chart was developed in response to the current Board-adopted enrollment plan. It shows that there is more than enough capacity to provide housing for the undergraduate student body that reflects the Board's enrollment and housing goals.

University Owned/Managed Housing Supply and Demand Forecast

July 2018



Types of University-Managed Housing

Residence Hall and Apartment Housing (primarily for undergraduates)

The University offers residence hall and apartment style housing for students, generally undergraduates. Available capital has largely been leveraged to build and maintain a residence hall experience, primarily for first-year students.

Current capacity (fall 2021) for University-managed residence halls and apartments is 7,558 beds, distributed as follows:

- Residence Halls 5,976
- Apartments 1,582 (includes 769 master leased beds)

Residence hall style housing design is integral to the type of academic and social support and community building that comes with the residence hall experience. It places students into smaller shared rooms with amenities such as a comprehensive dining program, laundry, and other activities outside of their private space designed to support the student's transition from home to more independent apartment living. Students' academic success is best served by starting their time at the University in University-owned facilities with a high level of supportive services, designed specifically to build community, nurture relationships, and enable student life staff to check in on student's well being and mental health. Students and parents both expect this type of model. Since this type of facility is not typically built by the private sector, the University is largely responsible for ensuring that it has an adequate supply of residence hall facilities to meet demand for (primarily) first-year student housing.

Apartment style housing is of greater interest to the private sector because it is not unique to the academic experience and can serve a broader market. University-owned apartment stock was built in the late-1990s and early-2000s, prior to significant private sector investment in the near-campus neighborhoods. Over the past two decades, the University has benefitted from the interest and willingness of the private sector to invest in apartment-style housing for upper division and graduate/professional students. Nearly 20,000 beds have been built during this time with more under construction. When additional capacity has been desired for University-managed apartment housing, master leasing entire buildings (short-term leases that do not impact the institution's debt capacity) has provided the ability to quickly shift inventory and respond to changing student preferences and variability in demand.

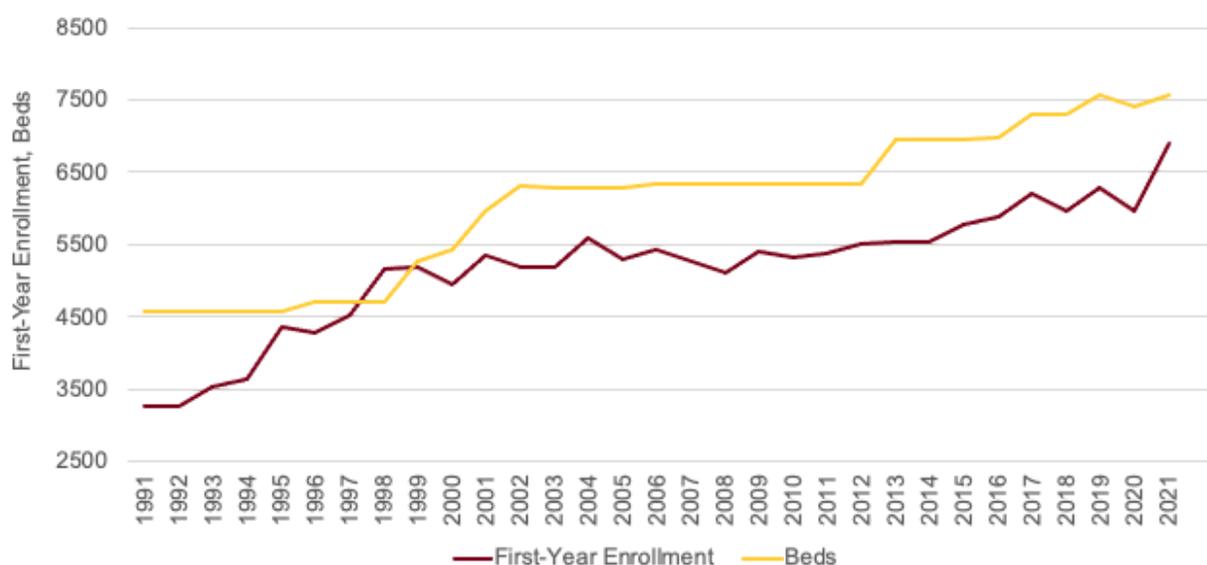
Cooperative Housing

The University also owns and oversees the Como Student Community and Commonwealth Terrace Cooperative. These facilities provide approximately 3,000 beds in 813 units, primarily serving graduate students and students with families. Because these facilities are managed by the cooperative and their respective student boards, they are typically not included in the discussion of available housing for undergraduates (residence halls and apartments).

Housing Responds to Institutional Priorities and Enrollment Targets

In the early-1990s, Admissions began to market living on campus as an important component of the University experience. HRL supported this effort by guaranteeing housing for all first-year undergraduate students who are admitted and submit a housing application by May 1. This has resulted in approximately 88%-89% of the first-year class living in University managed housing for the last ten years prior to COVID-19 (fall 2020 dropped to 49.2%, but has recovered for fall 2021 and is anticipated to be 76-78%). As enrollment has grown, University-managed housing has also grown through both new construction and master leasing facilities to avoid overbuilding and to manage room and board rate increases.

The chart below shows the parallel growth of enrollment and housing over the past thirty years.



Over this same time period, the Twin Cities campus has shifted away from the commuter campus model and towards the current residential and near-campus model. This has dramatically changed the housing landscape for both the University and the private sector. Because of the unique nature of residence hall-style housing, combined with strong encouragement that first-year students live on campus, first year enrollment is the single biggest factor driving demand for University-owned housing.

Through the mid-2000's, the University prioritized limiting rate increases for housing to control the total cost of attendance. This strategy pushed the University's housing rates to the lowest or near-lowest among its Big Ten peers, but led to underinvestment in housing and a clear need for reinvestment in and upgrading of facilities. Significant reinvestment in University-owned facilities began in the mid-2010s and has continued to this day. These facilities are built to remain in inventory for the long term, and it is usually more cost-effective to renovate and upgrade than it is to demolish and rebuild the same type of housing.

In the mid-2010s, the Board and University leadership engaged in long-term planning for the health sciences and the southeast gateway area. This vision, [adopted by the Board in July 2016](#), informs the locations for future new housing, which facilities are best suited for reinvestment, and ensures housing is aligned with campus plans. This vision and information will be considered by the Board in the new Twin Cities Campus Plan.

Housing and Affordability

Affordability of student housing is a critical component of the overall cost of attendance. Student housing rates include funding for a wide variety of student support services and programs not universally available to students in non-University housing. These include live-in professional staff, community advisors, 24/7 on-site management, utilities, student common spaces, and intentionally designed educational and social programs that focus on student development and community building.

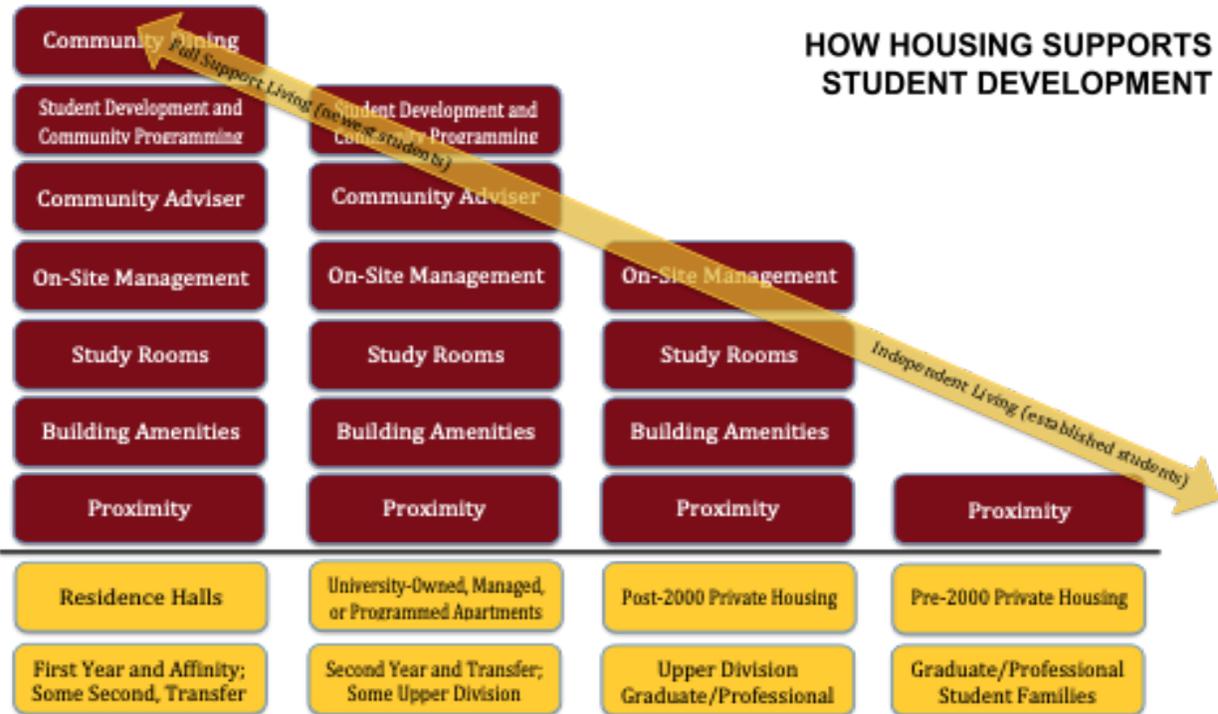
Rates also fund facilities costs for long-term improvements and on-going maintenance/repair costs in all residence halls and apartments, including residential dining facilities. Unlike non-auxiliary facilities, HRL fully funds depreciation to pay for all capital projects, renewals/replacements, and furnishings/equipment in the residence halls, apartments, and residential dining facilities (with the exception of FY2021 due to COVID-19). These funds are maintained in reserve accounts to fund capital projects and equipment replacements. Construction of new facilities or additions to existing buildings is financed by University issued bond debt, with principal and interest paid by HRL through room rate revenue. At present, there is approximately \$175 million in outstanding debt on University-owned housing.

Housing Principles

The purpose and goals of student housing change over the course of their time at the University. The following principles support decision making for University housing:

- **Safe**. Housing and the neighborhoods where the housing is located should provide a safe and healthy living environment.
- **Affordable**. Housing costs should align with the University's financial aid model allowance for housing used in calculating the University's total cost of attendance.
- **Convenient**. Housing should have readily available access to campus via transit, bicycle, walking, or other modes of convenient, affordable transportation, as well as access to the greater Twin Cities community.
- **Supportive**. Housing should offer appropriate levels of services and programs to support student success and community throughout their University career.
- **Well-Maintained**. Housing assets should be stewarded through managed costs, planned investment schedules, and adequate resource allocation.
- **Aligned**. Housing supports the institution's goals for enrollment and retention and responds to adopted long-term plans.

This philosophy is illustrated in the following chart:



Current Housing Inventory (undergraduate focus)

The University owns and manages nine (9) traditional residence halls, three (3) apartment buildings. The University has also master leased the Radius apartment building, located in the Dinkytown on 15th Avenue Southeast, since 2017. Under this arrangement, the University pays rent to the building owner and HRL in turn manages occupancy, collects rent, and staffs the building. All HRL policies and procedures apply to the occupants and essentially, from a student perspective, the facility operates just like any other University residence hall or apartment. The University previously master leased the east side of University Village from 1999-2019, followed by master leases with Radius and Keeler Apartments (prior to purchasing Keeler in 2018). These are mapped at the end of this document.

<u>Residence Halls</u>	<u>Year(s) Built/Expanded</u>	<u>Current Capacity</u>
Bailey Hall (Saint Paul)	1956, 1978	504
Centennial Hall (East Bank)	1949	691
Comstock Hall (East Bank)	1940, 1958	553
Frontier Hall (East Bank)	1958, 2002	735
Middlebrook Hall (West Bank)	1967, 2001	911
Pioneer Hall (East Bank)	1928, 2019	758
Sanford Hall (East Bank)	1920, 1967, 2002	526
Territorial Hall (East Bank)	1957, 1999	695
17th Avenue (East Bank)	2013	600
Total Residence Halls		5,976

<u>Apartments</u>	<u>Year(s) Built/Expanded</u>	<u>Current Capacity</u>
Keeler (East Bank)	2003 (purchased 2018)	164
Radius (East Bank)	2017 (master lease)	769
Wilkins (East Bank)	1996	134
Yudof (East Bank)	2002	505
Total Apartments		1,582
Total Housing Capacity		7,558

Near-Campus Housing Inventory

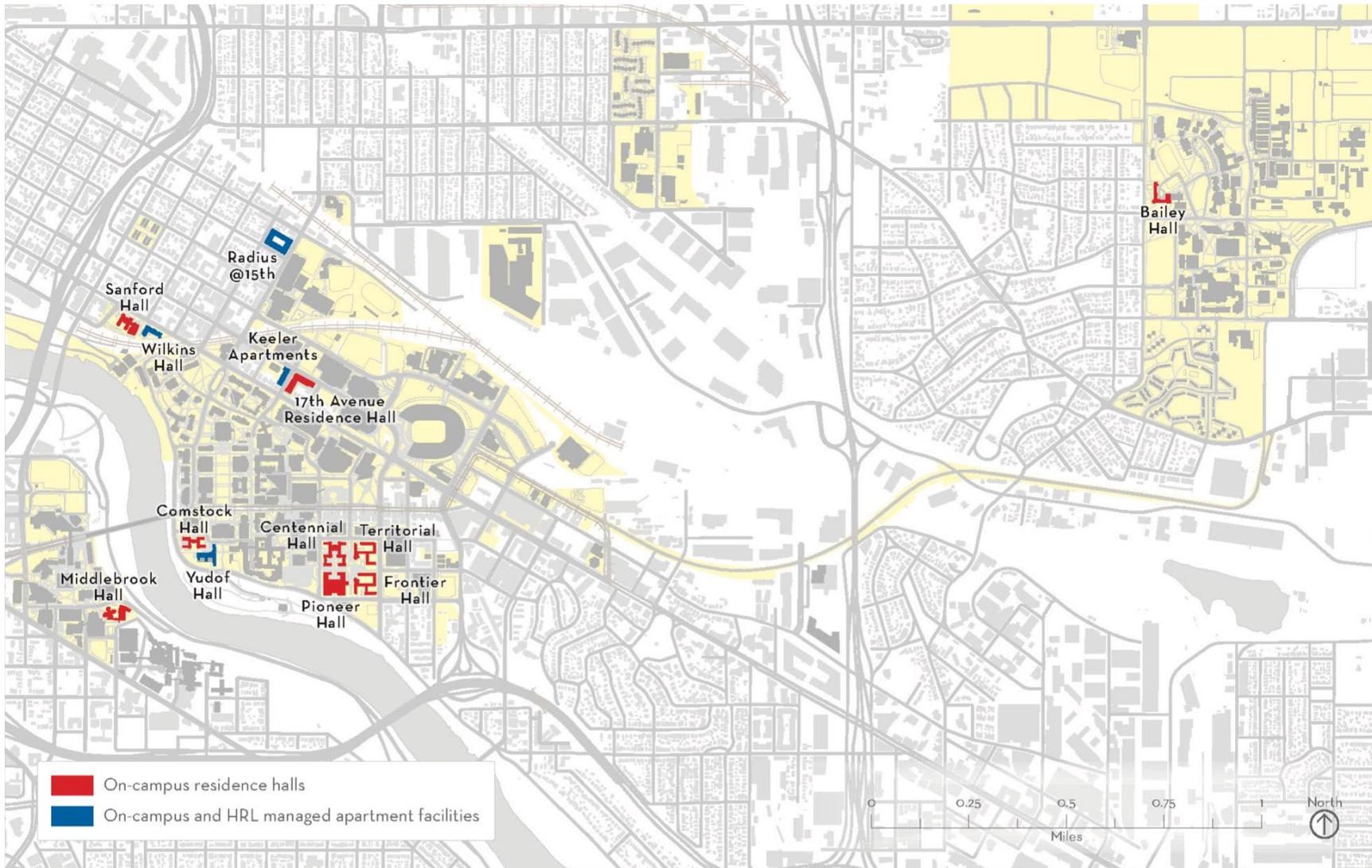
The University and the Foundation conduct an annual scan of the private sector (non-University) housing market surrounding campus. Information is obtained on average apartment rents as well as the capacity and vacancy rates in the larger complexes. There are currently over 14,000 apartments in 325 properties, with an estimated 20,355 shared and private bedrooms surrounding the Twin Cities campus. A map is provided at the end of this document that outlines the density and location of near-campus apartments (includes University-owned and Greek facilities).

Non-Profit Housing Inventory

In addition to private-sector apartments, non profit housing provides over 3,000 beds near campus. This includes about 1,300 Greek housing beds, approximately 1,000 beds in the University Foundation owned and managed Dinnaken Properties, and 500 units of non-University co-op housing in Dinkytown.

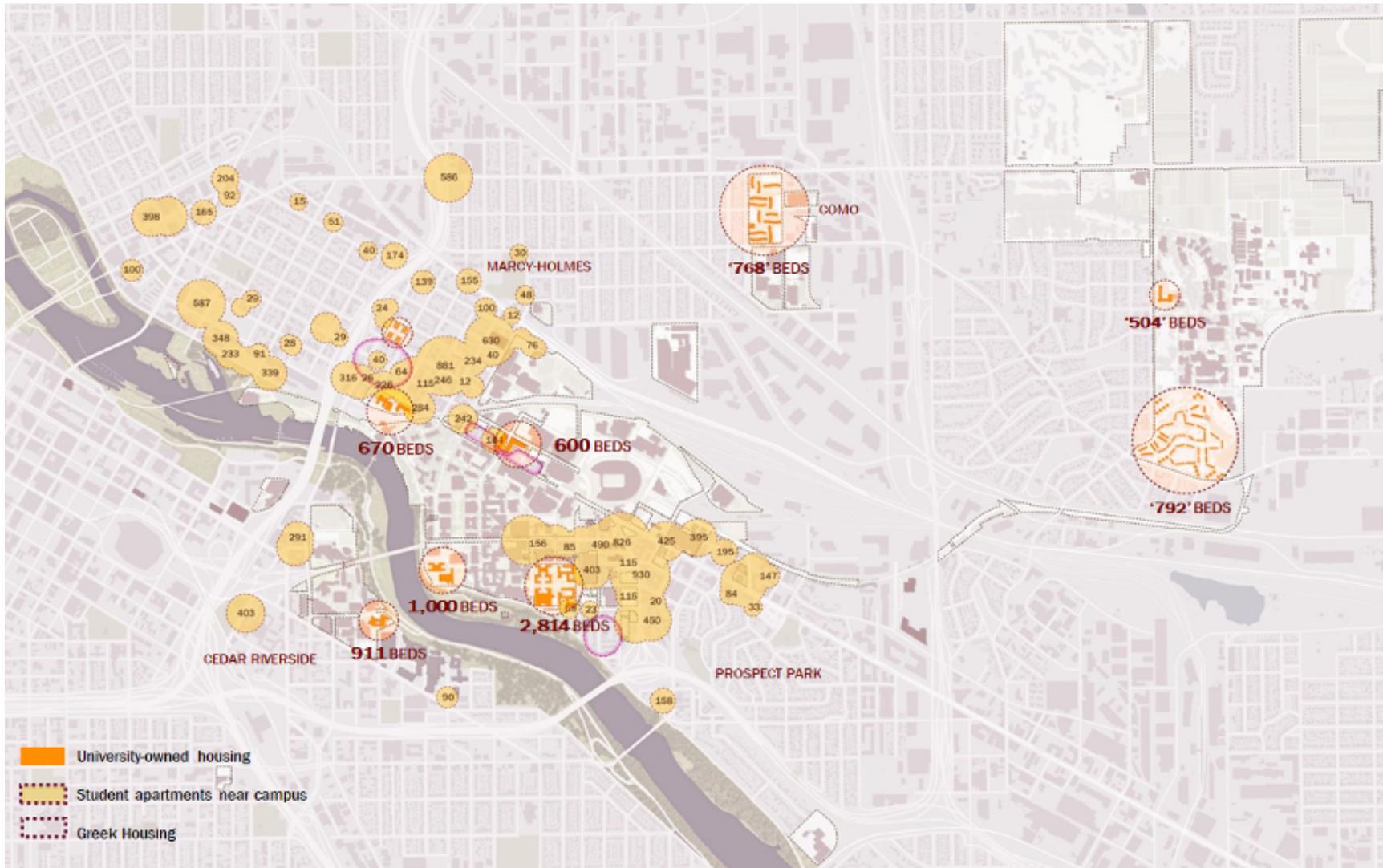
Residence Hall and Apartment Inventory

This map outlines the location of University-owned and managed residence halls and apartments for the Twin Cities campus.



Near-Campus Housing Inventory

This map outlines the density and location of near-campus apartments (includes University-owned and Greek facilities)



University of Minnesota Twin Cities Campus Plan

President Joan T. A. Gabel

Myron Frans, Senior Vice President

Michael Berthelsen, Vice President, University Services

Monique MacKenzie, Director of Campus and Capital Planning

Greg Havens, Principal, Sasaki

Board of Regents Finance & Operations Committee

October 7, 2021

Today's Presentation- Agenda

- A. Twin Cities campus
- B. Plan Drivers
- C. Big Ideas
- D. What We've Heard
- E. Future Campus Recommendations
 - West Bank
 - East Bank
 - Saint Paul (including Como area)
- F. Future Change Overview

How will we use this Campus Plan to make real change on campus?

- Link mission and strategic priorities to needed physical changes
- Prioritize capital resources in planning tools such as the Six-Year Capital Plan
- Initiate planning, design, and operational requirements across multiple units in order to implement plan objectives
- Draw on the Plan as a communications tool to work with partners towards mutually beneficial efforts.

A. Twin Cities campus

UMTC Urban Peers

UMTC's location, host economy and mission provide unique opportunities relative to its urban peers.



Comparative Regional Advantage- Talent

The contributions of the University to the local economy...is the human capital that we train and send into our economy. Corporations no matter the industry are in need of the type of talent found in professional management, because those skills are applicable across different industries.”

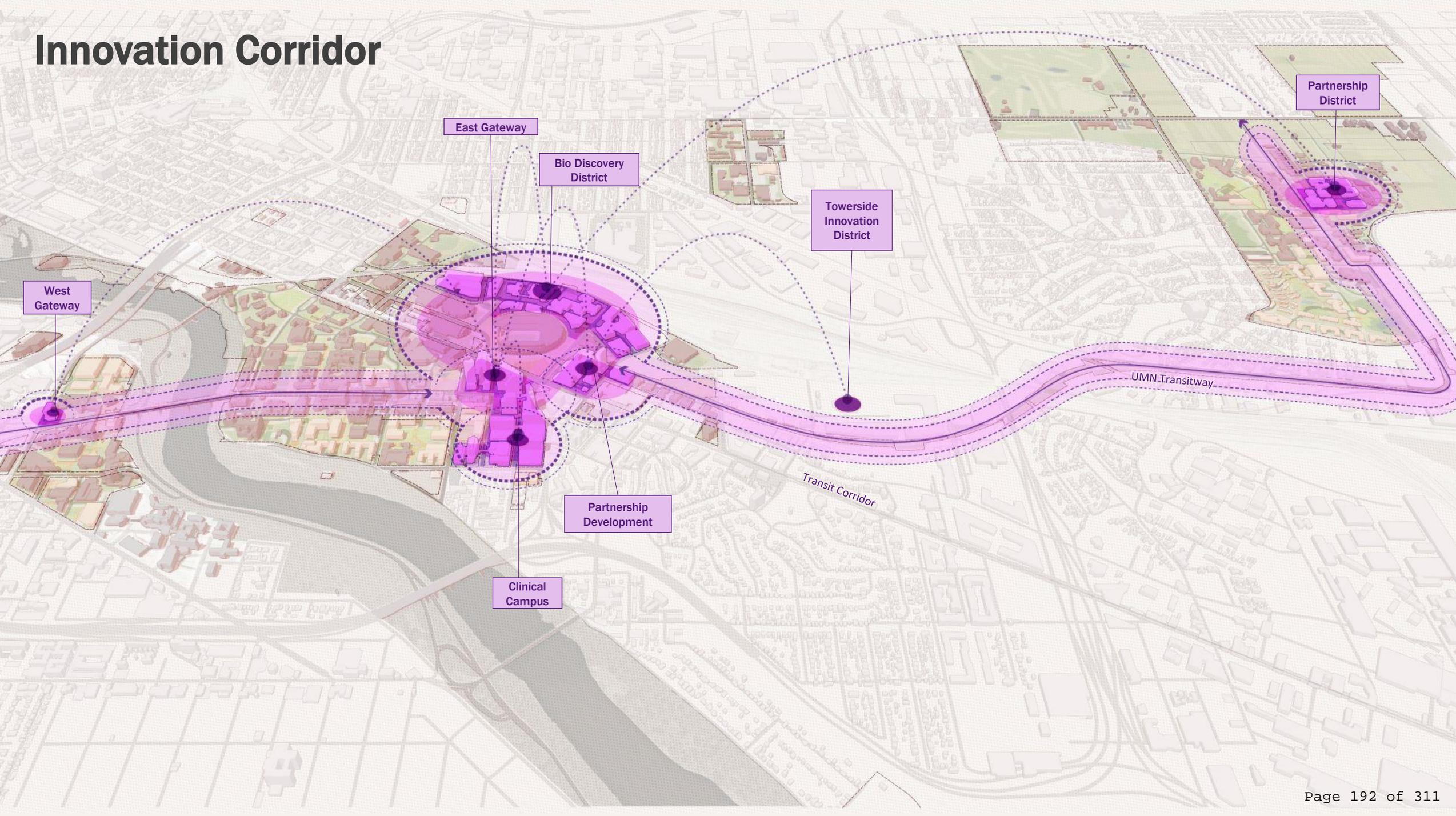
- Myles Shaver, PROFESSOR, CURTIS L. CARLSON CHAIR IN CORPORATE STRATEGY, Strategic Management & Entrepreneurship

Job Access **63.4%** Population with a commute time of less than 30 mins.
Peer Rank 1

Entrepreneurship **57.4%** Establishments surviving 5 years
Peer Rank 1

Talent Availability **40.5%** Population 25+with a bachelor’s degree or higher
Peer Rank 5

Innovation Corridor



West Gateway

East Gateway

Bio Discovery District

Towerside Innovation District

Partnership District

Partnership Development

Clinical Campus

Transit Corridor

UMN Transitway

The Planning Context



Minneapolis

MARCY
HOLMES

SOUTHEAST
COMO

FALCON
HEIGHTS

ST
ANTHONY
PARK

DINKYTOWN

Saint Paul

STADIUM
VILLAGE

PROSPECT PARK

CEDAR
RIVERSIDE

B. Plan Drivers

Plan Drivers

- University Mission Activity
- Regents' Systemwide Planning Principles
- Strategic Plan Commitments (MPact 2025)
 - Sustainability
 - Fiscal Stewardship
 - Student Success
 - Community Belonging
- Comparative Regional Advantages
- Post COVID campus
- Equitable Access and Universal Design
- Mobility

THE PLAN

Inspired by the State of Minnesota, MPact 2025 reflects our deepened commitment to research, teaching, and service, open access to opportunity, and forward-thinking innovation to advance the University's land-grant mission and impact the world.

MPact 2025 is specific and measurable. It has clear goals and action items. It is a guidepost for the kind of institution we want to be—and it will be adaptable to changing circumstances. Like most strategic plans, approximately 70% of this plan advances our historic mission and what we do well; 15% fixes where past practice got it wrong, or actually caused harm; and 15% promotes innovative ideas and operations. However, it is not a detailed playbook that provides an answer to every potential decision.

Commitments

Commitments represents the intersection of our values and action. They are like a spine to which all else is connected, and are intended to freely complement and interact with one another. The Commitments help us to articulate our vision at the 100,000 feet level, as well as provide direction to frame our organizational identity. The Commitments are inspiring, unifying, and impactful, but not constraining.

- 1: STUDENT SUCCESS**
Meeting all students where they are and maximizing their skills, potential, and well-being in a rapidly changing world.
- 2: DISCOVERY, INNOVATION & IMPACT**
Channeling curiosity, investing in discovery to cultivate possibility, and innovating solutions while elevating Minnesota and society as a whole.
- 3: MINTERSECTIONS**
Inspired by Minnesota to improve people and places at world-class levels.
- 4: COMMUNITY & BELONGING**
Fostering a welcoming community that values belonging, equity, diversity, and dignity in people and ideas.
- 5: FISCAL STEWARDSHIP**
Stewarding resources to promote access, efficiency, trust, and collaboration with the state, students, faculty, staff, and partners.



C. Big Ideas

Big Ideas Framework

Ideas are not prioritized

Campus Experience

1. Support patient care and the provider experience in the Health Sciences
2. Promote innovation through partnership development
3. Create a more inclusive campus
4. Enrich the student experience

Mobility

5. Make campus easier to navigate and prioritize pedestrian, bicycle, and transit circulation

Land and Buildings

6. Reinvest in the campus core
7. Align future development with the public realm framework
8. Enhance financial resiliency
9. Use land and resources sustainably
10. Engage the River

D. What We've Heard

Meetings, Focus Groups, and Town Hall Discussions

- Advisory Committee meetings (7x)
- Staff and other subject matter experts
- Student representatives and advisory Boards
- Neighborhoods and business associations
- UMN Foundation
- UMN Alumni Association
- Staff at municipalities and agencies
 - Minneapolis (City, Park Board)
 - MnDOT
- Campus survey
- Project website as broadcast tool
- Public access to prior presentations
- Webinar presentation of plan overview

Advisory Committee Topics and Themes



Student Experience



The River



Mobility



Getting To/Around Campus



Parking



Implementation

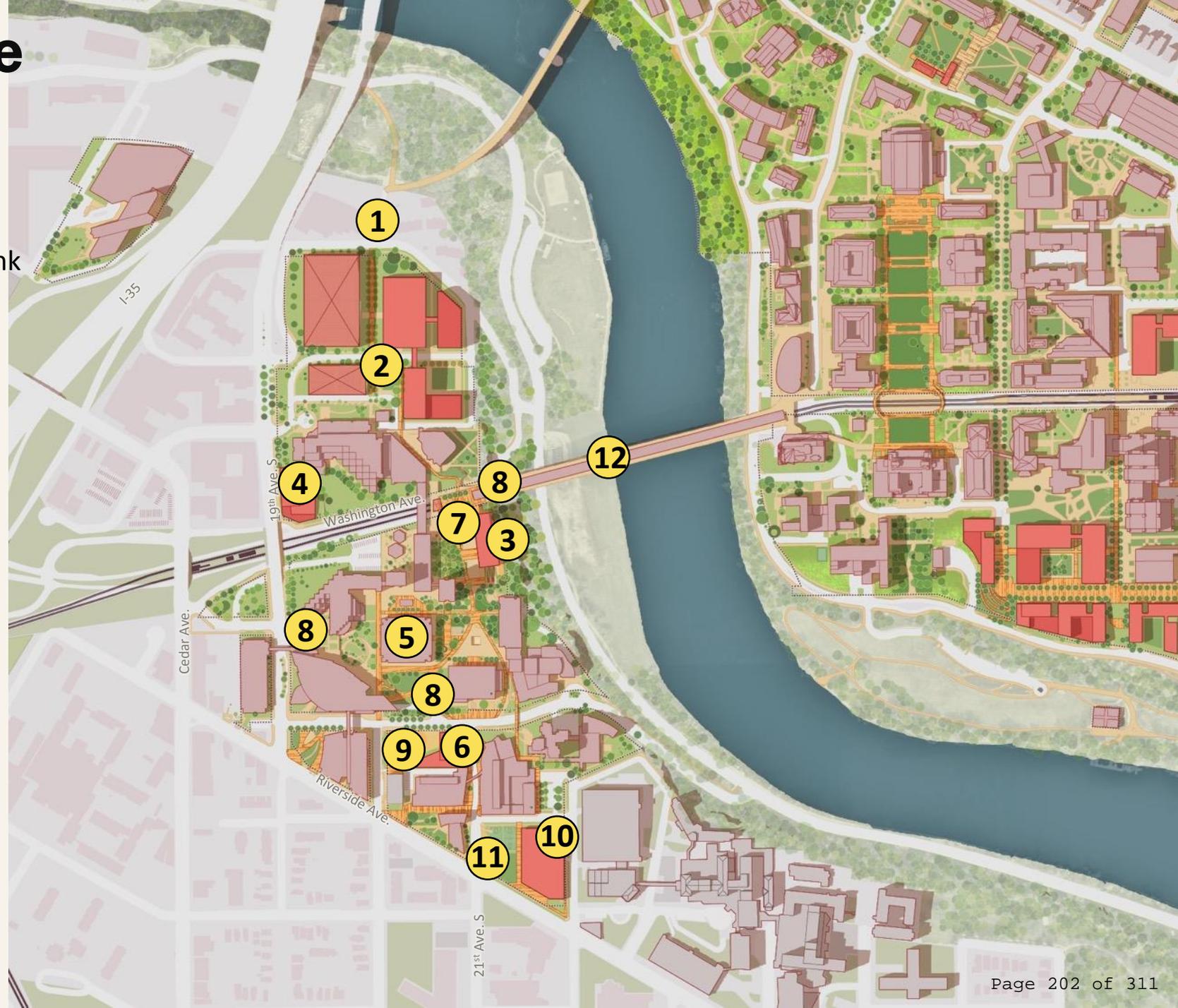
E. Recommendations

West Bank

West Bank Future State Recommendations

1. New pedestrian, bike connection to East Bank
2. Corridor and open space development
3. Student facing building (replacement)
4. Innovation Corridor: West Bank
5. Academic commons (Wilson Library)
6. Academic expansion
7. Improved transit connections
8. Wayfinding and pedestrian signage
9. Student focused new open space
10. Relocated parking (new structure)
11. Campus edge open space
12. Washington Avenue Bridge improvements

-  Existing building
-  Proposed building
-  Potential development site
-  Potential recreation site

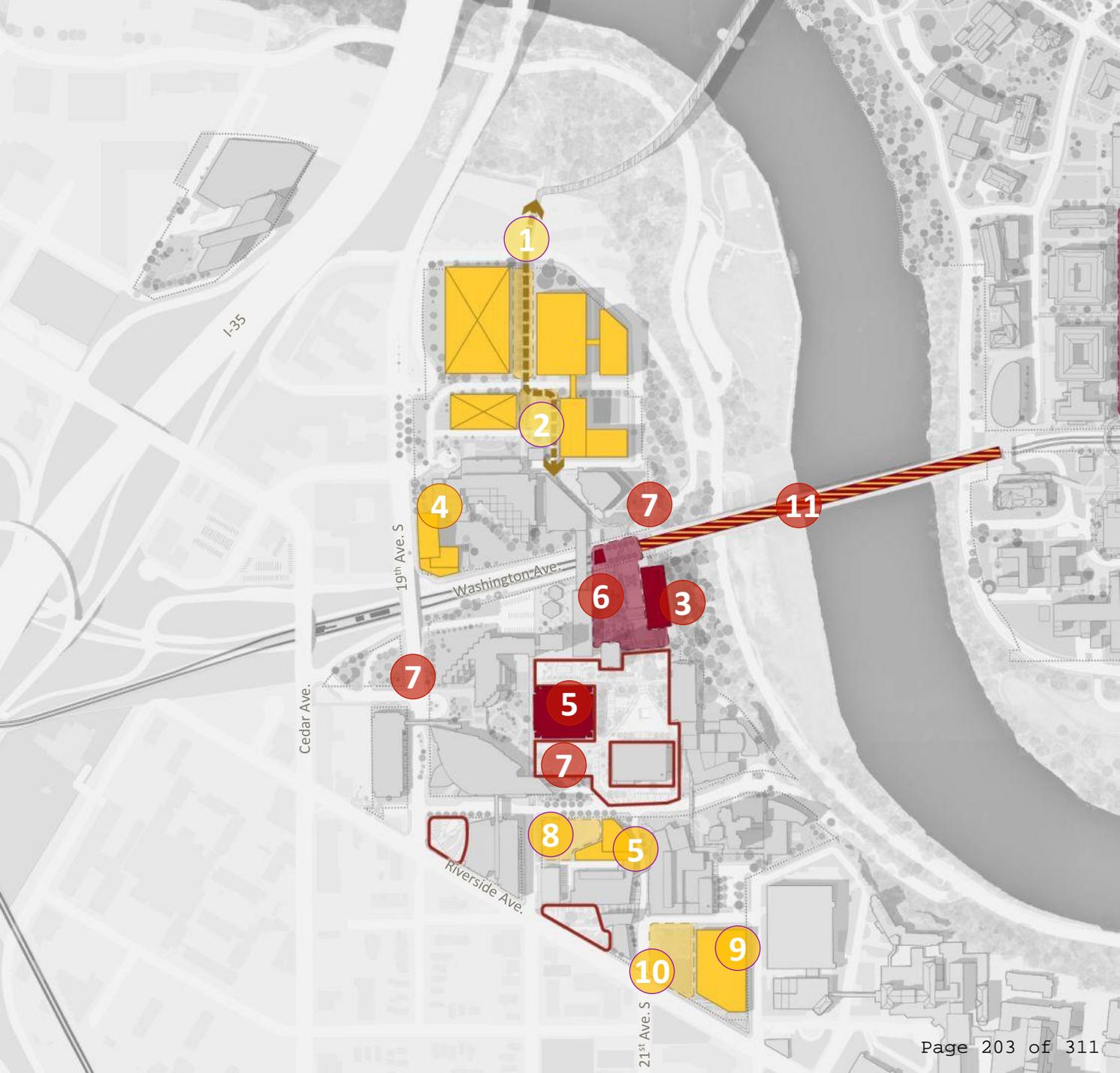


West Bank Future State-Phasing

1. New pedestrian, bike connection to East Bank
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3. Student facing building (replacement)
4. Innovation Corridor: West Bank
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11. Campus edge open space
12. Washington Avenue Bridge improvements

Legend

- 0 to 10 Years
- +10 Years



Future West Bank view from the east



- Legend**
- Parking
 - Sports
 - Art
 - Open Space
 - Food Service
 - Public Transit
 - Existing Building
 - Proposed Building
 - Pathways

Anderson Hall Replacement



- Legend**
-  Classroom
 -  Student Lounge
 -  Building Entrance
 -  Food Service
 -  Public Transit

Future West Bank view from the west



Legend

- Existing building
- Proposed building
- Parking
- Sports court
- Art
- Open Space
- Food service
- Retail
- Pathways

E. Recommendations

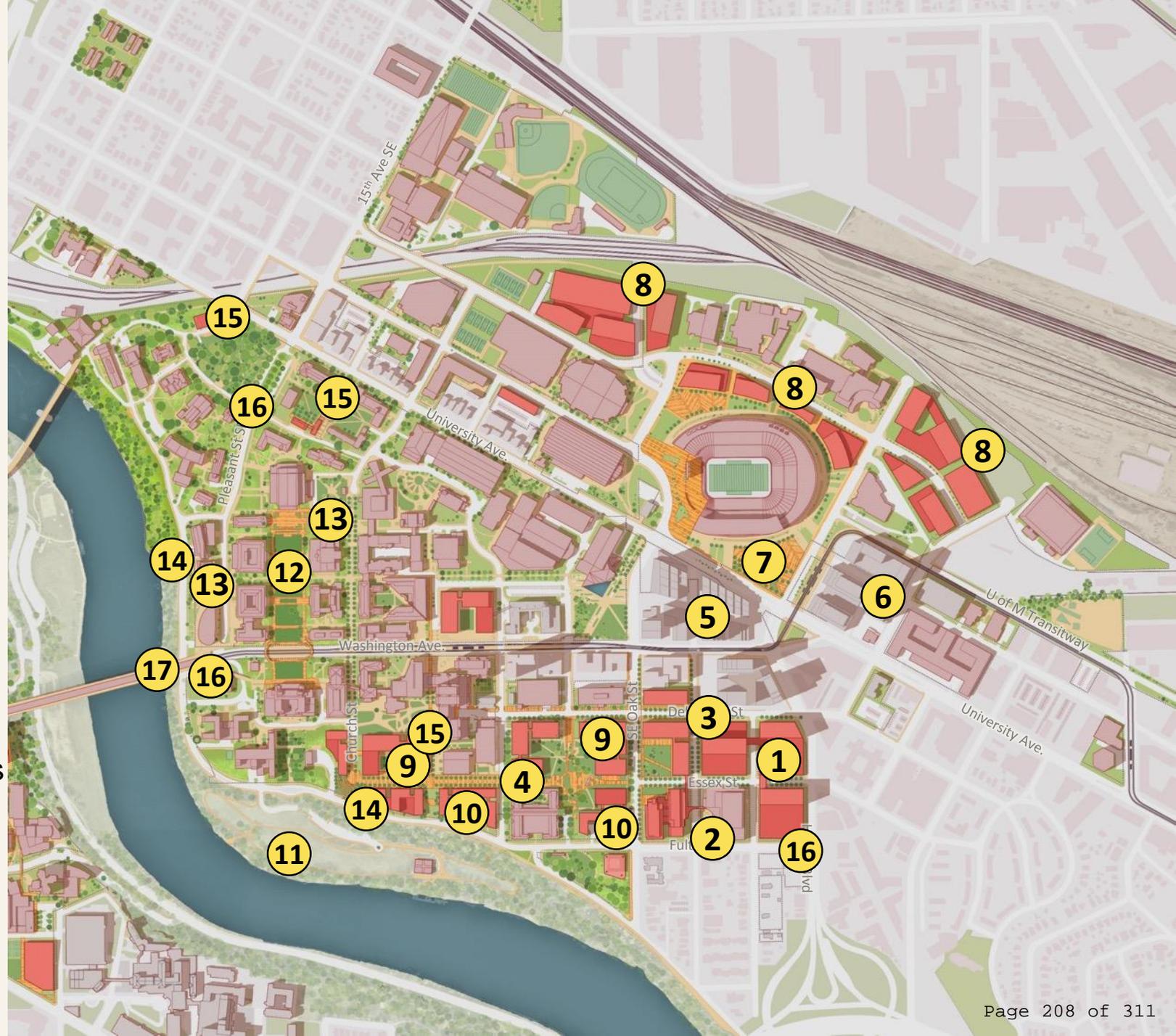
East Bank

East Bank Future State Recommendations

1. Hospital relocation
2. Clinical campus expansion
3. Delaware Connection
4. Essex Corridor
5. Innovation Corridor: East Gateway
6. Innovation Corridor: 2407 joint venture
7. Stadium open space expansion
8. BDD research expansion
9. Academic expansion
10. Housing redevelopment
11. River flats open space
12. Northrop Mall renewal
13. Renovation of student-facing buildings
14. River focused visual connections
15. Selective demolitions
16. Enhanced wayfinding throughout campus
17. Land acknowledgement opportunity

Legend

-  Existing building
-  Proposed building
-  East Gateway / 2407

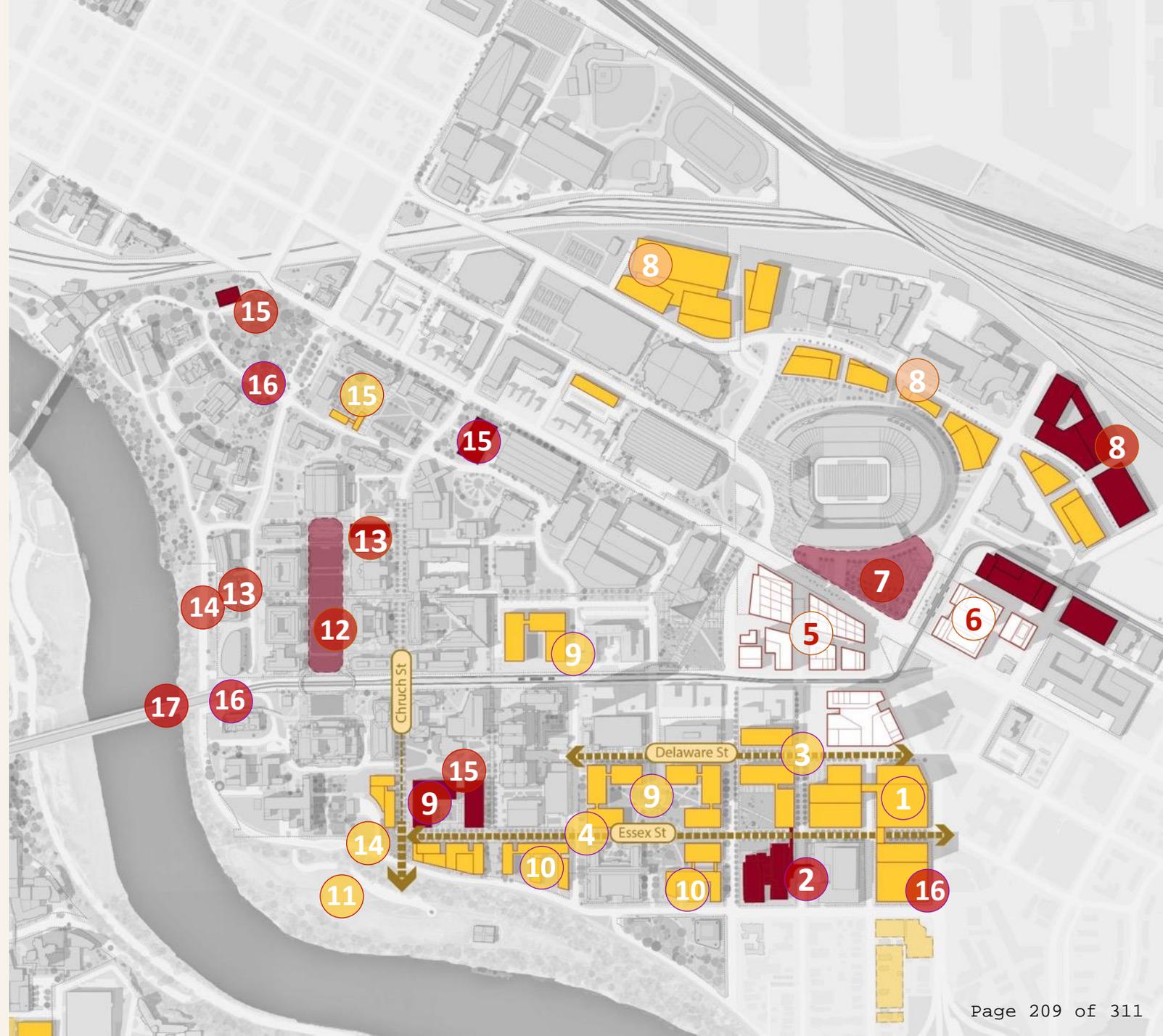


East Bank Future State Phasing

1. Hospital relocation
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12. Northrop Mall renewal
13. Renovation of student-facing buildings
14. River focused visual connections
15. Selective demolitions
16. Enhanced wayfinding throughout campus
17. Land acknowledgement opportunity

Legend

- 0 to 10 Years
- +10 Years
- Partnership Timeline



Future East Bank

view from the east



Legend

-  Existing building
-  Proposed building

The Knoll

- Demolish Peik Hall and open up the Knoll landscape
- Reforest Peik Hall site with similar mix of species at Knoll
- Introduce a Mobility Hub at the Peik Gym Site and Williamson
- Connections to Dinkytown, campus core, and river overlook
- Seating areas along pathways

Legend

-  Existing building
-  Proposed building

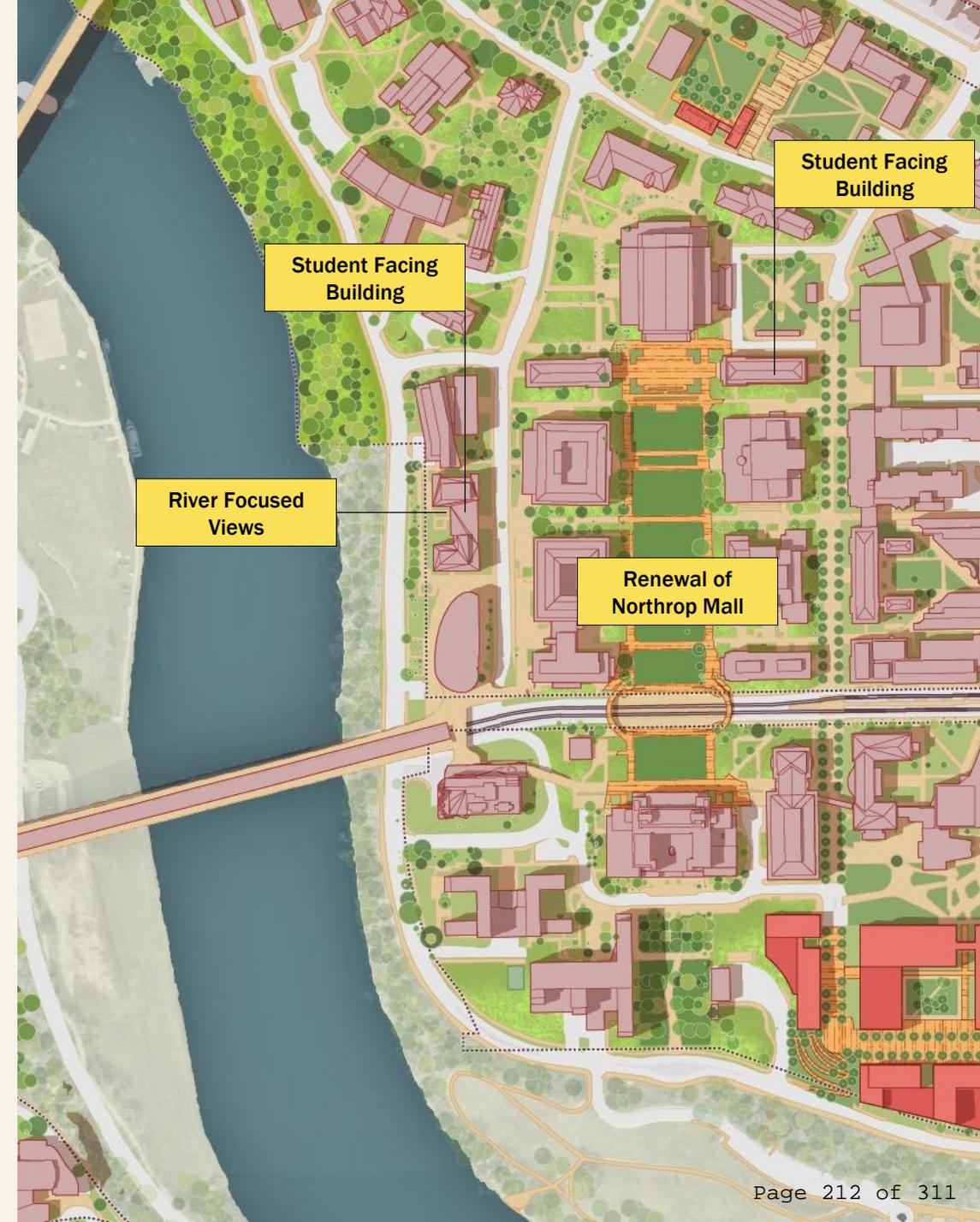


Academic Core

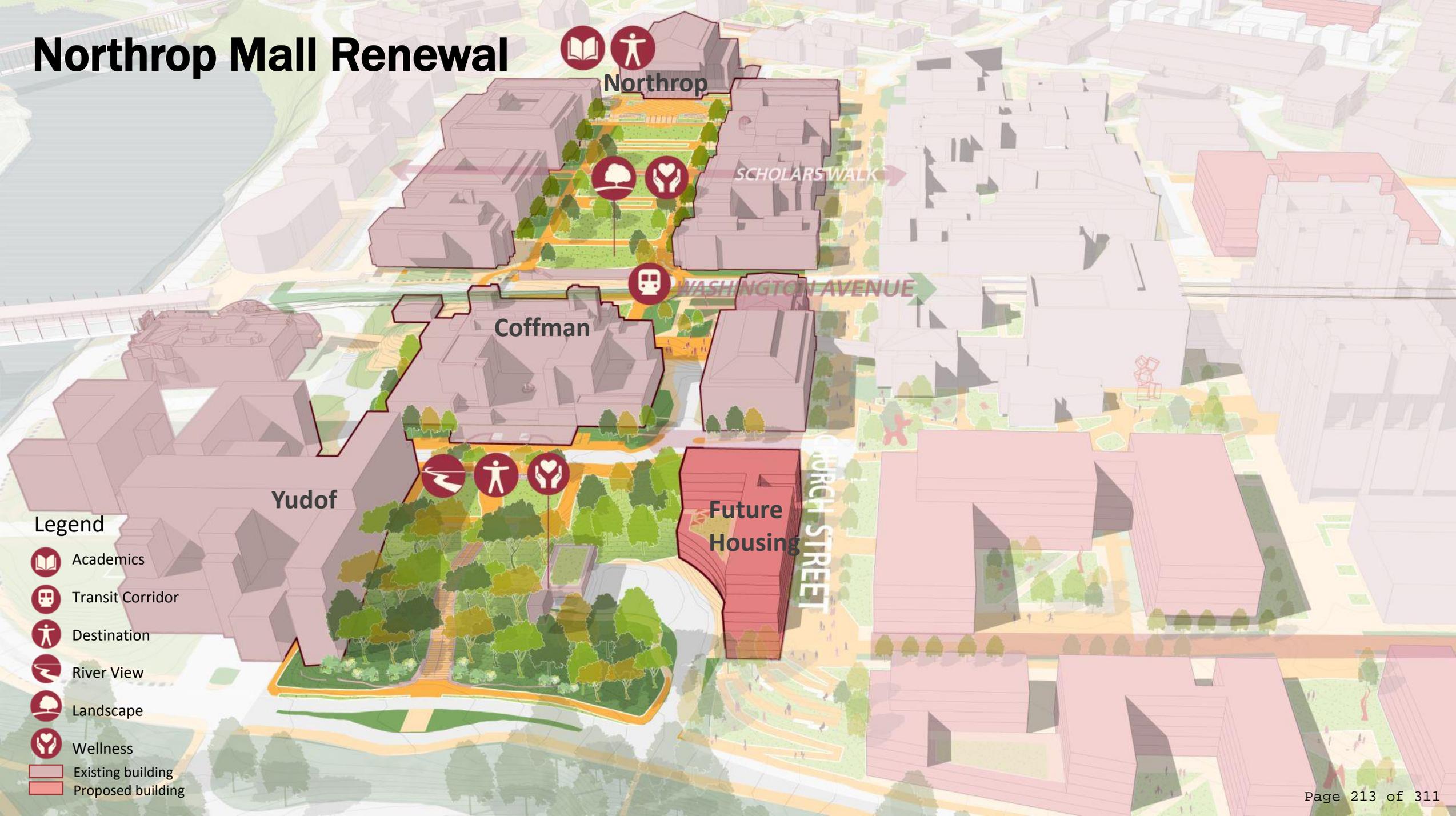
- Reinvest in the open space that defines Northrop Mall
- Renovate buildings adjacent to iconic open spaces to complement student-facing activity
- Create river focused connections (visual or physical) when investing in building and landscapes
- Allocate resources to renewing adaptable, older buildings in support of core academic activity

Legend

- Existing building
- Proposed building



Northrop Mall Renewal



Northrop



SCHOLARS WALK



WASHINGTON AVENUE

Coffman



Future Housing

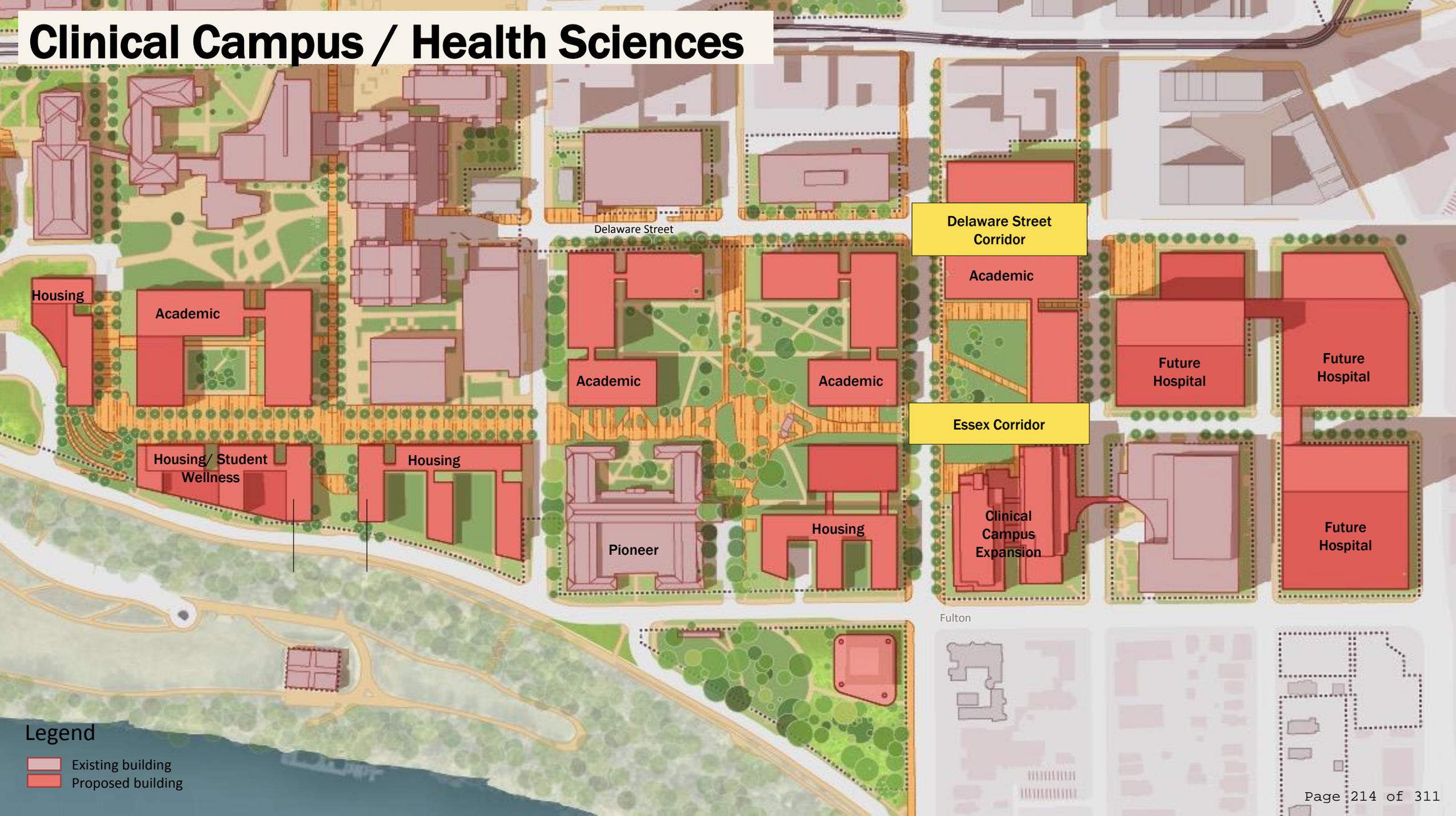
CHURCH STREET

Yudof

Legend

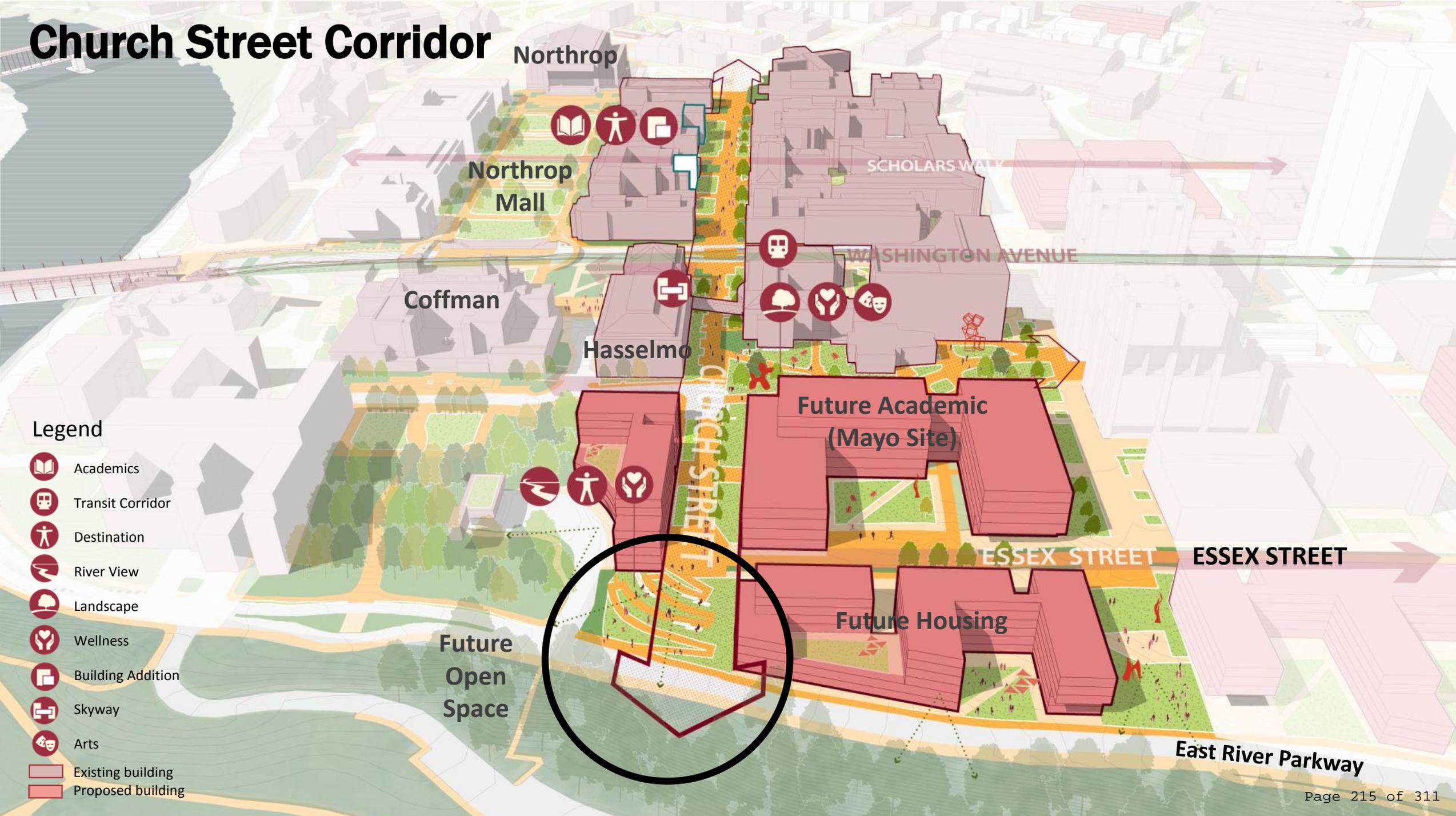
-  Academics
-  Transit Corridor
-  Destination
-  River View
-  Landscape
-  Wellness
-  Existing building
-  Proposed building

Clinical Campus / Health Sciences



- Legend**
- Existing building
 - Proposed building

Church Street Corridor



Northrop

Northrop Mall

Coffman

Hasselmo

Future Academic (Mayo Site)

Future Housing

Future Open Space

SCHOLARS WALK

WASHINGTON AVENUE

ESSEX STREET

ESSEX STREET

East River Parkway

Legend

- Academics
- Transit Corridor
- Destination
- River View
- Landscape
- Wellness
- Building Addition
- Skyway
- Arts
- Existing building
- Proposed building

Future Landmark, Church & Essex



Legend

-  Bike Lane
-  Housing
-  Gathering Place
-  Academic
-  Landscape
-  Proposed Building

Accessible Ramps connecting
Church / Essex Intersection
and East River Parkway

Essex Street Corridor

Downtown Minneapolis



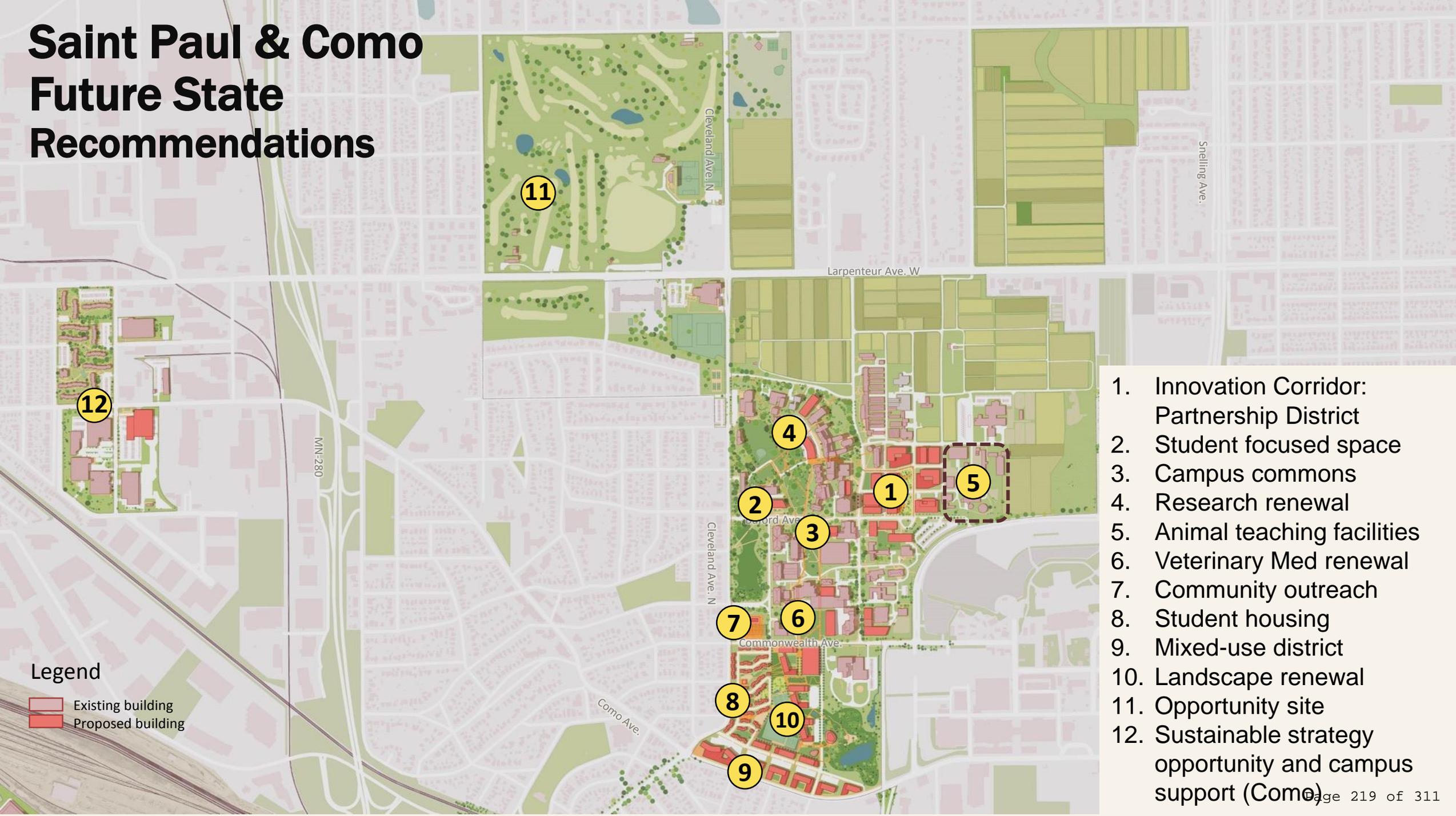
Legend

- Existing building
- Proposed building

- Bike Lane
- Transit Corridor
- Destination
- River View
- Landscape
- Wellness
- Sustainability
- Skyway

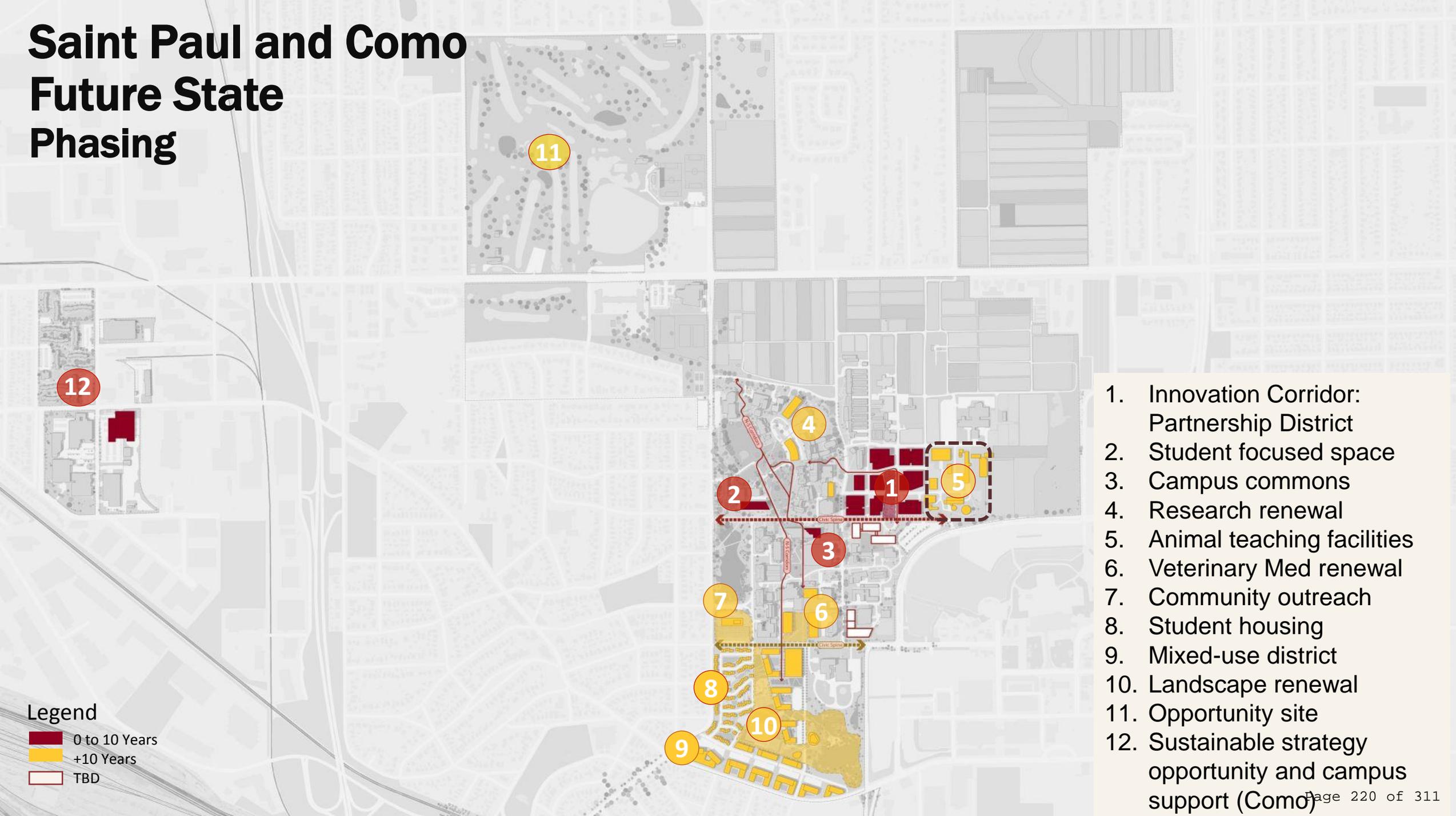
E. Recommendations Saint Paul

Saint Paul & Como Future State Recommendations



1. Innovation Corridor: Partnership District
2. Student focused space
3. Campus commons
4. Research renewal
5. Animal teaching facilities
6. Veterinary Med renewal
7. Community outreach
8. Student housing
9. Mixed-use district
10. Landscape renewal
11. Opportunity site
12. Sustainable strategy opportunity and campus support (Come)

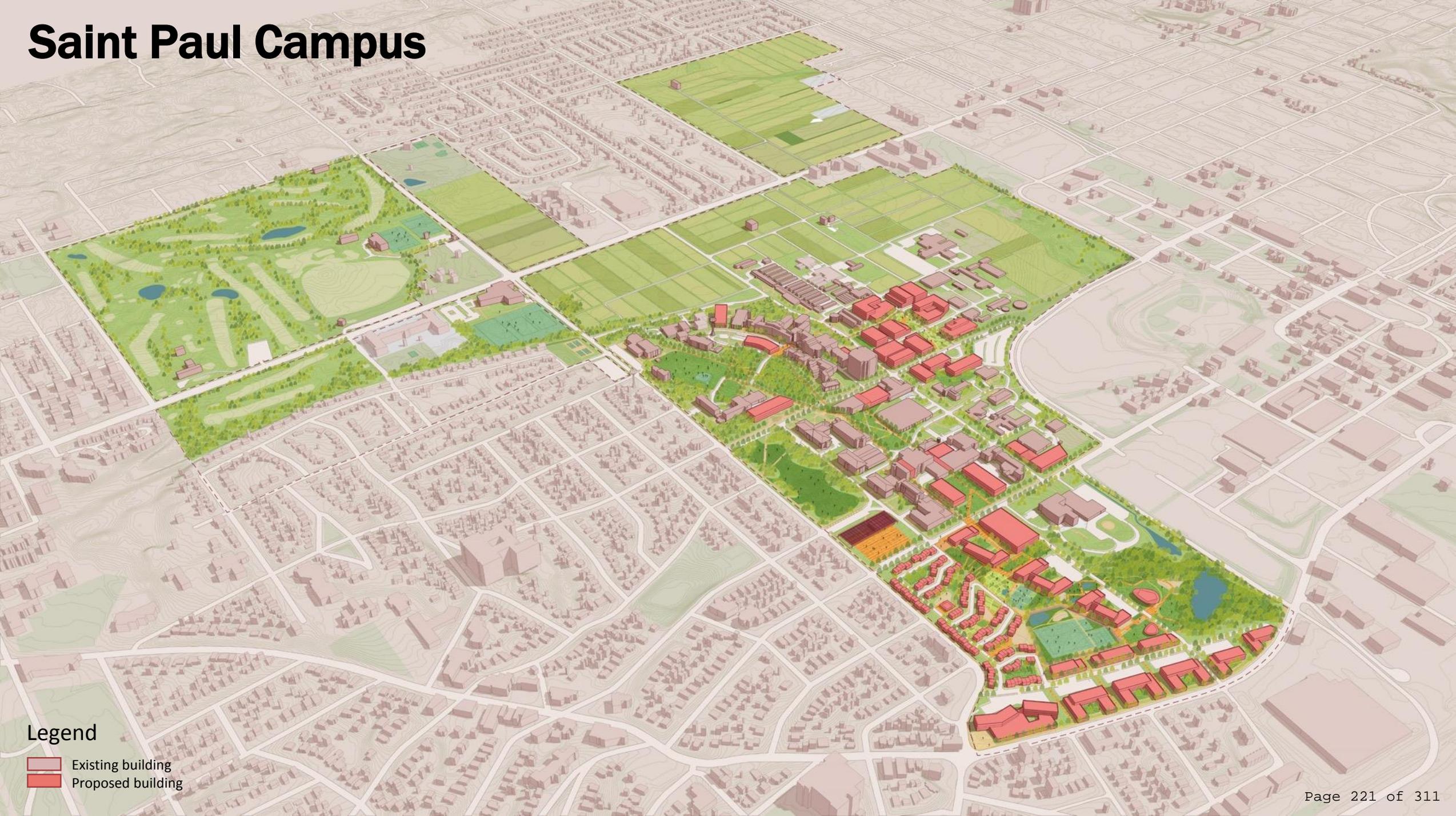
Saint Paul and Como Future State Phasing



- Legend**
- 0 to 10 Years
 - +10 Years
 - TBD

1. Innovation Corridor: Partnership District
2. Student focused space
3. Campus commons
4. Research renewal
5. Animal teaching facilities
6. Veterinary Med renewal
7. Community outreach
8. Student housing
9. Mixed-use district
10. Landscape renewal
11. Opportunity site
12. Sustainable strategy opportunity and campus support (Como)

Saint Paul Campus



- Legend**
- Existing building
 - Proposed building

Partnership Development

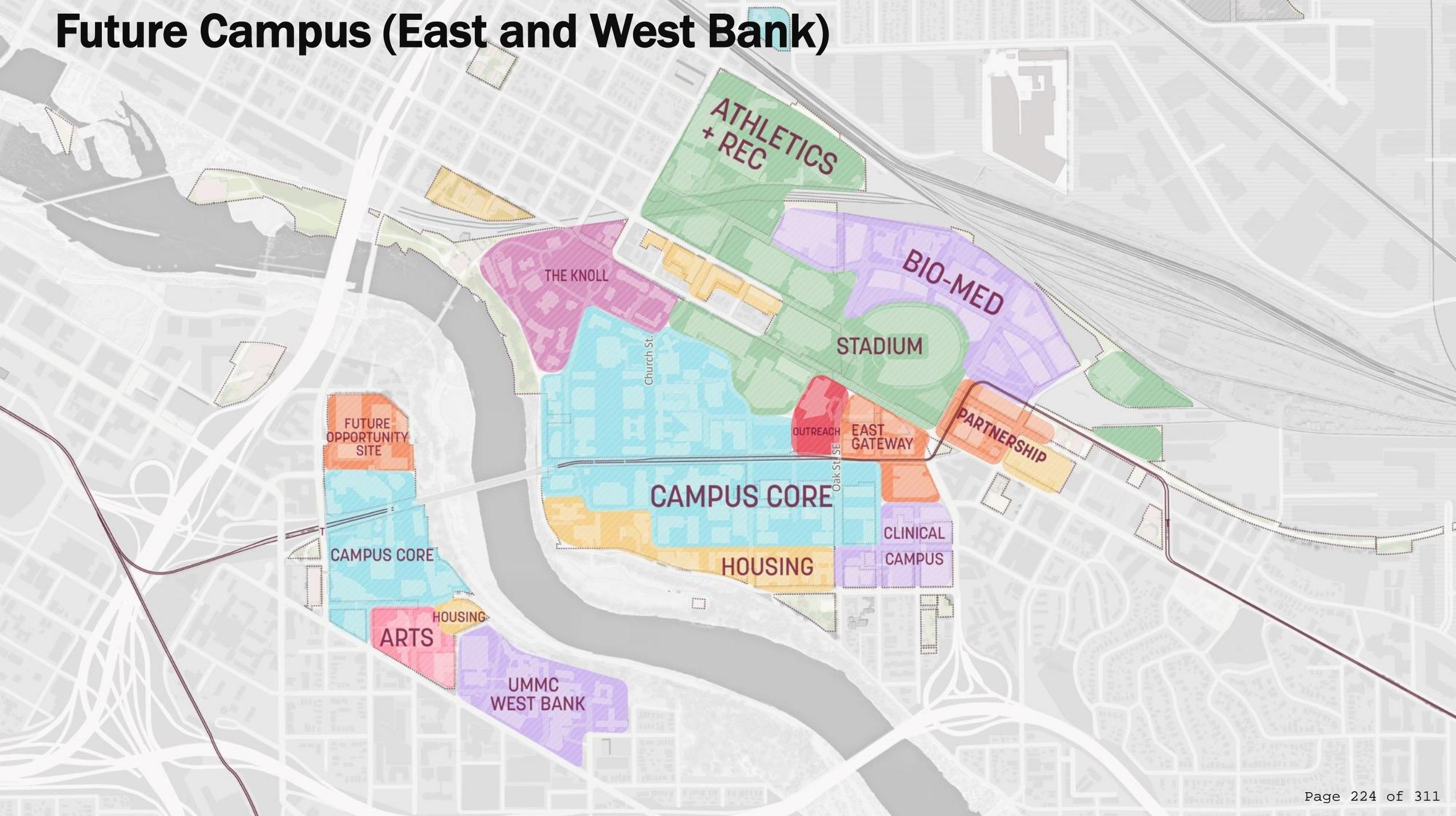


Legend

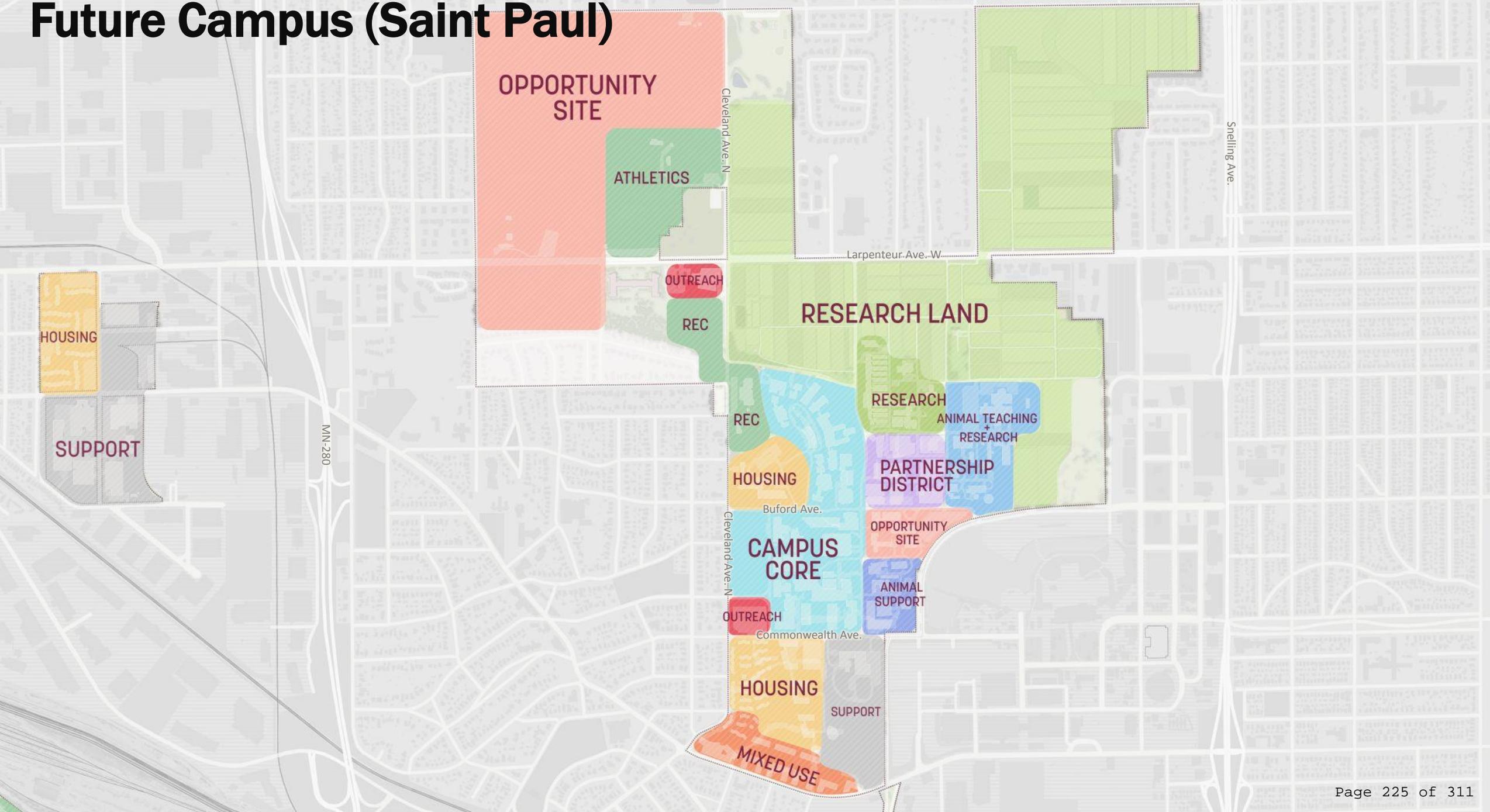
-  Existing building
-  Proposed building

F. Future Campus Overview

Future Campus (East and West Bank)



Future Campus (Saint Paul)



Next Steps

Website and email

- Prior presentations and findings
- Comments, through September 15

**<http://z.umn.edu/campusplan>
planning@umn.edu**

Focus group meetings

- Various

Regents Review

- October 2021

<https://regents.umn.edu/meeting-materials>

Regents Action

- December 2021



Thank you!





BOARD OF REGENTS DOCKET ITEM SUMMARY

Finance & Operations

October 7, 2021

AGENDA ITEM: Proposed Operating Model for Twin Cities Campus Dining Program

Review

Review + Action

Action

Discussion

This is a report required by Board policy.

PRESENTERS:

Michael Berthelsen, Vice President, University Services

Amy Keran, Director of Contract Administration, Auxiliary Services

PURPOSE & KEY POINTS

The purpose of this item is to provide an update on the proposed operating model for the Twin Cities campus dining program (contracted vs. self-operated), information about the progress of the Request for Proposal (RFP), findings of the self-operation analysis, and plans for advancing the RFP process with recommended vendors. Purchasing Services has facilitated a competitive RFP process, and Auxiliary Services has engaged an external consultant to assist with development of the future dining program priorities as well as a proforma for a self-operated dining program. This item seeks the committee’s feedback on the proposed plan to inform a final recommendation for review and action in December.

Following a full semester of campus consultation and engagement, a set of principles and priorities were developed that incorporated student and other stakeholder feedback. Porter Khouw Consulting (PKC), a national firm of foodservice consultants, designers, and market research experts, was engaged to assist with the development of the RFP as well as a complete self-operation proforma. A Student Advisory Committee met throughout the consultation and RFP development process. The primary focus of the RFP is for the “core business lines” (residential, retail, and catering) with supplemental operations for Intercollegiate Athletics and the Landscape Arboretum. Respondents could bid on any one or all of these lines of business. The work of PKC was further refined to reflect the University’s business processes, requirements, and standards.

A Management Committee, which included functional leaders and student representation, established criteria around program, financial, sustainability, corporate/social responsibility, and business community economic development priorities. This information was incorporated into the RFP, which was also reviewed and consulted with the Student Advisory Committee. The Management Committee issued the RFP and then reviewed and scored the RFP responses and the self-operation proforma using the same measures. Upon assessment of the results, coupled with an analysis of the opportunities and risks of a self-operated program, the recommendation is that the core business lines remain a contracted operation, and that the University advance the RFP process by entering into contract negotiations with the recommended vendor, Chartwells. If contract negotiations are successful, the RFP will be awarded and Chartwells will begin providing services on July 1, 2022, pending Board approval

Unit leaders from Intercollegiate Athletics and the Landscape Arboretum engaged with Contract Administration to conduct a similar review and scoring of RFP responses for their operations. These units recommend advancing the RFP process by entering into contract negotiations with the recommended vendors: Aramark (Intercollegiate Athletics) and Chartwells (Landscape Arboretum). If contract negotiations are successful, the RFPs will be awarded and Aramark and Chartwells will begin providing services, also effective July 1, 2022, pending Board approval. Consistent with the principles discussed with the Board in September 2019, these operations will not be subsidized or receive operational support from the core business lines.

BACKGROUND INFORMATION

Dining services on the Twin Cities campus have been a contracted operation since 1998. The existing food service contract was approved by the Board in 2008, with options for extension. The Board was briefed and provided feedback on the proposed process for assessing the current and future dining program in September 2019; an extension to the existing dining contract with Aramark was approved in October 2019. Due to the impacts of COVID-19 on the food service industry as well as University auxiliary operations, an additional contract extension was approved in September 2020.

Update on the Future Dining Program (Twin Cities Campus)

Michael Berthelsen, Vice President, University Services

Amy Keran, Director of Contract Administration, Auxiliary Services

Finance & Operations Committee

October 7, 2021



Status of the Future Dining Process

This presentation will focus on the Administration's recommendation regarding the delivery of the dining program (contracted vs. self-operated), information about the progress of the RFP, findings of the self-operation analysis, and plans for advancing the RFP process with recommended vendors.

Program Review Timeline



UMTC Future Campus Dining Task Force

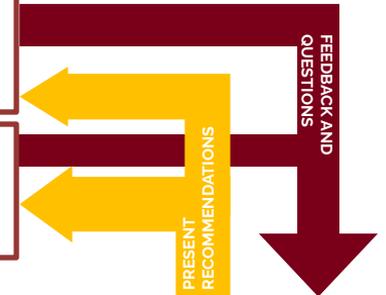
President and Board of Regents

Executive Committee

Frans – Tonneson – Cramer – Tolar – Croson – Kramer – Berthelsen – Phillips

Management Committee

Berthelsen – McMaster – Swanson – McLaughlin – Towle – Stubblefield – Holm (Student Rep)
Staff: Keran, Finance Analyst



Primary RFP Business Lines

- Residential Dining
- Catering
- Retail

Subject Matter Experts

- OIT/ASIS
- OGC
- OHR/USHR
- Purchasing
- OBCED
- Govt Relations
- Sustainability Office
- Tax
- UHS
- Waste Recovery
- Controllers Office

Independent Program Contract Owners

- Intercollegiate Athletics
- Minnesota Landscape Arboretum
- Bell Museum

University Consultation

- Faculty Consultative Committee
- Student Senate Consultative Committee
- Senate Committee on Finance and Planning
- Senate Social Concerns Committee

Student Advisory Committee *(one representative from each group)*

- Student Senate
- Minnesota Student Association
- Council of Graduate Students
- Professional Student Government
- SUA Board of Governors
- College of Food, Agriculture, and Natural Science Student Group
- Student Athletes Advisory Board
- Residential Advisory Board
- Recreation Wellness Advisory Board

Campus Consultation

- Over 250 students, faculty, and staff participated in 40 focus groups or open forums and 30 interviews with key stakeholders
- 2 All-Campus Surveys generated 13,000 responses
- MSA Survey and MSA Report
- Over 20 campus departments and/or stakeholders consulted



Ongoing Engagement

- Biweekly Student Advisory and Management Committee meetings
- Updates with MSA, COGS, PSG, Senate Committee on Finance and Planning
- Contracted with external consultant for assistance in developing the RFP and self-operation business plan



Student Priorities

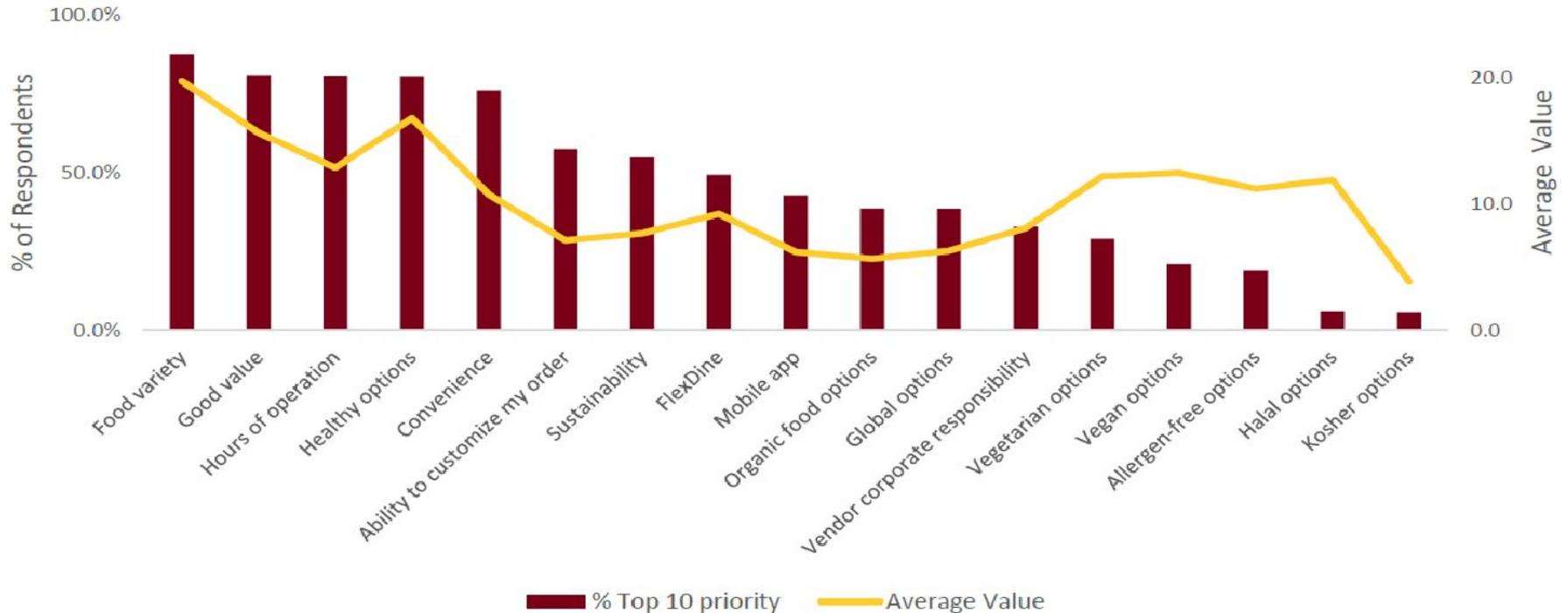
(MSA Survey, 2017)

not presented in any specific order, student priorities have varied over time

- Inclusive dietary offerings
 - Vegan, vegetarian, gluten-free, allergen-friendly, Kosher, Halal
- Food quality
- Food labeling
- Sustainability
- Penalties for non-performance
- Business ethics, corporate responsibility
- Self-operated dining program



Student Priorities (Contract Administration Survey, fall 2019)



Residential Dining Plans

Current

- 11 meals per week with FlexDine
- 14 meals per week with FlexDine
- Anytime Dining with FlexDine

Proposed

- Unlimited Dining with FlexDine



Residential Dining Hours of Operation

Current

- Pioneer: 7am - 12am
(open the entire time)
- Bailey, Comstock,
Middlebrook, Sanford,
17th Avenue: 7am - 8pm
(closed between meal periods)

Proposed

- Pioneer, 17th Avenue:
24 hours weekdays
7 am - 12 am weekends
- Bailey, Middlebrook:
7am - 12am all days
- Comstock, Sanford:
7am - 10pm all days



Social Responsibility/Corporate Ethics

- Placed a high priority on working with contractors who align with our values
- Requested information on the philosophy, plans, strategies, and metrics related to the following areas:
 - Diversity, equity, inclusion, and justice
 - Sustainability and responsible sourcing
 - Community engagement
 - Student development and student jobs
 - Philanthropy



Self-Operation Proforma

- University must commit to everything we expect from contractors
- Understand resources needed, such as systems, equipment, training, etc.
- Assess staffing for the dining operation and supporting departments
- Develop timeline for self-operation implementation



RFP/Self-Operation Review Factors

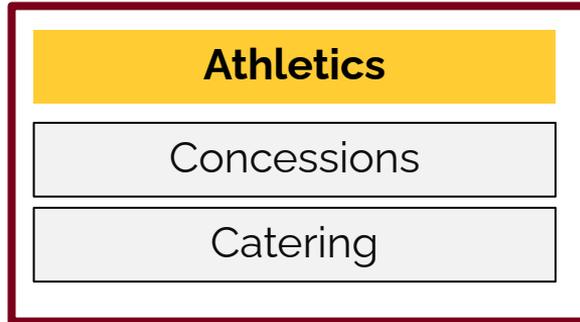
not presented in any specific order

- Residential, retail, and catering plan
- Menu mix, quality, and variety
- Allergen response, food labeling, dietary needs
- Customer service and student connections
- Food insecurity programs
- Marketing plan and special events
- Pricing
- Sustainability
- Management oversight and hourly staffing plans
- Corporate and social responsibility



Dining RFP Structure

- Vendors were able to bid on one, two, or three business lines



Financial Goals

- Commissions and other financial support sufficient to strengthen dining experience and facility reinvestment
- Flexibility in financial investments by focusing on commissions
- Provide financial and operational independence for Athletics and Arboretum
- Ten year term



Core Business Lines: Evaluation Criteria

CRITERIA FOR EVALUATION	POINTS
Program Proposal: Residential, Retail, Catering (menu mix, quality, variety, customer service, pricing)	450
Financial (value and commissions)	300
Sustainability, Social and Corporate Responsibility (campus sustainability program; corporate sustainability and corporate social responsibility program)	150
Business Community Economic Development	100



Administration's Recommendation

- Continue as a contracted operation and not move the program to self-operation
- Advance the RFP process with recommended vendors:
 - Residential, Athletes Village, retail, catering: Chartwells
 - Athletics: Aramark
 - Arboretum: Chartwells



Campus Priorities

not presented in any specific order

- Understanding of student desires
 - healthy, plant forward, inclusive dietary offerings
- Established partnerships with local farmers, suppliers
- High standards on corporate and social responsibility
- Comprehensive programs and funding for food insecurity
- Anytime/unlimited residential dining



Campus Priorities

not presented in any specific order

- Creative ideas for retail with new national brands while maintaining student favorites at the right price
- Leveraging technology to enhance the student and employee experience
- Integrated sustainability program
- Financial offer that supports residential and retail dining facility improvements (initially and ongoing)



Self-Operation Review: Findings

- Considerable additional risk for the University to create a new dining program
 - full responsibility for all human resources, purchasing relationships, IT systems, finances, and food service expertise
- Substantial subsidy/increased fees required to successfully operate a residential and retail program



Next Steps

- September-November: Campus consultation
- October: Update at Board of Regents
- October-December: Contract negotiation with vendors
- December: Board of Regents (review/action)
- January-July: Transition planning and preparation
- July 1: Selected vendors begin operations





UNIVERSITY OF MINNESOTA

Driven to Discover[®]

Crookston Duluth Morris Rochester Twin Cities

The University of Minnesota is an equal opportunity educator and employer.



BOARD OF REGENTS DOCKET ITEM SUMMARY

Finance & Operations

October 7, 2021

AGENDA ITEM: Consent Report

Review

Review + Action

Action

Discussion

This is a report required by Board policy.

PRESENTERS: Myron Frans, Senior Vice President

PURPOSE & KEY POINTS

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

The purpose of this item is to seek approval for purchases of goods and services of \$1,000,000 and over.

- To BSN for \$2,250,000 for team clothing, apparel, and equipment for the University of Minnesota Crookston Athletic Department for the period of October 15, 2021, through October 14, 2026. The cost of team clothing, apparel, and equipment will be purchased with funds from each team's department budget and is included in the annual budget for the next five years. BSN was selected as the result of a competitive Request for Proposal (RFP) conducted by Purchasing Services. Two suppliers responded to the RFP; none were a targeted business.

Employment Agreements

The purpose of this item is to seek approval for the following new or amended employment agreements:

- Andrew G. Alleyne, Dean of the College of Science and Engineering, Twin Cities campus
- Nisha D. Botchwey, Dean of the Humphrey School of Public Affairs, Twin Cities campus
- Bob Motzko, Head Men's Hockey Coach, Twin Cities campus

Real Estate Transactions

The purpose of this item is to review and act on the following lease:

- Lease to Fairview Health Services, Inc for 14,240 square feet at the Masonic Institute for the Developing Brain (Twin Cities campus)

BACKGROUND INFORMATION

Approvals are sought in compliance with Board of Regents Policy as follows:

- Purchase of Goods and Services \$1,000,000 and Over: *Reservation and Delegation of Authority*, Article I, Section VII, Subd. 6.
- Employment Agreements: *Reservation and Delegation of Authority*, Article I, Section IV, Subd. 1. and Article I, Section XI, Subd. 4.
- Lease Transactions: *Reservation and Delegation of Authority*, Article I, Section VIII, Subd. 2

PRESIDENT'S RECOMMENDATION

The President recommends approval of the Consent Report.

Purchase of Goods and Services \$1,000,000 and over

To BSN for \$2,250,000 for team clothing, apparel, and equipment for the University of Minnesota Crookston Campus Athletic Department for the period of October 15, 2021, through October 14, 2026.

The University of Minnesota Crookston NCAA Division II NSIC (Northern Sun Intercollegiate Conference) Athletic Department has 12 NCAA Sports: Men's and Women's Basketball, Men's and Women's Golf, Men's and Women's Cross Country, Women's Soccer, Women's Volleyball, Men's Baseball, Women's Softball, Women's Tennis, and Women's Equestrian. They also have two club sports: ACHA Hockey and USA Club Trap. They serve approximately 300 student-athletes.

Athletics purchases clothing and equipment for game days, practices, travel gear, etc.

An RFP was conducted and two suppliers responded. BSN exceeded expectations with better pricing and In-Kind gifts.

The cost of team clothing, apparel, and equipment will be purchased with funds from each team's department budget and is included in the annual budget for the next five years.

Submitted by: Ashley Brekken
2900 University Ave, Crookston, MN 56716
Office: 218-281-8506
Fax: 218-281-8430

Approval for this item requested by:

Mary Holz-Clause
Chancellor
(Signature on file in Purchasing Services)

Date: September 8, 2021

Finance & Operations Committee
Consent Report
October 7, 2021

Personnel Appointment

Pending approval by the Board of Regents, Bob Motzko's employment agreement as Head Men's Hockey Coach, University of Minnesota, Twin Cities, will be extended and amended.

Position Overview

Head men's hockey coach is a leadership position reporting directly to the senior associate athletics director and athletics director. The head men's hockey coach must be adept at building and managing a men's hockey program of 25 student-athletes and an approximate staff of three full-time staff that achieves at high levels academically, athletically, and socially.

Summary of Employment Extension/Amendments

- Current contract ends April 30, 2023; the term of the new contract is May 1, 2021 to April 30, 2026.
- Coach Motzko's current salary is \$514,500. Coach Motzko's new base salary will be \$450,000 in contract year 1, \$455,000 in year 2, \$465,000 in year 3, \$470,000 in year 4, and determined at the discretion of the AD in year 5.
- Previously, the University made/was scheduled to make an annual payment on behalf of Coach to the University of Minnesota Option Retirement plan, for the following amounts:
 - For 2019-20: Seventy-Five Thousand dollars (\$75,000)
 - For 2020-21: Seventy-Eight Thousand Seven Hundred and Fifty dollars (\$78,750)
 - For 2021-22: Eighty-Two Thousand Seven Hundred and Fifty dollars (\$82,750)
 - For 2022-23: Eighty-Six Thousand Seven Hundred and Fifty dollars (\$86,750)
- The University shall make two annual payments on behalf of Coach to the University of Minnesota Option Retirement plan, totaling \$200,000 in contract years one through four and the amount is determined at the discretion of the AD in contract year five.
- Termination: The University's Right to Terminate Without Just Cause. The University may terminate this Agreement at any time without cause upon 30 days written notice to Coach. In such event, the University shall pay Coach a Termination Fee as follows:
 - If notice of termination is given during Contract Year One, the Termination fee is two million dollars (\$2,000,000.)
 - If notice of termination is given during Contract Year Two, the Termination Fee is one million seven hundred fifty thousand dollars (\$1,750,000.)
 - If notice of termination is given during Contract Year Three, the Termination Fee is one million four hundred thousand dollars (\$1,400,000.)
 - If notice of termination is given during Contract Year Four, the Termination Fee is one million dollars (\$1,000,000.)
 - If notice of termination is given during Contract Year Five, the Termination Fee is six hundred fifty thousand dollars (\$650,000.)
- Coach's Right To Terminate Without Just Cause: If Coach terminates this agreement at any point during his Term of Employment to accept a coaching position within the NHL, Coach shall pay the University a termination fee of one million dollars (\$1,000,000.) If Coach terminates this agreement during the Term of Employment to accept a coach position at another college or University, or comparable position, Coach shall pay the University a termination fee as follows:

- If notice of termination is given during Contract Year One, the Termination fee is two million dollars (\$2,000,000.)
- If notice of termination is given during Contract Year Two, the Termination Fee is one million seven hundred fifty thousand dollars (\$1,750,000.)
- If notice of termination is given during Contract Year Three, the Termination Fee is one million four hundred thousand dollars (\$1,400,000.)
- If notice of termination is given during Contract Year Four, the Termination Fee is one million dollars (\$1,000,000.)
- If notice of termination is given during Contract Year Five, the Termination Fee is six hundred fifty thousand dollars (\$650,000.)

EMPLOYMENT AGREEMENT

THIS EMPLOYMENT AGREEMENT is entered into as of May 1, 2021, between Regents of the University of Minnesota (the "University"), through its Department of Intercollegiate Athletics (the "Department"), and Bob Motzko ("Coach").

WHEREAS, the University desires to employ Coach as head coach of its intercollegiate men's ice hockey team (the "Team") at its Twin Cities campus, and Coach desires to accept such position and perform such services and duties;

NOW, THEREFORE, in consideration of the mutual promises and covenants contained in this Agreement, and such other good and valuable consideration the receipt and sufficiency of which the parties hereby acknowledge, the parties agree as follows:

I. EMPLOYMENT TERM AND DUTIES

1.1. Term. Subject to the terms and conditions of this Agreement, the University hereby employs Coach as the head coach of the Team, and Coach agrees to be so employed by the University, for a term commencing on May 1, 2021, and ending on April 30, 2026 (the "Term of Employment"). For purposes of this Agreement, Contract Year One refers to the period from May 1, 2021, through April 30, 2022; Contract Year Two refers to the period from May 1, 2022, through April 30, 2023; and each subsequent Contract Year refers to the subsequent periods from May 1 through April 30 of the following year.

1.2. Duties.

1.2.1. During the Term of Employment, Coach shall diligently and conscientiously devote Coach's full time, attention, and best efforts in performing and discharging the usual and customary duties of a head coach of an NCAA Division I men's ice hockey team, including, but not limited to, the following:

- a. Conducting usual and customary coaching activities;
- b. Recruiting, and managing the recruitment of, student athletes;
- c. Supervising, evaluating, training, and coaching student-athletes to compete against major college competition;
- d. Being responsible for all customary coaching decisions, including systems and strategies used (both in practice and competition), conduct of practice and training, selection of Team members, deployment of players, and all other matters involving Team operations;

- e. Fostering the academic progress of student athletes in the program;
- f. Making best efforts to maintain conduct and enforce disciplinary rules and sanctions fairly and uniformly for all student-athletes in the program in order to encourage academic and moral integrity and excellence;
- g. Representing the Team/University, and cooperating with the Department in fulfilling contacts with or requests from the news media; and participating in promotional appearances and events arranged by the Department, including appearances in person and on radio and television; but recognizing the greater importance of coaching activities.
- h. Assisting with Departmental or University fund raising and public relations;
- i. Representing in a positive fashion the University and its athletic programs in private and public forums;
- j. Consistent with University policy and the authority of the Director of Intercollegiate Athletics at University of Minnesota (Twin Cities campus) ("Director"), supervising assistant coaches and support staff for the Team;
- k. Preparing and administering the Team budget, subject to the authority and approval of the Director; and
- l. Performing such other duties normally associated with those of a head coach of an NCAA Division I men's ice hockey team, as reasonably requested by the Director or the Director's designee.

1.2.2. Unless otherwise expressly permitted in this Agreement, Coach shall not engage in any other business activity or be employed by any other person, firm, or entity, whether or not such activity is pursued for gain, profit, or other pecuniary benefit, without the University's prior written consent; provided, however, subject to NCAA and University rules, during each year of the Term of Employment, Coach may conduct summer ice hockey camps.

1.2.3. Coach shall not undertake commercial endorsements without the prior written consent of the University, such approval not to be unreasonably withheld. Coach shall not engage in any activity, if identified as the head coach of the Team, that directly or indirectly implies approval or endorsement of any good or service, including, but not limited to, the wearing of garments which display a manufacturer's trademark, name, or other logo, unless such activity is first

approved in writing by the Director, such approval not to be unreasonably withheld. For example, Coach acknowledges that the University has entered into a MultiSport Agreement with Nike USA Inc., which includes the Team. Coach shall comply with the University's obligations (so long as Coach is made aware of such obligations) under the Nike Agreement, as well as any successor agreement.

1.2.4. Coach shall not appear on radio, television, or any other media in return for a fee, in cash or in kind, without the prior written consent of the University.

1.3. Classification. Coach's employment is a professional appointment subject to the University of Minnesota Academic Professional and Administrative Policies and Procedures (Policies and Procedures), as they may be amended from time to time. In the event of a conflict between the terms of this Agreement and terms of University Policies and Procedures, the terms of this Agreement shall govern.

1.4. Compliance. Throughout the term of this Agreement, Coach shall comply with the current and hereafter enacted or promulgated laws, policies, rules, and regulations of and governing the University and its employees and the current and hereafter enacted or promulgated constitution, bylaws, and rules and regulations of the National Collegiate Athletic Association ("NCAA"), the Big Ten Conference ("Big Ten"), and any other conference or organization with which the University becomes associated or which affects intercollegiate athletics (individually or collectively, the "Governing Associations"). Coach shall use Coach's best efforts to ensure that all assistant coaches of the Team, any other University employee for whom Coach is administratively responsible, and representatives of the University's athletic interests, comply with the foregoing laws, policies, rules, and regulations.

1.5. Other Employment. During the term of this Agreement, Coach agrees not to personally, or through any agent or other representation, seek, discuss, negotiate, or accept other full-time employment without first having notified the Director in writing by certified mail or facsimile and receiving permission from the Director. Once such notification is received, permission to pursue other full-time employment will not be unreasonably withheld.

1.6. Hiring Authority / Background Check. Coach understands and acknowledges that Coach will not have authority to unilaterally make or accept offers of employment for assistant coaches or other support staff; and that ultimate authority over such hiring decisions rests with the Director. Coach further understands and acknowledges that all Team hires, including Coach's hire, are subject to and contingent upon a review of the applicant's background and experience, and a formal background check, including any history of NCAA violations, to be conducted by the Director and/or his designee(s). Coach agrees not to make any representation to potential hires, applicants, or anyone else that is contrary to the provisions of this paragraph.

II. COMPENSATION

2.1. Base Salary.

2.1.1. Subject to the terms of this Agreement, for all services rendered by Coach on behalf of the University, for the Term of Employment, the University shall pay Coach an annual salary of Four Hundred Fifty Thousand Dollars (\$450,000.00) for the 2021-2022 contract year. Subject to review and approval by the Director, Coach's salary will increase to Four Hundred Fifty Five Thousand (\$455,000) Dollars for the 2022-2023 contract year. Subject to review and approval by the Director, Coach's salary will increase to Four Hundred Sixty Five Thousand Dollars (\$465,000) for the 2023-2024 contract year. Subject to review and approval by the Director, Coach's salary will increase to Four Hundred Seventy Thousand (\$470,000) Dollars for the 2024-2025 contract year. Subject to review and approval by the Director, Coach's salary increase will be at the discretion of the AD for the 2025-2026 contract year.

2.1.2. The base salary shall be paid in accordance with the University's regular payroll procedures for professional and administrative employees, and shall be subject to withholding for applicable federal, state and local income taxes, federal social security taxes, and other applicable taxes and deductions.

2.1.3. The base salary is subject to furloughs, pay freezes, salary reductions or other adjustments to the same extent they are required of other employees of the University or the Athletic Department

2.2. Incentive Compensation.

2.2.1. The University shall pay Coach incentive compensation as provided in the Schedule of Incentives attached hereto as Exhibit A.

2.2.2. The University shall make payment to Coach for competition-related bonuses within thirty (30) days of being earned, and for all other bonuses on or before August 1 of each contract year. No bonus under this section will be earned or paid unless/until the University has determined that the conditions related to the payment have been met, including Coach's compliance with the material terms of this Agreement and any other conditions set forth in the Schedule of Incentives. Further, no competition-related bonus will be earned or paid unless Coach is employed as head coach of the Team on the final day of the regular season or any post-season play for each season, whichever is later; and no other bonus will be earned or paid unless Coach is employed on the final day of classes for the University's spring semester each academic year.

2.3. **Supplemental Retirement.** The University shall make two annual payments on behalf of Coach to the University of Minnesota Optional Retirement Plan, or the extent such payment exceeds the contribution limits for such plan to the University

of Minnesota 415(m) Retirement Plan (or appropriate successor plans). Payments shall be made on October 31 and April 30 in each year of the agreement. The University will deposit these funds on the vesting date (or such business day immediately following the vesting date) provided Coach has remained continuously employed by the University as its head coach of men's hockey, and neither party has given notice of termination under Section 3 of this Agreement, as of that date. The amount of the payment to the University of Minnesota Optional Retirement Plan, or to the extent such payment exceeds the contribution limits for such plan to the University of Minnesota 415(m) Retirement Plan in each year will be:

- a. For 2021-22: Two hundred thousand dollars (\$200,000)
- b. For 2022-23: Two hundred thousand dollars (\$200,000)
- c. For 2023-24: Two hundred thousand dollars (\$200,000)
- d. For 2024-25: Two hundred thousand dollars (\$200,000)
- e. For 2025-26: At the discretion of the AD

2.4. Benefits. Unless otherwise addressed in this Agreement, the University shall provide Coach with a benefits program as provided generally for its professional and administrative employees as described in Policies and Procedures.

2.5. Automobile. As a member of the University's Wheel Club, Coach will either receive the use of an automobile or a monthly car stipend of four hundred dollars (\$400.00), subject to the terms, conditions, availability, and requirements of the Wheel Club program. Determination of the use of an automobile or stipend will be made by the University.

2.6. Travel. The University shall cover reasonable travel and lodging expenses for Coach's spouse and children to accompany Coach for any NCAA Hockey Tournament in which the Team is playing, and any conference tournament in which the Team is playing. The University shall cover reasonable travel and lodging expenses for Coach's spouse to accompany Coach to the annual hockey coaches' convention. Subject to advance approval from the Director, the University shall cover reasonable travel and lodging expenses for Coach's spouse and children to accompany Coach for away regular season hockey games in which the Team is playing. It is understood that any expenses under this section must be paid out of the hockey service fund.

2.7. Tickets. The University shall provide Coach up to twelve (12) complimentary men's hockey season tickets each season during the Term of Employment.

2.8. Tax Consequences for Additional Compensations. It is understood that there may be personal tax consequences attributable to Coach as a result of the use of a vehicle, and other compensation, benefits, and amenities associated with Coach's employment as head coach of the Team, and that Coach is personally responsible for any and all such taxes.

2.9. Exclusive Compensation. The parties acknowledge and agree that the compensation provided to Coach under this Agreement shall constitute the total and exclusive compensation owed by the University to Coach for rendering services to the University.

III. TERMINATION

3.1. The University's Right to Terminate for Cause. The University may, for just cause, terminate this Agreement, suspend payments required hereunder, or take other disciplinary action against Coach as it deems appropriate. "Just cause" as used in this Agreement shall include, but not be limited to, the following:

- a. A Level I, II, or equivalent violation of a rule of a Governing Association by or involving Coach as reasonably determined by the University, and for which the University has submitted notice to the Governing Association;
- b. A Level I, II, or equivalent violation of a rule of a Governing Association by an assistant coach of the Team or other individual related to the Team which, in the reasonable judgment of the University, Coach knew or should have known about with reasonable diligence and oversight, and for which the University has submitted notice to the Governing Association;
- c. Multiple Level III, IV, or equivalent violations of the rules of a Governing Association that, taken together, constitute a Level I, II, or equivalent violation, as reasonably determined by the University, and for which the University reasonably determines Coach knew or should have known about with reasonable diligence and oversight;
- d. Failure to report any and all violations, regardless of Level, of the rules of a Governing Association related to the Team, when the University reasonably determines that Coach knew or should have known about such failure with reasonable diligence and oversight;
- e. A substantial failure to perform Coach's duties/responsibilities under this Agreement following written notice from the Director specifying such failure and providing, where practicable, a twenty (20) day opportunity to cure such failure;

- f. Fraud or dishonesty by Coach in the performance of Coach's duties/responsibilities under this Agreement;
- g. Fraud or dishonesty by Coach in preparing, falsifying, submitting or altering documents or records of the University or a Governing Association, or documents or records required to be prepared or maintained by law, Governing Association rules or University rules, or other documents or records pertaining to any recruit or student-athlete; or condoning such fraudulent or dishonest acts by any other person, as reasonably determined by the University;
- h. Failure by Coach to respond accurately and fully, to the best of Coach's ability and within a reasonable time, to any request or inquiry relating to the performance of Coach's duties/responsibilities hereunder or the performance of Coach's duties/responsibilities during Coach's prior employment at any other institution, propounded by the University, a Governing Association, or any other body having oversight of the athletic programs of the University or other University functions, or required by law, Governing Association rules or University rules, as reasonably determined by the University;
- i. Coach's instruction to any coach, student, or other person to respond inaccurately or incompletely to any request or inquiry concerning a matter relevant to the University's athletic programs or other University functions, propounded by the University, a Governing Association, or any other body having oversight of the athletic programs of the University or other University functions, or required by law, Governing Association rules or University rules, as reasonably determined by the University;
- j. Failure by Coach to manage the Team in a manner that reflects the academic values of the University;
- k. Coach's soliciting, placing or accepting a bet on any intercollegiate or professional athletic contest; Coach's permitting, condoning or encouraging any illegal gambling, bookmaking or illegal betting involving any intercollegiate or professional athletic contest; or Coach's furnishing information or data relating in any manner to the Team or any other sport to any individual known by Coach or whom Coach should reasonably know to be involved in gambling, betting or bookmaking; or Coach's consorting or associating with such persons;
- l. Sale, use or possession by Coach of any narcotics, drugs, controlled substances, steroids or other chemicals, in violation of law, Governing Association rules or University rules, or Coach's encouraging or condoning

such sale, use or possession by a student-athlete, assistant coach, or other athletic staff member, as reasonably determined by the University;

- m. Use or consumption by Coach of alcoholic beverages, drugs, controlled substances, or other chemicals that impairs Coach's ability to perform Coach's duties/responsibilities hereunder;
- n. Failure by Coach to fully cooperate in the enforcement of any drug testing program established by the University for student-athletes;
- o. Failure to honor the authority of team doctors, athletic trainers, and other sports medicine staff to make decisions regarding student athlete health and well-being, including decisions regarding fitness to practice, train, or compete; or encouraging or pressuring student athletes to ignore or deviate from medical advice or directives from team doctors, athletic trainers, and other sports medicine staff; or condoning or directing others to encourage or pressure student athletes to ignore or deviate from medical advice or directives from team doctors, athletic trainers, and other sports medicine staff; or taking any action that poses a direct threat to student athlete health and well-being.
- p. Failure by Coach to obtain prior approval for outside activities, or to report accurately all sources and amounts of income and benefits, as required by this Agreement, NCAA rules, or University rules, as reasonably determined by the University.
- q. Coach's commission of or participation in any act, situation, or occurrence, which, in the University's judgment, brings Coach or the University into public disrepute, embarrassment, contempt, scandal or ridicule; or failure by Coach to conform Coach's personal conduct to conventional and contemporary standards of good citizenship, in a manner that offends prevailing social mores and values or reflects unfavorably on the University's reputation and overall mission and objectives.

3.2. The University's Right to Terminate Without Just Cause.

3.2.1. The University may terminate this Agreement at any time without cause upon thirty (30) days written notice to Coach. In such event, the University shall pay Coach a Termination Fee as follows:

- a. If notice of termination is given during Contract Year One, the Termination Fee is Two million dollars (\$2,000,000).

b. If notice of termination is given during Contract Year Two, the Termination Fee is One Million Seven hundred fifty thousand dollars (\$1,750,000).

c. If notice of termination is given during Contract Year Three, the Termination Fee is One Million Four hundred thousand dollars (\$1,400,000).

d. If notice of termination is given during Contract Year Four, the Termination Fee is One Million dollars (\$1,000,000).

e. If notice of termination is give during Contract Year Five, the Termination Fee is Six hundred fifty thousand dollars (\$650,000.)

The Termination Fee shall be subject to withholding for all applicable taxes and deductions. The parties agree to discuss in good faith and use reasonable efforts to reach an understanding regarding a payment schedule for the Termination Fee that allows Coach and the University to fulfill applicable tax and legal obligations without significantly increasing or accelerating the tax consequences associated with the Termination Fee. In the event those discussions do not result in an agreement, then the Termination Fee will be paid on a monthly basis according to the following schedule:

a. The first installment will be equal to the amount of the tax withholding required and payable under Section 457 of the Internal Revenue Code, and/or any other applicable federal, state, or local tax withholding provision. (The parties acknowledge that Section 457 of the Internal Revenue Code requires that withholding taxes be collected and remitted on the entire Termination Fee amount up front even though the Fee will be paid over time in installments.) This installment will be made within sixty (60) days following the date of his notice of termination. The University will use this installment to make the required withholding tax payments on Coach's behalf.

b. The second and remaining installments will be paid over the remaining Term of Employment in substantially equal amounts by pay period.

If the University pays any Termination Fee under this Section 3.2, Coach waives the right to seek additional compensation or damages from the University. Termination under this Section 3.2 shall supersede all rights Coach may have under the Policies and Procedures including but not limited to any rights to notice of termination or to participation in any layoff program. The parties acknowledge that the tax withholding and payment obligations referenced above, including the

obligation under Section 457 of the Internal Revenue Code to collect and make payment in advance for the taxes due on the entire Termination Fee, could result in an overpayment of taxes (e.g., if installment payments end before the entire Termination Fee is paid because Coach finds comparable employment, etc.) If that occurs, the University is entitled to recover from Coach, and Coach is obligated to promptly reimburse the University for any tax overpayment.

3.2.2. As a condition to receipt of any payment under Section 3.2, Coach is required to mitigate the University's obligations under Section 3.2 by making reasonable and diligent efforts (under the circumstances and opportunities then prevailing) to obtain a comparable employment position as soon as practicable following termination of employment. Payments shall cease as of the date Coach accepts comparable employment. Payments shall also cease if Coach fails to make reasonable and diligent mitigation efforts.

3.2.3. If Coach is employed post termination in a comparable position during what would have been the Term of Employment had this Agreement continued in effect, then any payments under this Section 3.2 shall be decreased by the amount Coach earns in the comparable position, or by the market average compensation for the comparable position, whichever is greater. Comparable positions include the following: head or assistant coach for a professional hockey program, head coach for a national hockey program (e.g. team USA, team Canada, etc.), or head coach for a Division I NCAA hockey program. The University reserves the right to seek repayment of any Excess Termination Fee. Excess Termination Fee means the excess of Termination Fee actually paid over the Termination Fee that would have been paid had payments under this Section 3.2 been made ratably from the date of Coach's termination through the Term of Employment. This includes, but is not limited to, the right to recover any tax overpayments resulting from compliance with the IRC requirements reference above in Section 3.2.2.a.

3.2.4. Coach agrees that as a condition of receiving any portion of the Termination Fee, Coach or, in the case of any amounts due after Coach's death, the person to whom those amounts are payable (collectively, the "Payee") must execute a comprehensive release within 15 days of the date of termination in the form determined from time to time by the University in its sole discretion. Generally, the release will require the Payee and Payee's personal or legal representatives, executors, administrators, successors, heirs, and assigns to release the University and its officers, employees, and representatives from all claims arising out of or related to Coach's employment with the University, including statutory and common law claims, other than any claim that the University has violated this Employment Agreement. Upon Coach's termination of employment with the University the Payee will be presented with a release, and if the Payee

fails to timely execute the release, the Payee agrees to forgo any payment from the University under this Section 3.2.

3.2.5. For purposes of this Section 3.2, any reference to Coach's "termination of employment" by the University (or any form of the phrase "termination of employment") shall mean Coach's "separation from service" within the meaning of Section 409A of the Internal Revenue Code of 1986, as amended (the "Internal Revenue Code") and Treasury Regulation Section 1.409A-1(h).

3.3. NCAA Enforcement Provisions. (NCAA Bylaw 11.2.1). Notwithstanding any other provision of this Agreement to the contrary, Coach and the University stipulate that if Coach is found in violation of any NCAA rule or regulation, Coach is subject to disciplinary or corrective actions as set forth in the provisions of the NCAA enforcement procedures.

3.4. Procedure. In the event of any proposed disciplinary action, the Director shall give Coach, orally or in writing, notice of the allegations and an opportunity to present, in person, information relating to the allegations. If the Director then determines that discipline is appropriate, Director shall, in writing, notify Coach of the discipline and the reasons therefore.

3.5. Limited Liability. Subject to the terms of this Agreement, in no event shall the University be liable for the loss by Coach of any bonuses, benefits, perquisites, or income, including, but not limited to, those arising out of or relating to consulting relationships, camps, clinics, media appearances, or from any other sources whatsoever, that may ensue as a result of the University's breach or termination of this Agreement, unless otherwise expressly stated herein. The terms of this Section 3.5 shall not release the University from its obligations to Coach under Section 3.2 of this Agreement.

3.6. Coach's Right To Terminate Without Just Cause. In the event Coach terminates this Agreement during the Term of Employment without just cause in order to accept a head coaching position of employment with an organization in the National Hockey League (NHL) (which is hereby permitted), Coach shall pay the University a Termination Fee as follows: one million dollars (\$1,000,000) if termination occurs in contract year one through contract year five; In the event Coach terminates this Agreement during the Term of Employment without just cause in order to accept a head coaching position of employment at another college or university, or to accept a comparable position of the type described above in section 3.2.3, (which is hereby permitted), Coach shall pay the University a Termination Fee as follows: Two million dollars (\$2,000,000) if the termination occurs in contract year 1; one million seven hundred fifty thousand dollars (\$1,750,000) if termination occurs in contract year 2; one million four hundred thousand dollars (\$1,400,000) if termination occurs in contract year 3; one million dollars (\$1,000,000) if termination occurs in contract year 4; and six hundred

fifty thousand dollars (\$650,000) if termination occurs in contract year 5. Any payment under this Section 3.6 shall be made no later than sixty (60) days from the date of notice of termination. The University will not be responsible for any payments or benefits under this Agreement after the date of any termination under this Section 3.6. The University and Coach agree to execute a release agreement in the form attached as Exhibit C in connection with this payment.

3.7. Program Elimination. If the University makes the decision, which it may make in its sole discretion, to eliminate its men's hockey program, then this Agreement, as well as Coach's appointment, will automatically terminate ninety (90) days following the effective date of the decision, without the need for any further notice, and without the payment of any Termination Fee. Termination under this Section shall supersede all rights Coach may have under the Policies and Procedures including but not limited to any rights to notice of termination or to participation in any layoff program.

IV. PROVISIONS OF GENERAL APPLICATION

4.1. Agreement Renewal. Prior to the end of the term of this Agreement, Coach will be given notice of the renewal or non-renewal of this Agreement and the terms of the renewal. If the Agreement is not renewed, Coach shall be given thirty (30) days' notice of non-renewal and if such notice is not given thirty days before the end of the term, the Agreement shall be extended to cover the notice period. This provision shall supersede all rights under University Policies and Procedures including but not limited to any notice requirements or layoff programs.

4.2. Report of Athletically Related Income. The University and Coach hereby stipulate that Coach shall annually provide to the Director a written detailed account of all athletically related income and benefits from sources outside the University including, but not limited to, the following:

- a. Annuity income related in any way to Coach's coaching, recruiting, or educational duties at the University;
- b. Sports camps;
- c. Housing benefits (including preferential housing arrangements);
- d. Country club memberships;
- e. Complimentary ticket sales;
- f. Television and radio programs; or
- g. Endorsement or consultation contracts with athletic shoe, apparel or equipment manufacturers.

In addition, Coach shall comply with University of Minnesota policy and procedures regarding "Outside Consulting and Commitments by Intercollegiate Athletic Staff." The policies and procedures include, but are not limited to, receiving prior approval of any endorsement of a product or service, use of University trademarks and outside consulting commitments.

4.3. Notices/Administration. All notices, requests, and other communications from one of the parties to the other shall be in writing and shall be delivered personally, or by facsimile or electronic mail (provided such delivery is confirmed), or by overnight courier service or by United States mail, first-class, certified or registered, postage pre-paid, return receipt requested, to the respective party at [his/her] or its address set forth below or to such other address set forth below or to such other address as such party may designate by notice given pursuant to this section:

As to Coach: Bob Motzko
 Intercollegiate Athletics
 3M Arena at Mariucci
 1901 4th Street SE
 Minneapolis, MN 55455

As to the University: University of Minnesota
 Department Intercollegiate Athletics
 Attention: Director
 250 Bierman Field Athletic Building
 516 15th Avenue SE
 Minneapolis, MN 55455

with a copy to: University of Minnesota
 Office of the General Counsel
 Attention: General Counsel
 360 McNamara Alumni Center
 200 Oak Street SE
 Minneapolis, MN 55455-2006
 Facsimile No. 612-626-9624
 E-mail Address: contracts@mail.ogc.umn.edu

4.4. Amendment. Any amendment to this Agreement shall be in a writing executed and delivered by the parties.

4.5. Parties In Interest/Assignment. This Agreement shall be binding upon, and the benefits and obligations provided for herein shall inure to the parties hereto and their respective heirs, legal representatives, successors, assigns, transferees or donees, as the case may be. No portion of this Agreement shall be assignable without the prior written consent of the other party.

4.6. Effect of Prior Agreements. This Agreement is intended by the parties as the final and binding expression of their contract and agreement and as the complete and exclusive statement of the terms thereof. This Agreement supersedes and revokes all prior negotiations, representations, and agreements, whether oral or written, relating to the subject matter hereof.

4.7. Enforceability. If any provision contained herein shall be deemed or declared unenforceable, invalid, or void, the same shall not impair any of the other provisions contained herein, which shall be enforced in accordance with their respective terms.

4.8. Construction. The headings preceding and labeling the sections of this Agreement are for the purpose of identification only and shall not in any event be employed or used for the purpose of construction or interpretation of any portion of this Agreement. No waiver by any party of any default or nonperformance hereunder shall be deemed a waiver of any subsequent default or nonperformance. As used herein and where necessary, the singular shall include the plural and vice versa, and masculine, feminine and neuter expressions shall be interchangeable.

4.9. Applicable Law. The laws of the state of Minnesota shall govern and be applicable to this Agreement and any construction or interpretation thereof.

V. BOARD APPROVAL

The parties acknowledge and agree that this Agreement is subject to formal approval by the University's Board of Regents (BOR). This Agreement shall not be final or binding until formally approved by the BOR. If the BOR does not approve the Agreement, then the parties' current agreement will remain in place, and the parties' relationship will continue to be governed by that agreement.

IN WITNESS WHEREOF, the undersigned have caused this Agreement to be executed as of the date first shown above.

COACH

Date: 9/20/21

By: 
Bob Motzko

REGENTS OF THE UNIVERSITY OF MINNESOTA

Date: 9/22/2021

By: 
Joan T.A. Gabel
President

Recommended for Approval:

Date: 9.20.21

By: 
Mark Coyle
Director of Athletics

Recommended as to Form and Execution:

Date: 9.20.2021

By: 
Brent Benrud
Senior Associate General Counsel

EXHIBIT A

SCHEDULE OF INCENTIVES

In lieu of any other performance-based bonus plan the University may adopt for sports coaches or other University employees, the University shall pay Coach the following annual incentive bonuses, consistent with the requirements of Section 2.3 and all other terms of this Agreement:

I. Incentive compensation for achieving athletic performance goals as follows:

A. NCAA Tournament. For each year the Team shall play in the NCAA Championships Tournament during the Term of Employment, the University shall pay Coach as follows:

- i. Winning the NCAA National Championship - Seventy Five Thousand Dollars (\$75,000).
- ii. Playing in the NCAA Frozen Four/National Semi-Final - Fifty Thousand Dollars (\$50,000).
- iii. Playing in the NCAA Regional Final - Thirty Thousand Dollars (\$30,000).
- iv. An invitation to play in the NCAA Championship Tournament - Fifteen Thousand Dollars (\$15,000).

Coach shall receive the highest single bonus amount achieved under this Section I.A. Bonus amounts under this Section I.A. are not cumulative.

B. Conference Finish. The University shall pay Coach a bonus based upon the Team's Conference finish for the season that concluded during each year of the Term of Employment as follows:

- i. Conference Regular Season Champion - Thirty Thousand Dollars (\$30,000).
- ii. Conference Tournament Champions - Fifteen Thousand Dollars (\$15,000).

Bonus amounts under this Section I.B. are cumulative.

C. **Coach of the Year Honors.** The University shall pay coach a bonus for being named Coach of the Year for any season that concludes during the Term of Employment as follows:

- i. For being named National Coach of the Year by the American Hockey Coaches Association – Ten Thousand Dollars (\$10,000).
- ii. For being named Big Ten Coach of the Year by the Big Ten Conference – Five Thousand Dollars (\$5,000).

Bonus amounts under this Section I.C. are cumulative.

II. Incentive compensation for achieving academic goals as follows:

A. **Academic Progress Rate – APR.** The University shall pay Coach a bonus upon the annual Academic Progress Rate (“APR”) for the Team as established each year during the Term of Employment by the NCAA, beginning with the 2021-2022 academic year, as follows:

- i. APR greater than or equal to 960 – Fifteen Thousand Dollars (\$15,000).
- ii. APR greater than or equal to 980 – Twenty Thousand Dollars (\$20,000).
- iii. APR greater than or equal to 1000 – Twenty Five Thousand Dollars (\$25,000).

Coach shall receive the highest single bonus amount achieved under this Section II.A. Bonus amounts under this Section II.A. are not cumulative.

B. **Cumulative Grade Point Average.** The University shall pay Coach a bonus based upon the Cumulative Grade Point Average (GPA) for the Team as determined each year by the University, beginning with the 2021-22 academic year, as follows:

- i. Cumulative Team GPA of 3.0 or above – Five Thousand Dollars (\$5,000)
- ii. Cumulative GPA of 3.2 or above – Seven Thousand Five Hundred Dollars (\$7,500).

Coach shall receive the highest single bonus amount achieved under this Section II.B. Bonus amounts under this Section II.B. are not cumulative.

Finance & Operations Committee
Consent Report
October 7, 2021

Personnel Appointment

Pending approval by the Board of Regents, Nisha D. Botchwey will be appointed dean of the Humphrey School of Public Affairs, effective January 10, 2022.

Position Overview

As dean of the Humphrey School of Public Affairs, Nisha D. Botchwey will report to the executive vice president and provost and will serve as the chief administrative and academic officer for the School and will provide collaborative leadership to maintain and enhance its stature as one of country's most preeminent schools of public affairs, policy, and planning.

Building on the existing strengths of the School, its strategic plan, and the strategic priorities of the University, the dean is responsible for providing strategic and intellectual leadership and administrative oversight of, and accountability for, the educational, research, service, outreach and engagement activities of the School. The dean oversees the responsible planning, stewardship, and management of fiscal, capital, and human resources of the School, and collaborates with faculty, students, and staff to create and sustain a unified vision for the School and to advance the School's quality, reputation, stature, and goals.

The dean provides leadership and aligns resources for the recruitment and retention of excellent and diverse faculty, students, and staff; promotes and fosters diversity, equity, and inclusion; promotes and strengthens access and success for underrepresented faculty, staff, and students; and enhances an open and inclusive environment within the School and across all School constituencies. The dean garners support for the Humphrey School of Public Affairs from both internal and external stakeholders; leads efforts to secure philanthropic support for the School's academic mission; and enhances community partnerships and impact and promoting outreach efforts that engage the University and its partners appropriately in state, national, and international issues.

The dean represents the Humphrey School of Public Affairs in University-level discussions and strategic initiatives and works with other collegiate deans as a member of the Twin Cities Deans Council to advance the educational mission of the University and to develop joint educational and research activities. The dean also collaborates with system leaders on activities and initiatives to advance the University's collective mission and vision, including strengths and opportunities reflected in the Systemwide Strategic Plan, MPACT 2025.

Appointee's Background and Qualifications

Nisha D. Botchwey has extensive experience as a collaborative academic leader and an accomplished researcher and educator working at the intersection of public policy and health. She comes to the University of Minnesota from the Georgia Institute of Technology, where she has been a tenured faculty member in the School of City and Regional Planning and has served in the institutional leadership role of associate dean for academic programs, Georgia Tech Professional Education. In the latter role, she has been responsible for overseeing and developing academic programs in multiple modalities, collaborating broadly and leading outreach and student affairs.

She has contributed to varied multidisciplinary collaborations bringing together stakeholders and decision makers to explore how policies are applied across systems and communities to support healthy, equitable, and resilient communities, aligned with her research and teaching and with special focus on youth and community engagement. She has published and presented widely and over her career has been awarded more than \$16 million from leading agencies and foundations as principal investigator or co-PI on more than 30 grant-funded projects. She has earned many awards, including, most recently, the nationally prestigious William R. and June Dale Prize for Excellence in Urban and Regional Planning.

Dr. Botchwey holds a Ph.D. and Master of City and Regional Planning degree from the University of Pennsylvania and a Master of Public Health degree from the University of Virginia. She was a faculty member in Urban and Environmental Planning and Public Health Sciences for nine years at the University of Virginia.

Recommended Salary and Appointment Type

Nisha Botchwey's annual salary as dean of the Humphrey School of Public Affairs will be \$290,000. Her appointment as dean is a 100%-time, A-term (12-month) L-type (limited) appointment in the academic professional and administrative personnel classification, an at-will employee position reporting to and serving at the pleasure of the Executive Vice President and Provost. The full employment agreement between the University of Minnesota and Nisha D. Botchwey is attached as an exhibit.

There are no individually negotiated terms of employment or separation agreements.

Comparable Market Data

Benchmarking with the University's Annual Review of Senior Leader Compensation, which was presented to the Board of Regents in February 2021, shows comparative base salary data among University of Minnesota peers for the position of dean of government or public affairs or public policy. The report provides market data from the CUPA-HR Administrators in Higher Education Salary Survey and the CUPA-HR Executive Compensation and Benefits in Higher Education survey, encompassing a broad range of participant institutions that includes both public and private institutions. The Office of Human Resources has further detailed comparable market data for base compensation for this position aged to July 2021 for FY22, benchmarked among Twin Cities peer group institutions as follows:

10th percentile - \$273,381
25th percentile - \$313,716
50th percentile - \$351,633
75th percentile - \$360,513
90th percentile - \$383,522

Recommendation

The President recommends the appointment of Nisha D. Botchwey to the position of dean of the Humphrey School of Public Affairs at the University of Minnesota.

EMPLOYMENT AGREEMENT

THIS EMPLOYMENT AGREEMENT is entered into as of this 9th day of September, 2021, by and between Regents of the University of Minnesota, a Minnesota constitutional educational corporation (the “University”), and Nisha D. Botchwey (“Nisha Botchwey,” “you”).

WHEREAS, the University wishes to employ Nisha Botchwey as Dean of the Hubert H. Humphrey School of Public Affairs and Nisha Botchwey wishes to accept employment as Dean of the Hubert H. Humphrey School of Public Affairs;

WHEREAS, this Employment Agreement is subject to the approval of the Board of Regents of the University of Minnesota and the completion of a background check satisfactory to the University;

THEREFORE, the University and Nisha Botchwey agree as follows, subject to the approval of the Board of Regents:

I. EMPLOYMENT TERM AND DUTIES

Subject to the terms and conditions of this Agreement and University Policies and Procedures, the University appoints Nisha Botchwey as Dean of the Humphrey School of Public Affairs and she agrees to be so employed by the University for a term commencing on January 10, 2022. The Dean of the Humphrey School of Public Affairs is a 100-percent time, 12-month L appointment in the professional and academic personnel classification who serves as an at-will employee at the pleasure of the Executive Vice President and Provost. As such, you report to and serve at the pleasure of the Executive Vice President and Provost and your appointment may be terminated at any time without advance notification.

II. DUTIES

During the term of your employment as Dean of the Humphrey School of Public Affairs, you will diligently and consciously devote your full-time attention and best efforts in performing and discharging the duties of Dean of the Humphrey School of Public Affairs as they are set forth in the job description for this position (attached) including, but not limited to, the following duties:

- A.** Serving as the chief academic and executive officer for the Humphrey School of Public Affairs; providing strategic and intellectual leadership and administrative oversight of, and accountability for, the educational, research, service, outreach and engagement activities of the Humphrey School of Public Affairs;
- B.** Overseeing the responsible planning, stewardship, and management of fiscal, capital, and human resources of the Humphrey School of Public Affairs;
- C.** Collaborating with faculty, students, and staff to create and sustain a unified vision for the School and to advance the School’s quality, reputation, stature, and goals;
- D.** Providing leadership in, and aligning resources with, the recruitment and retention of excellent and diverse faculty, students, and staff;

E. Promoting and fostering diversity, equity, and inclusion; promoting and strengthening access and success for underrepresented faculty, staff and students; and enhancing an open and inclusive environment within the School and across all School constituencies;

F. Garnering support for the Humphrey School of Public Affairs from both internal and external stakeholders;

G. Leading efforts to secure philanthropic support and generate revenue for the School's academic mission;

H. Enhancing community partnerships and impact and promoting outreach efforts that engage the University and its partners appropriately in state, national, and international issues;

I. Representing the Humphrey School of Public Affairs in University-level discussions and strategic initiatives and working with other collegiate deans as a member of the Twin Cities Deans Council to advance the educational mission of the University and to develop joint educational and research activities;

J. Performing such other duties as related to your employment position and assigned to you by your appointing authority.

III. PERFORMANCE

In accordance with University policy, you will receive regular annual performance evaluations and, in accordance with University Policy on Reviewing the Performance of Senior Leaders, you will receive a broader systemic review of your performance no later than the end of your third year in the position.

IV. FACULTY APPOINTMENT

In addition to your appointment as Dean of the Humphrey School of Public Affairs, you will also hold an appointment as a tenured professor in the School. During the time you serve as Dean of the Humphrey School of Public Affairs, you will not receive any compensation for your faculty appointment, but a salary for this appointment will be established each year by the University, based on the average increase to base of your same-ranked collegiate peers. In the event you no longer are employed as Dean of the Humphrey School of Public Affairs, and retain this faculty appointment, this will be your established faculty salary.

V. COMPENSATION

A. Subject to the terms of this Agreement for all services provided by you on behalf of the University, the University shall pay you an annual salary of Two Hundred Ninety Thousand and No/100 Dollars (\$290,000).

B. All base salary shall be paid in accordance with the University's regular payroll procedures for Professional and Administrative employees and shall be subject to withholding for applicable federal and state income taxes, federal social security taxes, and other applicable taxes and deductions.

C. In accordance with University policies and procedures, you shall be eligible for salary increases on an annual basis based upon the evaluation of the appointing authority or his/her designee.

D. The base salary is subject to furloughs, pay freezes, salary reductions or other adjustments to the same extent they are required of other employees of the University.

VI. BENEFITS

The University shall provide you with a benefits program as provided generally for its Professional and Administrative employees as described in its policies and Procedures (<http://www.umn.edu/ohr/benefits/summary/>). These programs shall be subject to amendments and modifications by the University.

VII. SEPARATION

A. Your appointment as Dean of the Humphrey School of Public Affairs is an L appointment, which means you serve at the pleasure of your appointing authority. Your appointment may be terminated without any required notice period.

B. In the event you are separated from your administrative position, you may be eligible for certain benefits provided by the University, in accordance with University policy. Any exception from or waiver of University policy related to your separation must be approved by the Board of Regents.

C. If you are a faculty member at the end of your administrative appointment, you may return to the faculty at your established faculty salary.

VIII. UNIVERSITY POLICIES AND GENERAL CONDITIONS

A. Your appointment is subject to the University's policies and procedures that govern your position (<http://policy.umn.edu/>), which may be amended from time to time.

B. Amendment. Any amendment to this Agreement shall be in writing executed and delivered by the parties.

C. Parties In Interest/Assignment. This Agreement shall be binding upon and the benefits and obligations provided for herein shall inure to the parties hereto and their respective heirs, legal representatives, successors, assigns, transferees or donees, as the case may be. No portion of this Agreement shall be assignable without the prior written consent of the other party.

D. Effect of Prior Agreements. This Agreement is intended by the parties as the final and binding expression of their contract and agreement and as the complete and exclusive statement of the terms thereof. This Agreement supersedes and revokes all prior negotiations, representations, and agreements, whether oral or written, relating to the subject matter hereof.

E. Enforceability. If any provision contained herein shall be deemed or declared unenforceable, invalid, or void, the same shall not impair any of the other provisions contained herein, which shall be enforced in accordance with their respective terms.

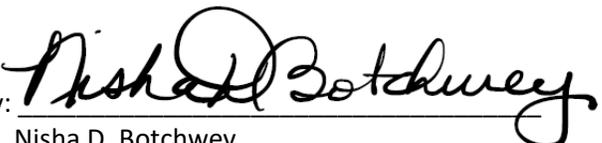
F. Construction. The headings preceding and labeling the sections of this Agreement are for the purpose of identification only and shall not in any event be employed or used for the purpose of construction or interpretation of any portion of this Agreement. No waiver by any party of any default or

nonperformance hereunder shall be deemed a waiver of any subsequent default or nonperformance. As used herein and where necessary, the singular shall include the plural and vice versa, and masculine, feminine and gender neutral expressions shall be interchangeable.

IX. BOARD OF REGENTS APPROVAL

This agreement is subject to the approval of the Board of Regents and a background check that is satisfactory to the University.

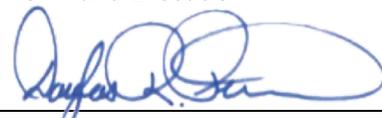
IN WITNESS WHEREOF, the undersigned have caused this Agreement to be executed as of the date first shown above.

By: 
Nisha D. Botchwey

REGENTS OF THE UNIVERSITY OF MINNESOTA

By: 
Rachel T. A. Croson
Executive Vice President and Provost

Approved as to Form and Execution

By: 
Douglas R. Peterson
General Counsel

Finance & Operations Committee
Consent Report
October 7, 2021

Personnel Appointment

Pending approval by the Board of Regents, Andrew G. Alleyne will be appointed dean of the College of Science and Engineering, effective January 10, 2022.

Position Overview

As dean of the College of Science and Engineering, Andrew G. Alleyne will report to the executive vice president and provost and will serve as the chief administrative and academic officer for the College and will provide collaborative leadership to maintain and enhance its excellence as a global leader in research and education, with a uniquely multidisciplinary breadth encompassing the physical sciences, engineering, mathematics, and computer science.

Building on the existing strengths of the College, its strategic plan, and the strategic priorities of the University, the dean is responsible for providing strategic and intellectual leadership and administrative oversight of, and accountability for, the educational, research, service, outreach and engagement activities of the College. The dean oversees the responsible planning, stewardship, and management of fiscal, capital, and human resources of the College, and collaborates with faculty, students, and staff to create and sustain a unified vision for the College and to advance the College's quality, reputation, stature, and goals.

The dean provides leadership and aligns resources for the recruitment and retention of excellent and diverse faculty, students, and staff; promotes and fosters diversity, equity, and inclusion; promotes and strengthens access and success for underrepresented faculty, staff, and students; and enhances an open and inclusive environment within the College and across all College constituencies. The dean garners support for the College from both internal and external stakeholders; leads efforts to secure philanthropic support for the College's academic mission; and enhances community partnerships and impact and promoting outreach efforts that engage the University and its partners appropriately in state, national, and international issues.

The dean represents the College of Science and Engineering in University-level discussions and strategic initiatives and works with other collegiate deans as a member of the Twin Cities Deans Council to advance the educational mission of the University and to develop joint educational and research activities. The dean also collaborates with system leaders on activities and initiatives to advance the University's collective mission and vision, including strengths and opportunities reflected in the Systemwide Strategic Plan, MPACT 2025.

Appointee's Background and Qualifications

Andrew G. Alleyne is an accomplished researcher, educator, and academic leader who comes to the University of Minnesota from the University of Illinois at Urbana-Champaign (UIUC), where he currently is the Ralph M. and Catherine V. Fisher Professor in Engineering and director of a multi-university research center sponsored by the National Science Foundation. Dr. Alleyne is widely recognized for his research to develop innovative systems and tools for energy and power systems, manufacturing systems, and transportation systems. A faculty member in mechanical science and engineering at UIUC since 1994, he has served in multiple academic leadership roles at all levels of

the institution, including a four-year term as associate dean for research in the UIUC College of Science and Engineering. Since 2015 he has led the National Science Foundation Engineering Research Center on Power Optimization of Electro Thermal Systems (POETS), an ambitious multidisciplinary center based at UIUC in partnership with three other U.S. universities, two international institutions, and many industry and government partners. He has led and collaborated on many initiatives to advance diversity, equity, and inclusion in science and engineering. He has received many awards for his teaching, advising, and mentoring of both undergraduate and graduate students.

Dr. Alleyne holds Ph.D. and master's degrees in mechanical engineering from the University of California at Berkeley. He has published and presented widely and throughout his career has received many awards and recognitions for his scholarship. He holds distinguished recognition as a fellow of the American Society of Mechanical Engineers, the Institute of Electrical and Electronics Engineers, and the American Association for the Advancement of Science. Among many collaborations with industry, academic, and government partners, he served for eight years on the U.S. Air Force Scientific Advisory Board, most recently as the science and technology chair.

Recommended Salary and Appointment Type

Andrew Alleyne's annual salary as dean of the College of Science and Engineering will be \$390,000. His appointment as dean is a 100%-time, A-term (12-month) L-type (limited) appointment in the academic professional and administrative personnel classification, an at-will employee position reporting to and serving at the pleasure of the Executive Vice President and Provost. The full employment agreement between the University of Minnesota and Andrew G. Alleyne is attached as an exhibit.

There are no individually negotiated terms of employment or separation agreements.

Comparable Market Data

Benchmarking with the University's Annual Review of Senior Leader Compensation, which was presented to the Board of Regents in February 2021, shows comparative base salary data among University of Minnesota peers for the position of dean of government or public affairs or public policy. The report provides market data from the CUPA-HR Administrators in Higher Education Salary Survey and the CUPA-HR Executive Compensation and Benefits in Higher Education survey, encompassing a broad range of participant institutions that includes both public and private institutions. The Office of Human Resources has further detailed comparable market data for base compensation for this position aged to July 2021 for FY22, benchmarked among Twin Cities peer group institutions as follows:

10th percentile - \$296,220
25th percentile - \$351,841
50th percentile - \$385,216
75th percentile - \$411,749
90th percentile - \$473,945

Recommendation

The President recommends the appointment of Andrew G. Alleyne to the position of dean of the College of Science and Engineering at the University of Minnesota.

EMPLOYMENT AGREEMENT

THIS EMPLOYMENT AGREEMENT is entered into as of this 9th day of September, 2021, by and between Regents of the University of Minnesota, a Minnesota constitutional educational corporation (the “University”), and Andrew G. Alleyne (“Andrew Alleyne,” “you”).

WHEREAS, the University wishes to employ Andrew Alleyne as Dean of the College of Science and Engineering and Andrew Alleyne wishes to accept employment as Dean of the College of Science and Engineering;

WHEREAS, this Employment Agreement is subject to the approval of the Board of Regents of the University of Minnesota and the completion of a background check satisfactory to the University;

THEREFORE, the University and Andrew Alleyne agree as follows, subject to the approval of the Board of Regents:

I. EMPLOYMENT TERM AND DUTIES

Subject to the terms and conditions of this Agreement and University Policies and Procedures, the University appoints Andrew Alleyne as Dean of the College of Science and Engineering, and he agrees to be so employed by the University for a term commencing on January 10, 2022. The Dean of the College of Science and Engineering is a 100-percent time, 12-month L appointment in the professional and academic personnel classification who serves as an at-will employee at the pleasure of the Executive Vice President and Provost. As such, you report to and serve at the pleasure of the Executive Vice President and Provost and your appointment may be terminated at any time without advance notification.

II. DUTIES

During the term of your employment as Dean of the College of Science and Engineering, you will diligently and consciously devote your full-time attention and best efforts in performing and discharging the duties of Dean of the College of Science and Engineering as they are set forth in the job description for this position (attached) including, but not limited to, the following duties:

- A.** Serving as the chief academic and executive officer for the College of Science and Engineering; providing strategic and intellectual leadership and administrative oversight of, and accountability for, the educational, research, service, outreach and engagement activities of the College of Science and Engineering;
- B.** Overseeing the responsible planning, stewardship, and management of fiscal, capital, and human resources of College of Science and Engineering;
- C.** Collaborating with faculty, students, and staff to create and sustain a unified vision for the College and to maintain and enhance the College’s quality, reputation, stature, and goals;
- D.** Providing leadership in, and aligning resources with, the recruitment and retention of excellent and diverse faculty, students, and staff;

- E.** Promoting and fostering diversity, equity, and inclusion; promoting and strengthening access and success for underrepresented faculty, staff and students; and enhancing an open and inclusive environment within the College and across all College constituencies;
- F.** Garnering support for the College of Science and Engineering from both internal and external stakeholders;
- G.** Leading efforts to secure philanthropic support and generate revenue for the College's academic mission;
- H.** Enhancing community and industry partnerships and impact and promoting outreach efforts that engage the University and its partners appropriately in state, national, and international issues;
- I.** Representing the College of Science and Engineering in University-level discussions and strategic initiatives and working with other collegiate deans as a member of the Twin Cities Deans Council to advance the educational mission of the University and to develop joint educational and research activities;
- J.** Performing such other duties as related to your employment position and assigned to you by your appointing authority.

III. PERFORMANCE

In accordance with University policy, you will receive regular annual performance evaluations and, in accordance with University Policy on Reviewing the Performance of Senior Leaders, you will receive a broader systemic review of your performance no later than the end of your third year in the position.

IV. FACULTY APPOINTMENT

In addition to your appointment as Dean of the College of Science and Engineering, you will also hold an appointment as a tenured professor in the College. During the time you serve as Dean of the College of Science and Engineering, you will not receive any compensation for your faculty appointment, but a salary for this appointment will be established each year by the University, based on the average increase to base of your same-ranked collegiate peers. In the event you no longer are employed as Dean of the College of Science and Engineering, and retain this faculty appointment, this will be your established faculty salary.

V. COMPENSATION

A. Subject to the terms of this Agreement for all services provided by you on behalf of the University, the University shall pay you an annual salary of Three Hundred Ninety Thousand and No/100 Dollars (\$390,000).

B. All base salary shall be paid in accordance with the University's regular payroll procedures for Professional and Administrative employees and shall be subject to withholding for applicable federal and state income taxes, federal social security taxes, and other applicable taxes and deductions.

C. In accordance with University policies and procedures, you shall be eligible for salary increases on an annual basis based upon the evaluation of the appointing authority or his/her designee.

D. The base salary is subject to furloughs, pay freezes, salary reductions or other adjustments to the same extent they are required of other employees of the University.

VI. BENEFITS

The University shall provide you with a benefits program as provided generally for its Professional and Administrative employees as described in its policies and Procedures (<http://www.umn.edu/ohr/benefits/summary/>). These programs shall be subject to amendments and modifications by the University.

VII. SEPARATION

A. Your appointment as Dean of the College of Science and Engineering is an L appointment, which means you serve at the pleasure of your appointing authority. Your appointment may be terminated without any required notice period.

B. In the event you are separated from your administrative position, you may be eligible for certain benefits provided by the University, in accordance with University policy. Any exception from or waiver of University policy related to your separation must be approved by the Board of Regents.

C. If you are a faculty member at the end of your administrative appointment, you may return to the faculty at your established faculty salary.

VIII. UNIVERSITY POLICIES AND GENERAL CONDITIONS

A. Your appointment is subject to the University's policies and procedures that govern your position (<http://policy.umn.edu/>), which may be amended from time to time.

B. **Amendment.** Any amendment to this Agreement shall be in writing executed and delivered by the parties.

C. **Parties In Interest/Assignment.** This Agreement shall be binding upon and the benefits and obligations provided for herein shall inure to the parties hereto and their respective heirs, legal representatives, successors, assigns, transferees or donees, as the case may be. No portion of this Agreement shall be assignable without the prior written consent of the other party.

D. **Effect of Prior Agreements.** This Agreement is intended by the parties as the final and binding expression of their contract and agreement and as the complete and exclusive statement of the terms thereof. This Agreement supersedes and revokes all prior negotiations, representations, and agreements, whether oral or written, relating to the subject matter hereof.

E. **Enforceability.** If any provision contained herein shall be deemed or declared unenforceable, invalid, or void, the same shall not impair any of the other provisions contained herein, which shall be enforced in accordance with their respective terms.

F. Construction. The headings preceding and labeling the sections of this Agreement are for the purpose of identification only and shall not in any event be employed or used for the purpose of construction or interpretation of any portion of this Agreement. No waiver by any party of any default or nonperformance hereunder shall be deemed a waiver of any subsequent default or nonperformance. As used herein and where necessary, the singular shall include the plural and vice versa, and masculine, feminine and gender neutral expressions shall be interchangeable.

IX. BOARD OF REGENTS APPROVAL

This agreement is subject to the approval of the Board of Regents and a background check that is satisfactory to the University.

IN WITNESS WHEREOF, the undersigned have caused this Agreement to be executed as of the date first shown above.

By: 

Andrew G. Alleyne

REGENTS OF THE UNIVERSITY OF MINNESOTA

By: 

Rachel T. A. Croson
Executive Vice President and Provost

Approved as to Form and Execution

By: 

Douglas R. Peterson
General Counsel

**FIVE-YEAR LEASE TO FAIRVIEW HEALTH SERVICES, INC.,
13,689 ASSIGNABLE SQUARE FEET AT THE
MASONIC INSTITUTE FOR THE DEVELOPING BRAIN BUILDING
2025 EAST RIVER PARKWAY, MINNEAPOLIS
(TWIN CITIES CAMPUS)**

1. Recommended Action

The President recommends the appropriate administrative officers receive authorization to execute a five-year lease for approximately 13,689 assignable square feet (ASF) associated in the Masonic Institute for the Developing Brain Building (MIDB) for occupancy by Fairview Health Services for the operation of a child and adolescent neurobehavioral clinic.

2. Description of Leased Premises

The leased premises will consist of approximately 13,689 assignable square feet of space on the first floor of the Masonic Institute for the Developing Brain Building, located at 2025 East River Parkway, Minneapolis (see attached map).

3. Basis for Request

The Masonic Institute for the Developing Brain will support clinical care, research, and advocacy dedicated to healthy childhood brain and behavioral development in partnership with Fairview, the University of Minnesota Medical School and the University's College of Education and Human Development.

MIDB will provide patients and families with access to developmental behavioral and mental health care and research focused on advancing both knowledge and treatment of brain development and mental health disorders in childhood and adolescence.

This lease will allow Fairview to co-locate the following clinical programs in the MIDB Building so that clinical care, research, and advocacy can all happen under one roof which will encourage collaboration and help foster creative new solutions: 1) Neuropsychology (i.e. autism, rare disease, fetal alcohol spectrum disorders and neonatal intensive care follow-up; 2) Developmental Pediatrics; 3) Child and Adolescent Psychiatry (i.e. 0-3 mental health, depression, TICS and Tourette's syndrome; and 4) Front Door Clinic (i.e. multi-disciplinary and intake for primary assessment).

This model of care is also more respectful to patients and more efficient for patients, providers and clinical researchers. University's faculty, including its Medical School faculty, will have the ability to engage in both clinical research and standard of care patient services in the Leased Premises and utilize clinical services from Fairview Health Services.

In addition, Fairview will provide information technology infrastructure to support standard of care clinical services in combination with clinical research. This includes the installation of Epic in the clinic which will enable Fairview to bill private insurance and 3rd party government payers for standard of care visits that occur in the Leased Premises.

4. Details of Transaction

The subject lease will commence on November 1, 2021 and continue until December 31, 2026 which aligns with the current term of the underlying University and Fairview Health Services Academic Affiliation Agreement. The Lease will then automatically renew for successive one (1) year terms unless terminated by either party.

5. Lease Costs

Fairview Health Services will pay an initial base rent of approximately \$34.48 per assignable square foot, or \$472,000 per year, for rent for the leased premises, increasing 2.5% annually beginning November 1, 2022. Base rent includes utilities and operational services in accordance with University's standard services for the building. Any additional services desired by Fairview Health Services or required in the operation of the clinic shall be at Fairview's sole cost and covered under a separate Service Level Agreement with Facilities Management. In addition, Fairview Health Services will pay additional rent of approximately \$1,370 per month in Fiscal Year 22 for Research Building Management Services (RBMS fees) which are assessed to research buildings on campus and updated every fiscal year based on actual costs.

6. Use of Funds Received by the University

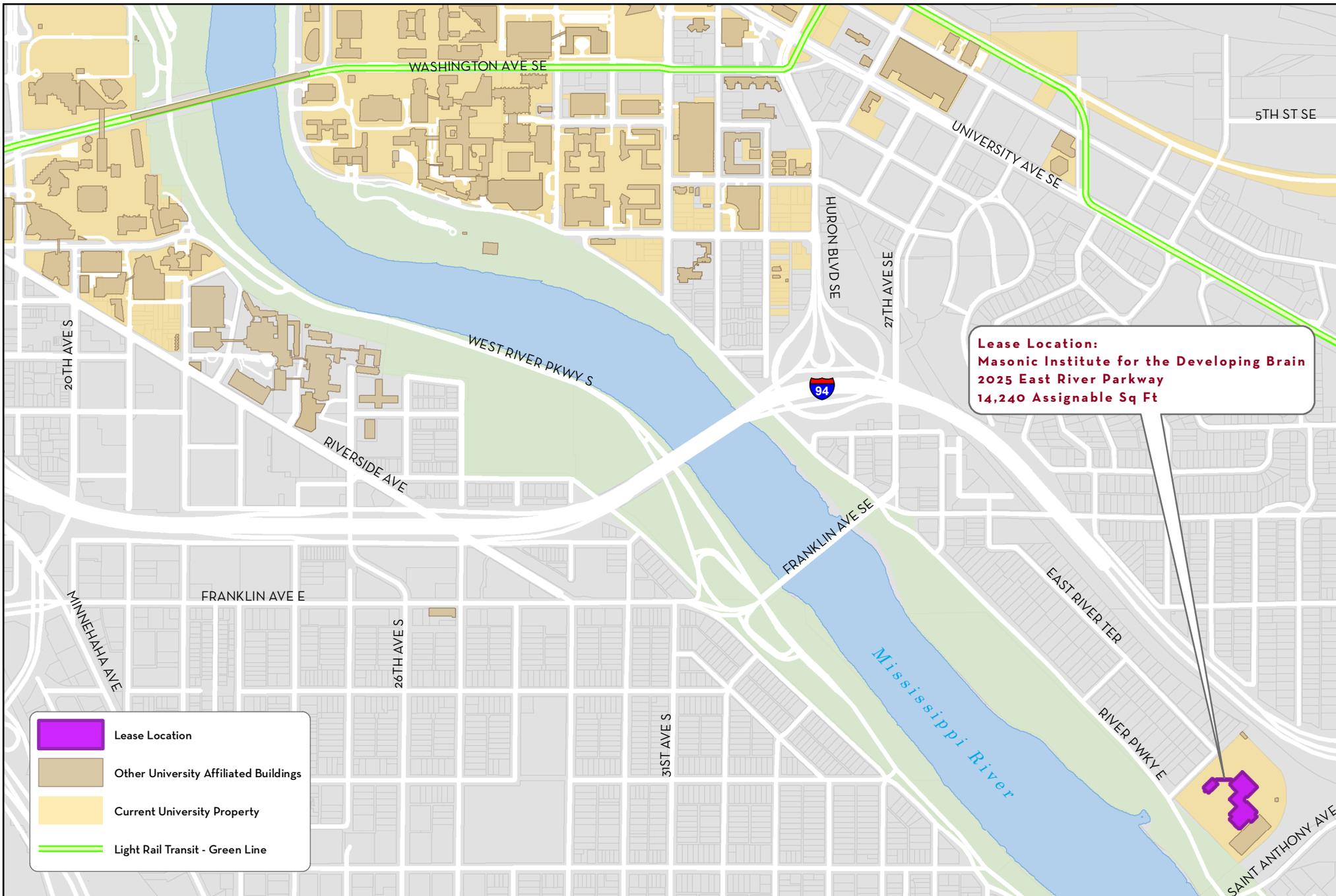
The Office of Academic Clinical Affairs will receive the rent payments on this lease.

7. Recommendations

The above-described real estate transaction has been reviewed and deemed appropriate by:

Rachel Croson, Executive Vice President and Provost

Myron Frans, Senior Vice President for Finance and Operations



**Lease to Fairview Health Services at the
Masonic Institute for the Developing Brain
Twin Cities Campus, Minneapolis East Bank**



This map is intended to be used for planning purposes only and should not be relied upon where a survey is required.

Base Data: Real Estate Office
MNDNR, MNDOT, MetCouncil,
U Services GIS

8/2/2021



BOARD OF REGENTS DOCKET ITEM SUMMARY

Finance & Operations

October 7, 2021

AGENDA ITEM: Information Items

Review Review + Action Action Discussion

This is a report required by Board policy.

PRESENTERS: Myron Frans, Senior Vice President

PURPOSE & KEY POINTS

- A. Central Reserves General Contingency Allocations
- B. Annual Asset Management Report
- C. Investment Advisory Committee Update
- D. Results of Debt Refunding/New Debt Offering
- E. Real Estate Annual Report

Central Reserves General Contingency Allocations

Allocations from the Central Reserves General Contingency greater than \$250,000 require Board approval. There are no items requiring approval this period. A summary of General Contingency allocations from last fiscal year and an update for the current fiscal year are included in the docket.

Annual Asset Management Report

The purpose of this item is to report on the annual performance results for assets managed by the Office of Investments & Banking (OIB) for the quarter and the fiscal year ending June 30, 2021. The OIB prepares this report, as required by Board policy, for review by the Board.

- The invested assets of the University totaled approximately \$3,708 million on June 30, 2021.
- The Consolidated Endowment Fund (CEF) value increased by \$625 million to \$2,043 million after distributing \$65 million to the University during the fiscal year. The total investment return for CEF during the fiscal year was 49.2 percent, compared to its short-term benchmark at 31.9 percent. The ten-year return for CEF was 11.4 percent eclipsing the Regents long-term policy benchmark of CPI+5 percent, which was 7.0 percent.
 - Virtually every asset class produced strong returns during the year. Private equity and venture had their best returns in decades. The private equity portfolio returned 59.8 percent for the year, and venture capital, which comprises 34.6 percent of the overall portfolio, returned 114.0 percent for the year.
 - Due to strong growth in value of the private funds, the portfolio's weight to illiquid strategies increased from last year. Currently CEF is in line with policy and has

- allocations to liquid and semi-liquid investment strategies of approximately 37 percent and allocations to illiquid fund investments of approximately 63 percent.
- Manager concentrations are within policy guidelines, with no manager exceeding 20 percent of the overall endowment. Currently the largest concentration is in BlackRock, which manages allocations spread across six passive equity and fixed income funds that total 14 percent of CEF.
 - OIB recognizes that investments which are socially responsible and demonstrate strong governance practices, including those that support a sustainable 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 several investment managers/funds meeting these criteria and as a result transitioned more than \$125 million of public equity exposure into three Blackrock mutual funds that are explicitly ESG-Aware, in addition to the continued investment of approximately \$34 million in the Blackrock low-carbon global equity fund with significantly reduced exposure to companies operating in the fossil fuel industrial complex.
 - 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 or women owned investment firms. 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. Over the last fiscal year, OIB held initial meetings or preliminary due diligence sessions with more than 20 targeted managers, of which \$36.5 million was committed to 7 qualifying firms.
 - The market value of the Short-term Reserves (TIP) was \$1.468 million as of June 30, 2021. The total return on the portfolio over the fiscal year was 1.3 percent compared to a benchmark return of 0.1 percent. The increase in market value of \$383 million during the fiscal year was due in part to actions taken to reduce spending in response to the effects of the pandemic including furloughs and temporary pay reductions, a hiring freeze, and a travel ban.

Investment Advisory Committee Update

The purpose of this item is to provide a report on the quarterly meeting of the Investment Advisory Committee held on August 25, 2021. The agenda for the meeting included:

- FYE Portfolio Performance Review
- Co-investment update – AbCellera monetization strategy
- Inflation risk alternatives
- Annual review of policy benchmarks - Approved
- Manager Recommendation: Quan Capital Fund III - Approved
- Manager Recommendation: Operator Collective Fund II - Approved
- Manager Recommendation: DCVC Bio Opportunity Fund– Approved
- Manager Recommendation: EF Global Fund III – Approved
- Manager Recommendation: Initialized Superclass Fund II and Initialized Fund VI – Approved
- Manager Recommendation: Thereom Main Fund - Approved
- Manager Recommendation: ABRY Heritage Fund II - Approved
- Manager Recommendation: Aetos Capital Opportunities Fund - Approved
- Manager Recommendation: Anzu Industrial Partners Fund III- Approved

Results of Debt Refunding/New Debt Offering

On September 14-15, 2021, the University conducted a refinancing of state-supported BioDiscovery District (BDD) debt and used the projected savings to issue an additional series of new debt which will be used to finance design costs for the Health Discovery Hub (formerly the Clinical Research Facility).

The first transaction (Series 2021A & B), executed on September 14, 2021, resulted in refinancing the current outstanding state-supported BDD debt at a new, all-in weighted average interest rate of 1.397 percent. The refinancing will generate \$38.6 million in net present value savings compared to the cost of the original debt issued to finance the BDD.

The second transaction (Series 2021C), executed on September 15, 2021, resulted in the issuance of \$36.9 million of new taxable debt, which will be paid for with the appropriation savings from the refinanced BDD debt. The all-in, weighted average interest rate on the new debt is 1.859 percent. Particularly noteworthy is the 2021C bonds' designation as Sustainability Bonds, reflecting the use of proceeds to finance projects that align with both Green Bond Principles and Social Bond Principles. The issuance of ESG bonds by higher education institutions has been relatively limited thus far, so the University is a leader in this space. The University was one of the first institutions in the Big Ten to issue ESG certified bonds.

Real Estate Annual Report

The Real Estate Annual Report provides a summary of real estate transactions approved by the Board over the past fiscal year.

The University of Minnesota is situated and built within the traditional homelands of the Dakota and the Ojibwe, and scores of other Indigenous peoples who have walked on these lands from time immemorial. It is important to acknowledge the peoples on whose land we live, learn, and work as we seek to improve and strengthen our relations with the 11 sovereign tribal nations of Minnesota. We also acknowledge that words are not enough. We must ensure that our institution provides support, resources, and programs that increase access to all aspects of higher education for our American Indian students, staff, faculty, and community members.

The following real estate transactions were approved by the Board in FY 2020-21.

Real Estate Transaction	Amount received or to be received	Amount paid or to be paid	Board Approval Date
Purchase of 501 Oak Street SE, Minneapolis (Twin Cities Campus)		\$5,750,000	July 2020
Sale 1.66 Acres, Dakota County (UMore Park)	\$61,500		July 2020
Amendment to Medical Discovery Team Lease, 624 E 1 st Street, Duluth		Total value of lease amendment, including leasehold improvements: \$1,204,000	September 2020

Real Estate Transaction	Amount received or to be received	Amount paid or to be paid	Board Approval Date
Amendment to 318 Commons Lease, 318 1 st Avenue SW, Rochester (Rochester Campus)		Total value of lease amendment, including leasehold improvements: \$3,531,000	October 2020
Lease to Fairview Health Services at 516 Delaware Street SE, Minneapolis (Twin Cities Campus)	Total value of the lease over the initial term: \$1,342,154		December 2020
Permanent Easement and Temporary Construction License to Ramsey County for Cleveland Avenue Reconstruction (Twin Cities Campus)	\$1,440,902		May 2021
Lease for Department of Pediatrics Relocation, 2344 South 6th Street, Minneapolis (Twin Cities Campus)		Total value of lease amendment, including leasehold improvements: \$4.26million	May 2021
Purchase of 711 Broadway Avenue S, Rochester, MN (Rochester Campus)		\$831,000	May 2021
Sale of Murphy Warehouse – 701 24 th Ave SE, Minneapolis (Twin Cities Campus)	\$22,200,000		June 2021

Central Reserves General Contingency Allocations Finance & Operations Committee October 2021

Fiscal Year 2022 (7/1/2021-6/30/2022)

	Recipient	Amount	Running Balance	Purpose
1	Carryforward from FY21 to FY22		\$1,325,897	
2	FY21 General Contingency Allocation	\$1,000,000	\$2,325,897	
3	New items this reporting period:			
4	no new items this reporting period		\$2,325,897	
5	Ending Balance		\$2,325,897	
<hr style="border: 1px solid gray;"/>				
6	Board Approved Commitments*:			
7	University Services - FY22	(500,000)	1,825,897.05	Support for the Twin Cities Campus Master Plan. Commitment of \$1,000,000. \$500,000 transferred FY21 (above); \$500,000 will be transferred in FY22.
8	Projected Balance		\$1,825,897	

* Items \$250,000 or more subject to Board approval.

ANNUAL ASSET MANAGEMENT REPORT

For the period ending June 30, 2021

Myron Frans, Senior Vice President for Finance and Operations

Stuart Mason, Associate Vice President, Chief Investment Officer

SENIOR VICE PRESIDENT FOR FINANCE AND OPERATIONS

World Class Services for a World Class University



Office of Investments & Banking

UNIVERSITY OF MINNESOTA

Page 295 of 311

UNIVERSITY INVESTMENT FUNDS

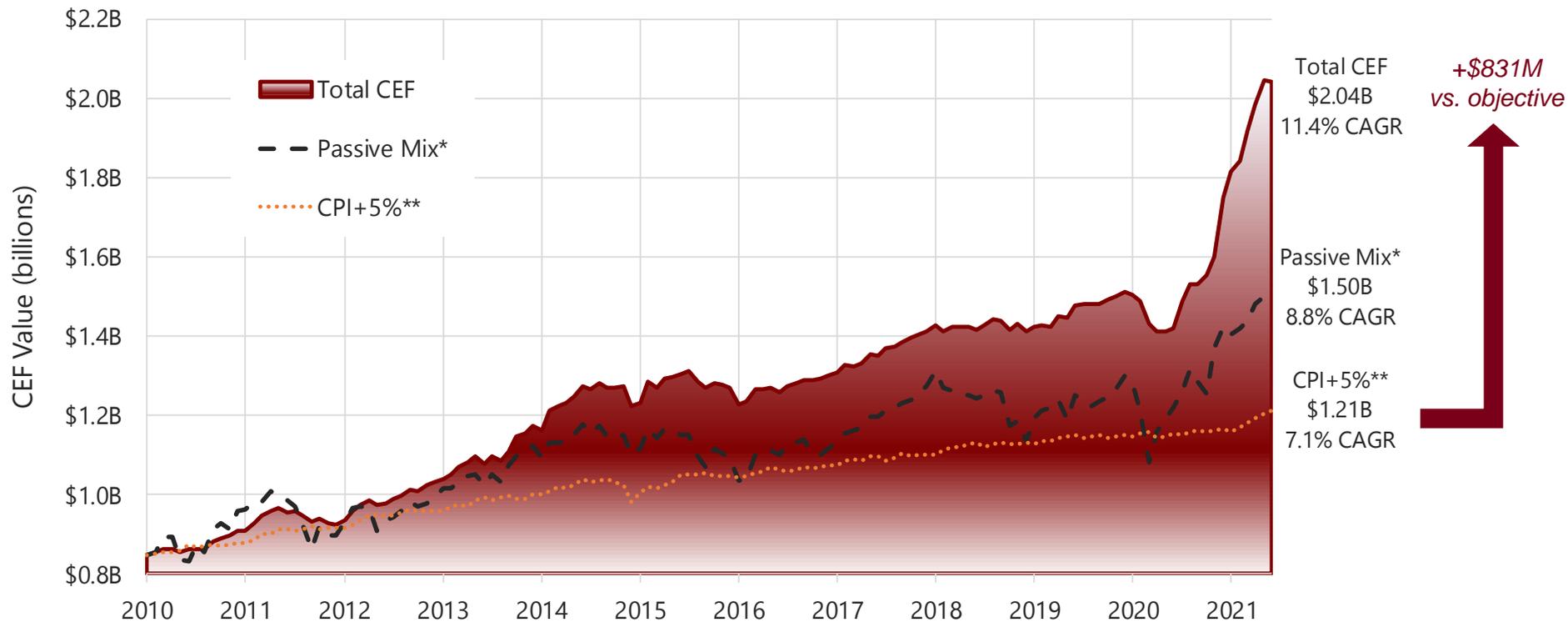
The Consolidated Endowment Fund (CEF) increased in value by 44% during the fiscal year, driven largely by record-high venture capital and private equity returns, and the continuing recovery in public equity markets following the COVID-induced lows in March 2020. The Short-Term Reserves (TIP) increase of 35% was driven by positive net cash inflows associated with reduced spending amidst the pandemic.

OIB Managed Funds (\$M)	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020	FY 2021
Consolidated Endowment Fund (CEF)	\$ 1,258	\$ 1,352	\$ 1,415	\$ 1,477	\$ 1,418	\$ 2,043
Short-Term Reserves (TIP)	1,101	1,113	1,068	1,183	1,086	1,468
Long-Term Reserves (GIP)	66	71	71	81	85	104
RUMINCO Ltd.	41	45	48	52	51	69
Invested Assets Related to Indebtedness	101	49	25	63	15	24
Total Managed Assets	2,566	2,631	2,628	2,855	2,656	3,708



Our goal is to preserve the inflation adjusted value of the endowment (CPI+5%)

OUTPERFORMANCE VS. LONG-TERM OBJECTIVE



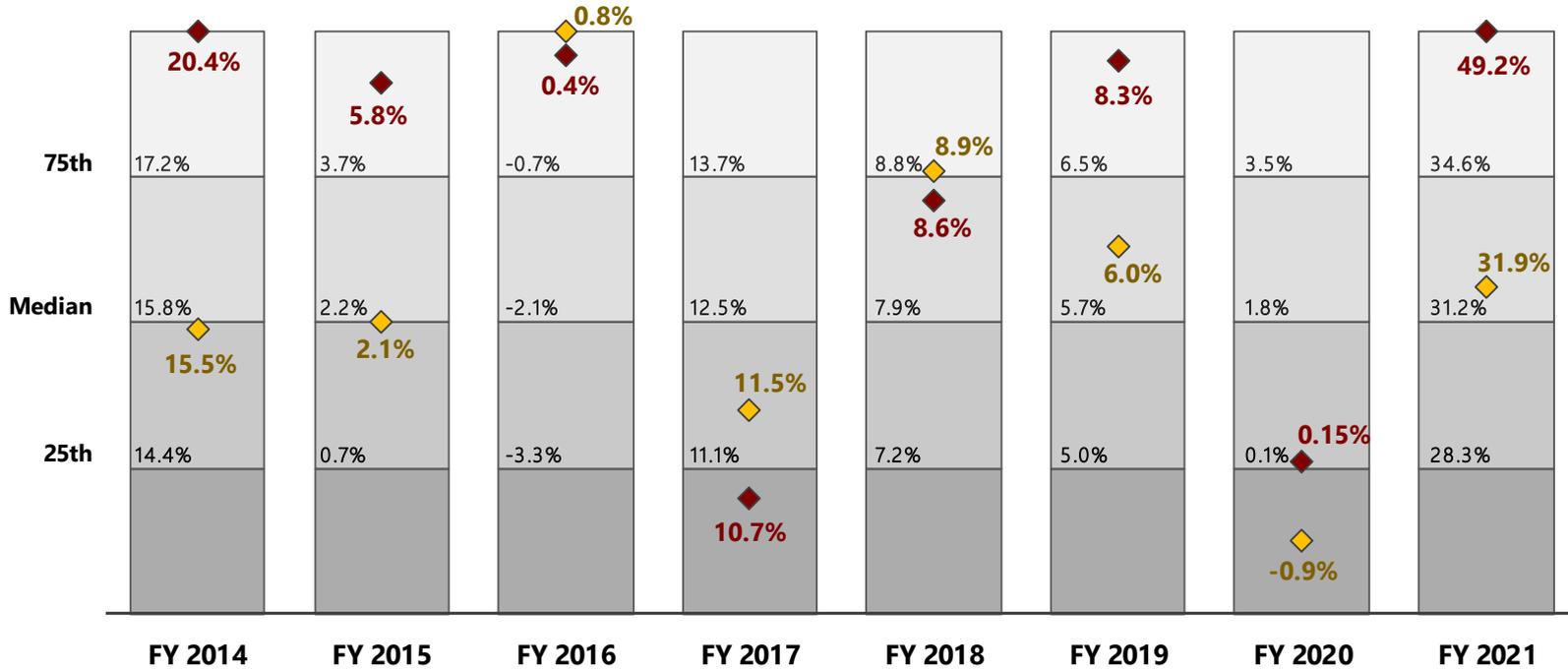
* Measures efficacy of long-term strategy vs. passive mix of stocks and bonds. 7/2015-current: 70% MSCI ACWI, 30% Barclays Global Aggregate; 1/1990-6/2015: 70% MSCI ACWI, 30% Barclays US Aggregate. Source: State Street

** Measures ability to preserve inflation-adjusted corpus of endowment. Index Return: US CPI Urban Consumers MoM SA. Source: Bloomberg



PERFORMANCE VS. PEER GROUP

The endowment has consistently delivered solid returns versus a peer group of U.S.-based university endowments and foundations due largely to strong performance of private capital strategies and a favorable asset allocation mix.



FY'14-FY'20 is based on NACUBO data on approximately 809 U.S. university endowments and foundations, representing \$567B in assets. FY'21 peer data is preliminary and based on 352 U.S. university endowments and foundations in the Cambridge Associates universe.

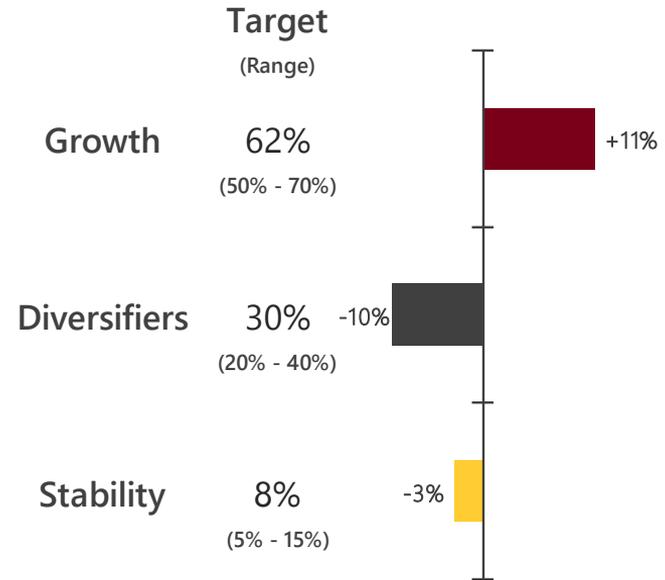
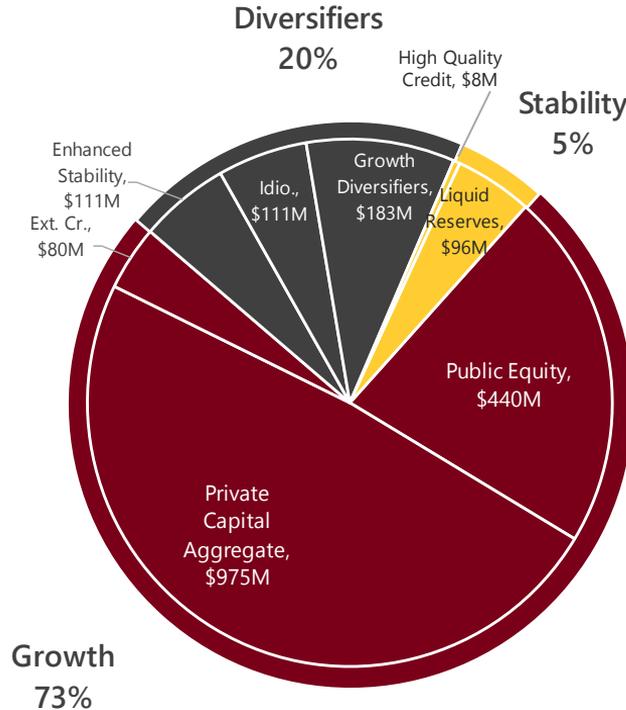
◆ Endowment ◆ Benchmark



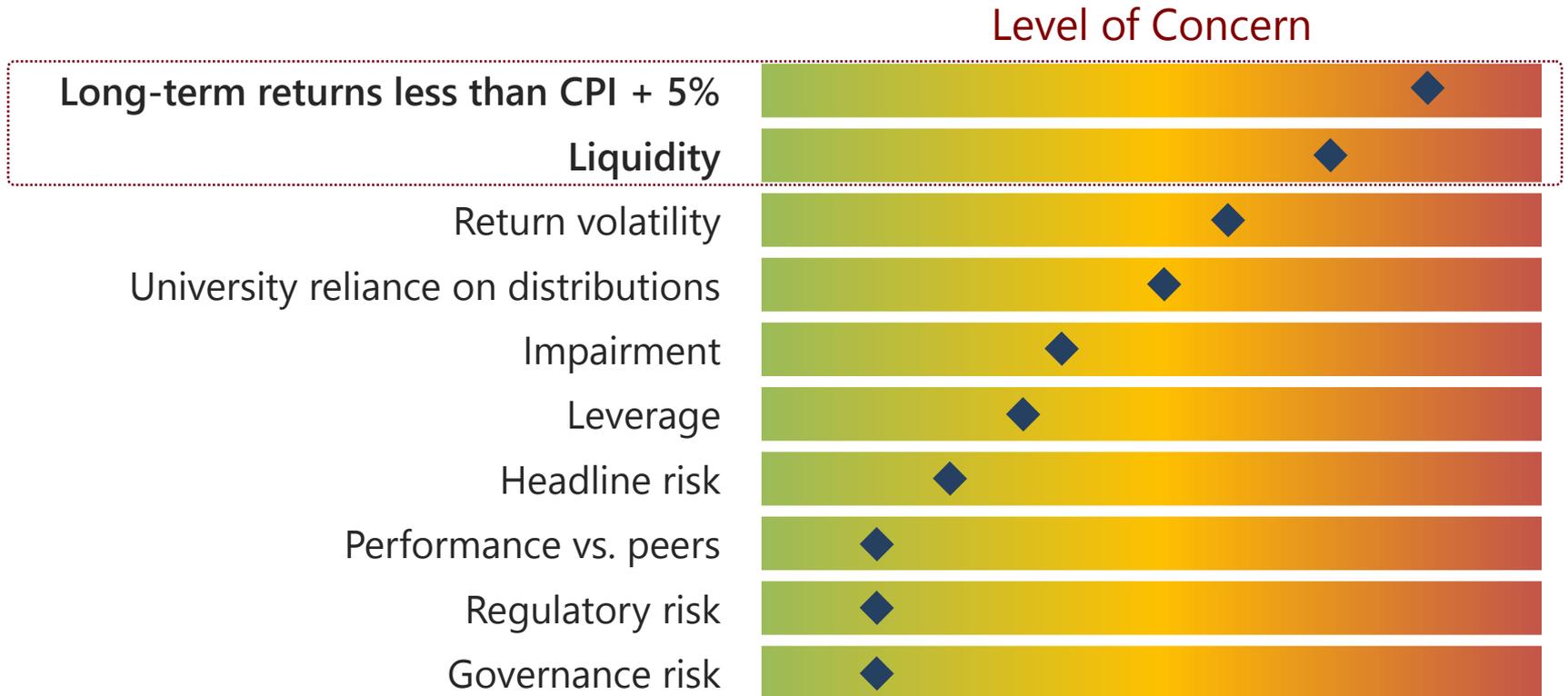
CEF ASSET ALLOCATION

Value as of 6/30/21: \$2.04B

OIB has not initiated any tactical portfolio shifts recently, but the continued outperformance of Growth assets (public and private equity) over Diversifiers has led to a persistent overweight to Growth versus policy targets.



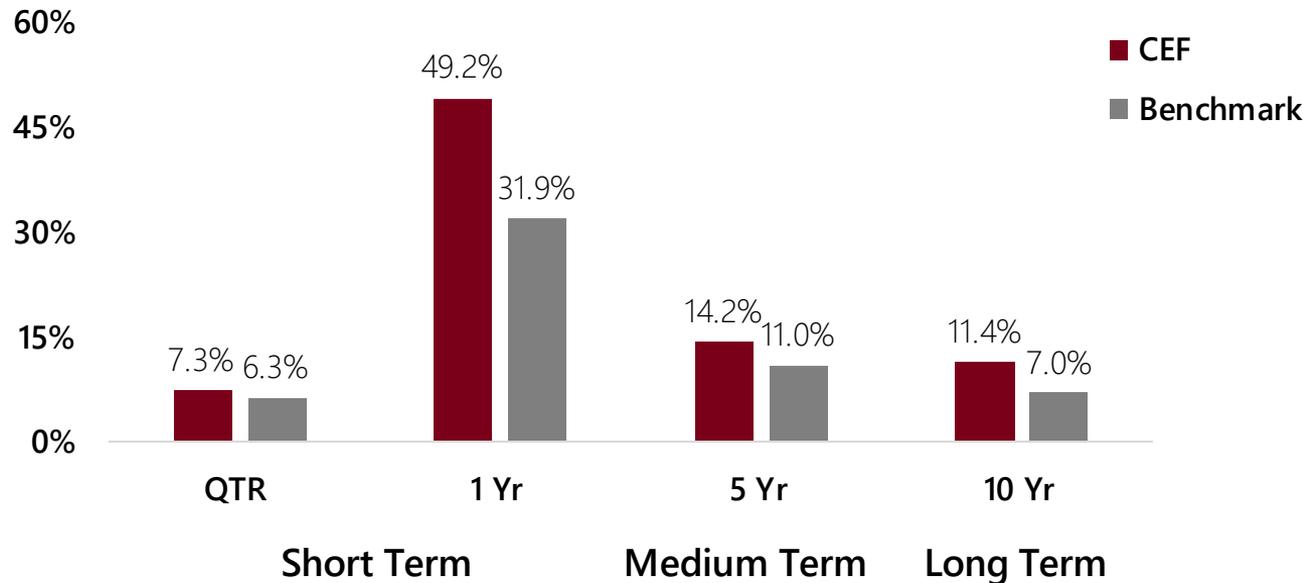
CEF KEY RISK FACTORS



CEF PERFORMANCE SUMMARY

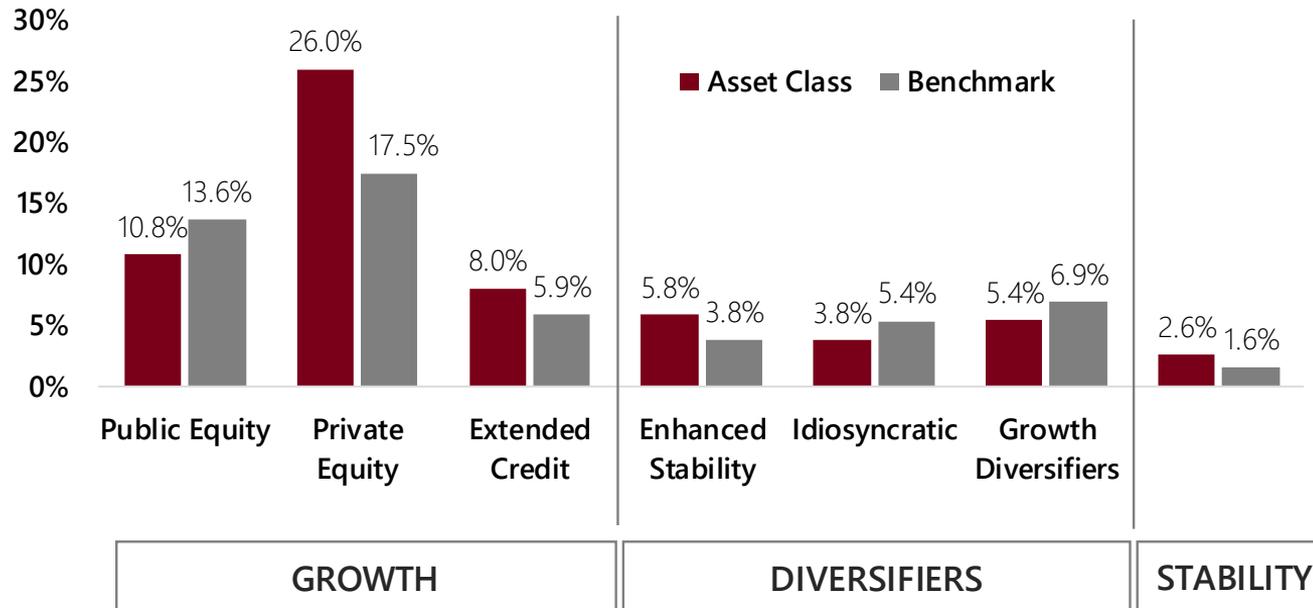
Value as of 6/30/21: \$2.04B

The record-setting +49.2% 1-year return was driven primarily by the exceptional rise in value of technology companies in the venture portfolio (most notably the co-investment in AbCellera Biologics which single handedly added ~5% to the fund). The venture composite returned 114.0% for the year and was further aided by strong performance by private equity (+59.8%) and private credit (>20.0%). The defensive posturing in the public equity portfolio has been the primary drag to relative performance over both the short- and medium-term, in addition to the mediocre returns in the Diversifiers sleeve (+4.8% for the 5-year).



5-YEAR CEF ASSET CLASS RETURNS

An overweight to illiquid private equity strategies that collectively beat their benchmark by >10% helped drive strong excess return over the medium term benchmark (14.2% vs. 11.0%). Public equity suffered primarily due to the portfolio's more conservative and defensive positioning. While credit-oriented strategies (in both the Extended Credit and Enhanced Stability sub-asset classes) have performed well, the Diversifiers sleeve has struggled to meet return targets as real assets, natural resources and idiosyncratic hedge funds have mostly delivered underwhelming results.



ENDOWMENT FUND POLICY COMPLIANCE SUMMARY

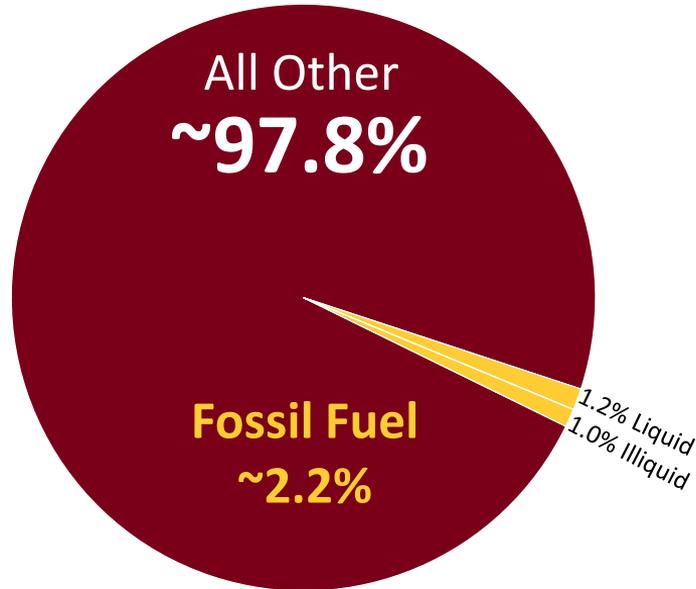
CONSIDERATION	METRIC	STATUS AS OF FYE'21
ILLIQUIDITY	50-75%	✓ 63%
LEVERAGE	<110%	✓ 101%
SINGLE FUND CONCENTRATION	<10%	✓ 5%
MANAGER CONCENTRATION	<20%	✓ 14%
CO-INVESTMENTS	<3%	✓ 2%
EMERGING-, MINORITY- AND WOMAN-OWNED FIRMS	N/A	<ul style="list-style-type: none"> During FY'21, CEF committed \$36.5M across 7 qualifying firms, representing 16% of total committed capital for the year. OIB conducted diligence on another 20+ qualifying funds.
SUSTAINABILITY AND RENEWABLE ENERGY	N/A	<ul style="list-style-type: none"> During FY'21, OIB re-allocated the vast majority of passive equity index capital (>\$125M) into BlackRock-managed ESG Aware ETFs. OIB estimates the endowment's fossil fuel exposure, across both public and private investments, is ~2.2%. OIB estimates the endowment has ~\$13.5M allocated to private renewable power generation projects, translating into over 22k megawatts of generating capacity – enough to power ~4.1M homes.



FOSSIL FUEL EXPOSURE SUMMARY

Approximately 2.2% of the endowment is invested in direct fossil-fuel related exposures, in large part due to an intentional strategic decision to underweight energy over the past 5+ years (due to both the sustainability thesis and the challenged investment thesis). Over ¾ of the illiquid (private market) exposures are in liquidation mode while the majority of liquid, public market exposures are obtained via index funds.

Asset Allocation - by Fossil Fuel Exposure



Top 10 Public Company Exposures

Company	Fund	\$ (m)	% of CEF
SGIS Songshan Co Ltd	Acadian Asset Mgmt.	2.1	0.11%
Exxon Mobil Corp	Blackrock, Parametric	1.0	0.05%
Nextera Energy Inc	Blackrock	0.8	0.04%
Chevron Corp	Blackrock	0.8	0.04%
ANHUI Hengyuan Coal	Acadian Asset Mgmt.	0.7	0.03%
Pacific Gas and Electric	Blackrock	0.6	0.03%
Sansteel Minguang Co	Acadian Asset Mgmt.	0.6	0.03%
ConocoPhillips	Blackrock, Parametric	0.4	0.02%
Union Pacific Group	Blackrock	0.4	0.02%
Energy Transfer Operating	Blackrock	0.3	0.02%

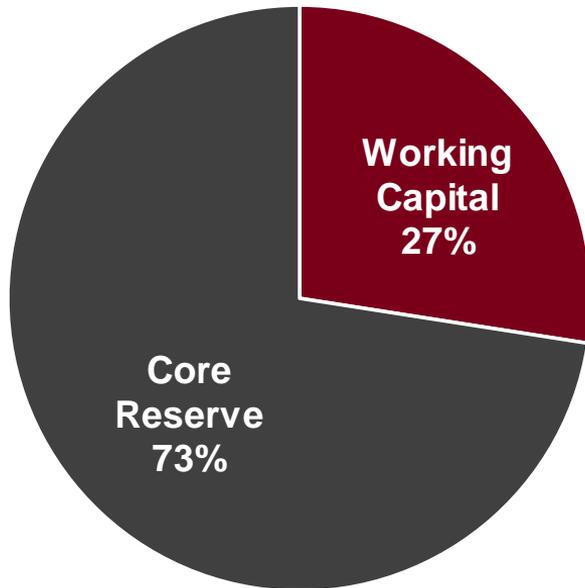
Market Value data as of June 30, 2021



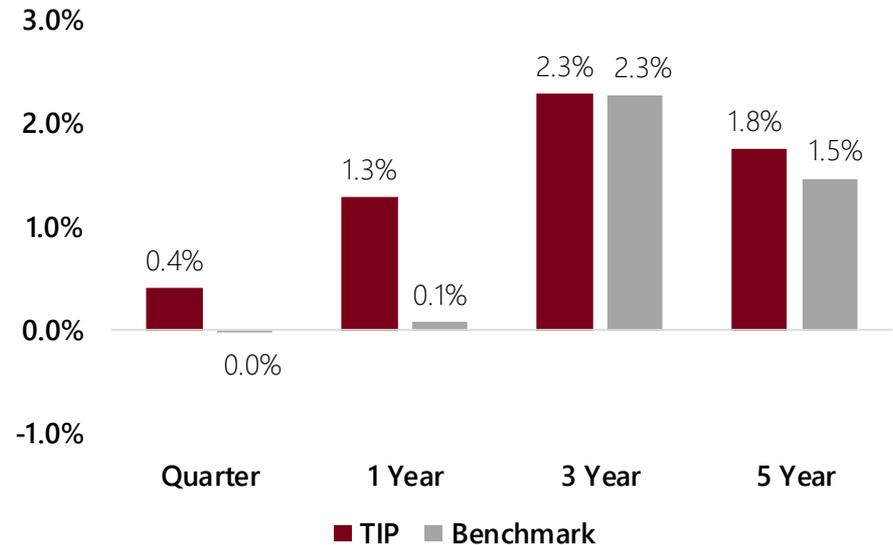
SHORT-TERM RESERVES (TIP)

Value as of 6/30/21: \$1.47B

Asset Allocation



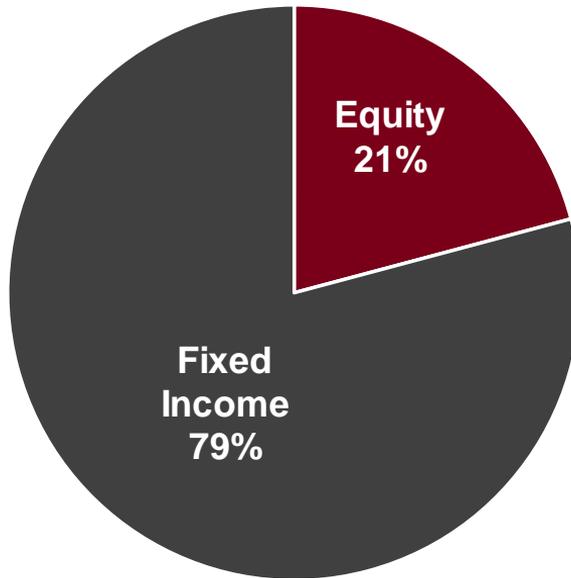
Performance Summary



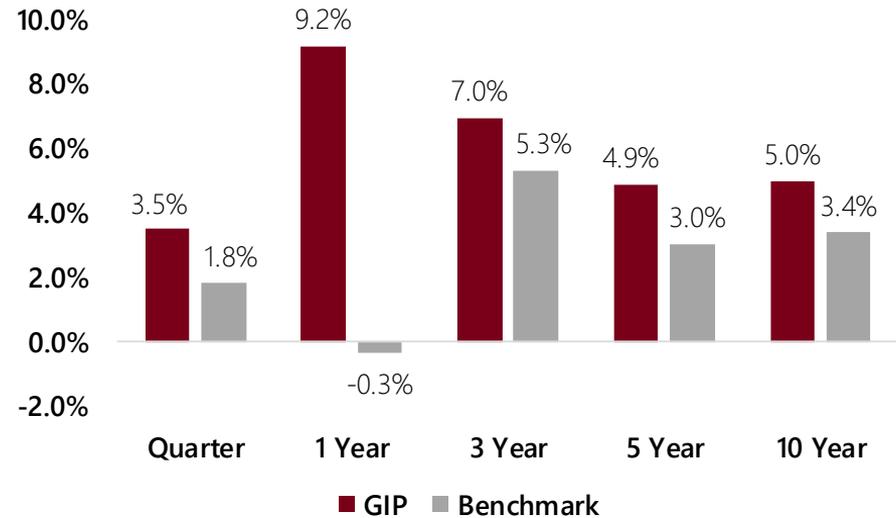
LONG-TERM RESERVES (GIP)

Value as of 6/30/21: \$104M

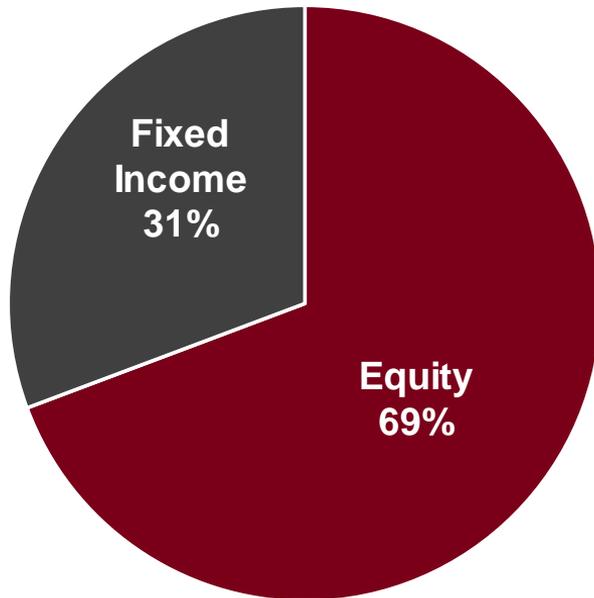
Asset Allocation



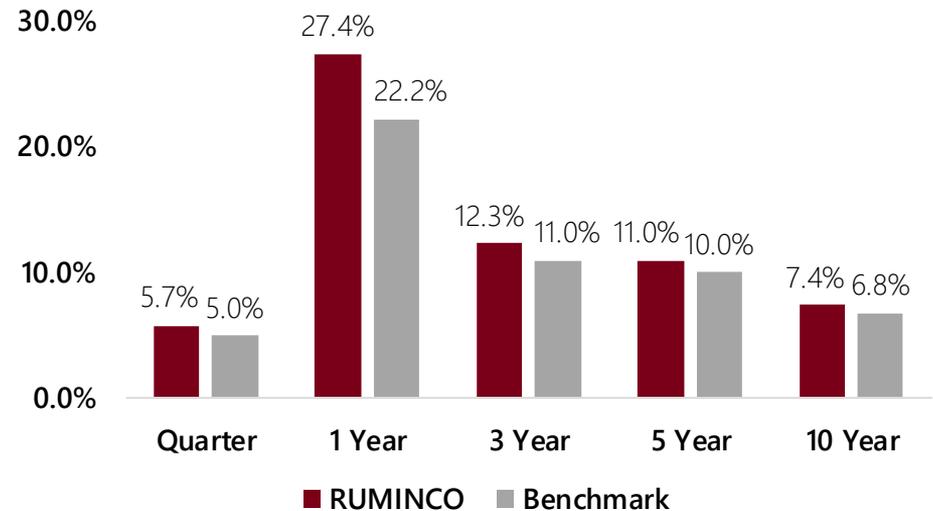
Performance Summary



Asset Allocation



Performance Summary





UNIVERSITY OF MINNESOTA

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Crookston Duluth Morris Rochester Twin Cities

The University of Minnesota is an equal opportunity educator and employer.



BOARD OF REGENTS DOCKET ITEM SUMMARY

Finance & Operations

October 7, 2021

AGENDA ITEM: Resolution to Conduct Non-Public Meeting of the Finance & Operations Committee Pursuant to Minnesota Statutes Section 13D.05, subdivision 3(c)(3)

Review

Review + Action

Action

Discussion

This is a report required by Board policy.

PRESENTERS: Myron Frans, Senior Vice President
Douglas Peterson, General Counsel
Leslie Krueger, Assistant Vice President for Planning, Space, and Real Estate

PURPOSE & KEY POINTS

To consider a resolution to conduct a non-public meeting of the Finance & Operations Committee to develop or consider offers or counteroffers for the sale of 250 to 300 acres of real property at UMore Park for Light Industrial/Commercial Development bounded by Audrey Avenue to the west, Blaine Avenue to the east, and County Road 42 to the north.



REGENTS OF THE UNIVERSITY OF MINNESOTA

RESOLUTION TO

Conduct Non-Public Meeting of the Finance & Operations Committee to Develop or Consider Offers for the Purchase or Sale of Real Property

WHEREAS, based on advice of the General Counsel, the Board of Regents has balanced the purposes served by the Open Meeting Law and determined that there is a need to review confidential or protected nonpublic real estate data 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(c), a non-public meeting of the Finance & Operations Committee be held on Thursday, October 7, 2021, in the Boardroom, 600 McNamara Alumni Center, for the purpose of developing or considering offers or counteroffers for the sale of the following real property:

- *250-300 acres at UMore Park for Light Industrial/Commercial Development bounded by Audrey Avenue to the west, Blaine Avenue to the east, and County Rd 42 to the north.*