UNIVERSITY OF MINNESOTA
BOARD OF REGENTS

Presidential Performance Review Committee
FY 2026

A special meeting of the Presidential Performance Review Committee of the Board of Regents convened on Wednesday, June 10, 2026, at 1:00 p.m. in the Office of the Board of Regents, 600 McNamara Alumni Center.

Regents present: Douglas Huebsch, presiding; Ruth Johnson and Penny Wheeler.

Staff present: President Rebecca Cunningham and Executive Director Brian Steeves.

RESOLUTION TO CONDUCT NON-PUBLIC SPECIAL MEETING
OF THE PRESIDENTIAL PERFORMANCE REVIEW COMMITTEE

A motion was made and seconded that the following resolution be approved:

> RESOLVED that as provided by Minn. Stat. § 13D.05, Subd. 3(a), a non-public special meeting of the Presidential Performance Review Committee of the Board of Regents will convene on Wednesday, June 10, 2026 at 1:00 p.m. in the Office of the Board of Regents, 600 McNamara Alumni Center, 200 Oak Street SE, Minneapolis, Minnesota. The purpose of this meeting is to evaluate the performance of the President of the University of Minnesota.

The committee voted unanimously to adopt the resolution and the public portion of the meeting ended at 1:01 p.m.

The meeting adjourned at 1:34 p.m.

Brian R. Steeves

BRIAN R. STEEVES
Executive Director and
Corporate Secretary

UNIVERSITY OF MINNESOTA
BOARD OF REGENTS

Litigation Review Committee
June 11, 2026

A meeting of the Litigation Review Committee of the Board of Regents was held on Thursday, June 11, 2026, at 8:00 a.m. in the Campus View Room, 600 McNamara Alumni Center.

Regents present: Mary Turner, presiding; Robyn Gulley, Samuel Heins, Douglas Huebsch, and Ruth Johnson.

Other Regents present: Ellen Goldberg Luger.

Staff present: President Rebecca Cunningham; Executive Vice President and Provost Gretchen Ritter; Executive Vice President for Finance and Operations Gregg Goldman; Vice President Chris Gade; General Counsel Douglas Peterson; Executive Director Brian Steeves; and Chief Auditor Quinn Gaalswyk.

Others present: Adam Hoskins, Jessica Durkin, Jason Langworthy, Krista Overby, Tim Pramas, and Brian Slovut.

The docket materials for this meeting are available here.

RESOLUTION TO CONDUCT NON-PUBLIC MEETING OF THE LITIGATION REVIEW COMMITTEE TO DISCUSS ATTORNEY-CLIENT PRIVILEGED MATTERS

A motion was made and seconded that the following resolution be adopted:

> WHEREAS, based on advice of the General Counsel, the Board of Regents Litigation Review Committee has balanced the purposes served by the Open Meeting Law and by the attorney-client privilege, and determined that there is a need for absolute confidentiality to discuss litigation strategy in particular matters involving the University of Minnesota.
>
> NOW, THEREFORE, BE IT RESOLVED, that in accordance with Minn. Stat. § 13D.01, Subd. 3 and 13D.05 Subd. 3(b), a non-public meeting of the Litigation Review Committee be held on Thursday, June 11, 2026, at 8:00 a.m. in the Campus View Room, 600 McNamara Alumni Center, for the purpose of discussing attorney-client privileged matters including the following:
>
> I. Federal Investigations
> II. Potential litigation by former student

The committee voted unanimously to adopt the resolution and the public portion of the meeting ended at 8:03 a.m.

The meeting adjourned at 8:57 a.m.

BRIAN R. STEEVES
Executive Director and
Corporate Secretary

UNIVERSITY OF MINNESOTA
BOARD OF REGENTS

Mission Fulfillment Committee
June 11, 2026

A meeting of the Mission Fulfillment Committee of the Board of Regents was held on Thursday, June 11, 2026, at 9:15 a.m. in the Boardroom, 600 McNamara Alumni Center.

Regents present: Tadd Johnson, presiding; Joel Bergstrom, Ellen Goldberg Luger, Robyn Gulley, Samuel Heins, Douglas Huebsch, Ruth Johnson, Kowsar Mohamed, Mary Turner, Kodi Verhalen, and Penny Wheeler.

Staff present: President Rebecca Cunningham; Chancellors Lori Carrell, Mary Holz-Clause, and Michael Rodriguez; Executive Vice President and Provost Gretchen Ritter; Executive Vice President for Finance and Operations Gregg Goldman; Interim Executive Vice President for Health Affairs Carol Bradford; Vice Presidents Chris Gade, Calvin Phillips, and Ryan Schmiesing; General Counsel Douglas Peterson; Executive Director Brian Steeves; and Chief Auditor Quinn Gaalswyk.

Student Representatives present: Vera Barkosky and Caleb Masi.

The docket materials for this meeting are available here.

UNIVERSITY ENROLLMENT PLAN

Regent T. Johnson invited President Cunningham; Executive Vice President and Provost Ritter; and Vice Presidents Gade and Schmiesing to present for action the University Enrollment Plan, as detailed in the docket.

The docket materials for this item begin on page 3. The closed-captioned video of this item is available here.

T. Johnson invited Chancellor Rodriguez to comment on recruitment and enrollment strategies for the Morris campus.

A motion was made and seconded, and the committee voted unanimously to approve on behalf of the Board the University Enrollment Plan.

ELEVATE EXTRAORDINARY 2030: ONLINE LEARNING HUB

Regent T. Johnson invited Executive Vice President and Provost Ritter; Eric Watkins, Vice Provost for Distributed Learning; Megan Bell, Associate Vice Chancellor, Crookston campus; and Mary Zellmer-Bruhn, Associate Dean, MBA and MS Programs, Carlson School of Management, Twin Cities campus, to discuss online learning programs across the University, as detailed in the docket.

The docket materials for this item begin on page 70. The closed-captioned video of this item is available here.

Regent Mohamed joined the meeting.

FACULTY APPOINTMENTS: CONTRACT FACULTY

Regent T. Johnson invited Executive Vice President and Provost Ritter and Beth Lewis, Vice Provost for Faculty and Academic Affairs, to provide an overview of current policy and potential opportunities related to faculty appointments, as detailed in the docket.

The docket materials for this item begin on page 101. The closed-captioned video of this item is available here.

CONSENT REPORT

Regent T. Johnson invited Executive Vice President and Provost Ritter to present for review and action the Consent Report, as detailed in the docket.

The docket materials for this item begin on page 114. The closed-captioned video of this item is available here.

Approval of Changed Academic Programs

- College of Education and Human Service Professions, Duluth campus — requests approval to change program modality options in the Master of Social Work, effective fall 2027.
- Swenson College of Science and Engineering, Duluth campus — requests approval to change the academic-degree-granting home campus and college for the M.S. and the Ph.D. in Water Resources Science from the Twin Cities campus College of Food, Agricultural and Natural Resource Sciences to the Duluth campus Swenson College of Science and Engineering, effective fall 2028, pending approval by the Higher Learning Commission.
- Morris campus — requests approval to add a new subplan to the Bachelor of Arts in Environmental Science, effective fall 2027.
- Carlson School of Management, Twin Cities campus — requests approval to discontinue a subplan in the Master of Science in Business Analytics and to change the name of the degree to Master of Science in Business Analytics and Artificial Intelligence, effective spring 2027.
- Carlson School of Management, Twin Cities campus — requests approval to discontinue the BSB/MHRIR IDP subplan in the Master of Human Resources and Industrial Relations, effective spring 2027. This discontinuation applies to multiple Bachelor of Science in Business degrees:
    - Bachelor of Science in Business in Accounting
    - Bachelor of Science in Business in Entrepreneurial Management
    - Bachelor of Science in Business in Finance
    - Bachelor of Science in Business in Finance and Risk Management Insurance
    - Bachelor of Science in Business in Human Resources and Industrial Relations
    - Bachelor of Science in Business in Management Information Systems
    - Bachelor of Science in Business in Marketing
    - Bachelor of Science in Business in Supply Chain and Operations Management

- Carlson School of Management, Twin Cities campus — requests approval to change program modality options in the following programs, effective spring 2027:
  - Business Analytics postbaccalaureate certificate: remove existing in-person/classroom and hybrid options and offer only a completely online option
  - Closely-Held Business Taxation postbaccalaureate certificate: remove existing hybrid option and offer only completely online option
  - High Net-Worth Individual Taxation postbaccalaureate certificate: remove existing hybrid option and offer only completely online option
  - International Taxation postbaccalaureate certificate: remove existing hybrid option and offer only a completely online option
  - Taxation postbaccalaureate certificate: remove the existing hybrid option and offer only a completely online option
  - Tax Executive postbaccalaureate certificate: remove the existing hybrid option and offer only a completely online option
- College of Education and Human Development, Twin Cities campus — requests approval to add a new subplan and update the name of an existing subplan in the Master of Education in Teaching program, effective spring 2027.
- College of Science and Engineering, Twin Cities campus — requests approval to add a new integrated degree program (IDP) subplan option in the Bachelor of Science in Physics and Master of Science in Mechanical Engineering, effective spring 2027.

Approval of Discontinued Academic Programs

- Morris campus — requests approval to discontinue the Bachelor of Arts in Sociology, effective fall 2027.
- Morris campus — requests approval to discontinue the following degree programs, effective fall 2027:
  - Bachelor of Arts in Geology
  - Bachelor of Arts in German Studies
  - Bachelor of Arts in Latin American Studies
  - Geology undergraduate minor
  - German Studies undergraduate minor
- College of Biological Sciences, Twin Cities campus — requests approval to discontinue the Health and Genomics undergraduate minor, effective fall 2026.
- College of Veterinary Medicine, Twin Cities campus — requests approval to discontinue the Foreign Grad. Train. postbaccalaureate certificate, effective spring 2027.
- College of Veterinary Medicine, Twin Cities campus — requests approval to discontinue the Veterinary Medical Education postbaccalaureate certificate, effective spring 2027.
- Medical School, Twin Cities campus — requests approval to discontinue four fellowships, effective fall 2027:
  - The Department of Orthopedics requests approval to discontinue the Adult Reconstruction/Trauma Fellowship.
  - The Department of Orthopedics requests approval to discontinue the Orthopedic Trauma Fellowship.
  - The Department of Psychiatry & Behavioral Sciences requests approval to discontinue the Addiction Psychiatry Fellowship.
  - The Department of Psychiatry & Behavioral Sciences requests approval to discontinue the Geriatric Psychiatry Fellowship.

Approval of New Academic Programs

- Swenson College of Science and Engineering, Duluth campus — requests approval to create the Engineering Project Management postbaccalaureate certificate, effective fall 2027.
- Swenson College of Science and Engineering, Duluth campus — requests approval to create the Sustainable and Resilient Engineering postbaccalaureate certificate, effective fall 2027.
- College of Science and Engineering, Twin Cities campus — requests approval to create the Microelectronics postbaccalaureate certificate, effective spring 2027.
- College of Science and Engineering, Twin Cities campus — requests approval to create the Artificial Intelligence and Machine Learning undergraduate minor, effective spring 2027.
- College of Science and Engineering, Twin Cities campus — requests approval to create the Chemical Engineering undergraduate minor, effective spring 2027.
- College of Science and Engineering, Twin Cities campus — requests approval to create the Materials Science and Engineering undergraduate minor, effective spring 2027.
- School of Dentistry, Twin Cities campus—requests approval to create the Hospital and Special Care Dental Fellowship, effective summer 2027.

Conferral of Tenure for New Hires

- Joshua Aman, associate professor with tenure, Department of Neurology, Medical School, Twin Cities campus
- Catherine Denial, professor with tenure, Center for Learning Innovation, Rochester campus

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

INFORMATION ITEMS

Regent T. Johnson invited Executive Vice President and Provost Ritter to discuss the information items in the docket:

A. University, Student, Faculty, and Staff Activities and Awards

The docket materials for this item begin on page 125. The closed-captioned video of this item is available here.

The meeting adjourned at 11:08 a.m.

Brian R. Steeves

BRIAN R. STEEVES
Executive Director and
Corporate Secretary

UNIVERSITY OF MINNESOTA
BOARD OF REGENTS

Finance & Operations Committee
June 11, 2026

A meeting of the Finance & Operations Committee of the Board of Regents was held on Thursday, June 11, 2026, at 1:00 p.m. in the Boardroom, 600 McNamara Alumni Center.

Regents present: Penny Wheeler, presiding; Joel Bergstrom, James Farnsworth, Ellen Goldberg Luger, Robyn Gulley, Samuel Heins, Douglas Huebsch, Ruth Johnson, Tadd Johnson, Kowsar Mohamed, Mary Turner, and Kodi Verhalen.

Staff present: President Rebecca Cunningham; Chancellors Lori Carrell and Michael Rodriguez; Executive Vice President and Provost Gretchen Ritter; Executive Vice President for Finance and Operations Gregg Goldman; Interim Executive Vice President for Health Affairs Carol Bradford; Vice Presidents Chris Gade, Kenneth Horstman, Alice Roberts-Davis, Ryan Schmiesing, Erin Sexton, Tarek Tomes, and Michael Volna; Interim Vice President Koryn Zewers; General Counsel Douglas Peterson; Executive Director Brian Steeves; Chief Auditor Quinn Gaalswyk; and Associate Vice President Andrew Parks.

Student Representatives present: Ethan Ellis and Isabella Peterson.

The docket materials for this meeting are available here.

REAL ESTATE TRANSACTION: AMENDMENT TO TWO DISCOVERY SQUARE LEASE

Regent Wheeler invited President Cunningham; Executive Vice President for Finance and Operations Goldman; Chancellor Carrell; Kim Norton, Mayor, City of Rochester; Randy Schurbing, City Council President, City of Rochester; and Patrick Seeb, Executive Director, Destination Medical Center, to present for review and action an amendment to the Two Discovery Square lease, 415 2nd Avenue Southwest, Rochester (Rochester campus), as detailed in the docket.

The docket materials for this item begin on page 5. The closed-captioned video of this item is available here.

A motion was made and seconded, and the committee voted unanimously to approve on behalf of the Board the amendment to the 415 2nd Avenue Southwest, Rochester lease.

UNIVERSITY RESERVES STRUCTURE

Regent Wheeler invited Vice President Volna and Associate Vice President Parks to present for action the adoption of Board of Regents Policy: *Capital Reserves and Liquidity Management* and the repeal of Board of Regents Policy: *Central Reserves Fund* and Board of Regents Policy: *Investment of Reserves*, as detailed in the docket.

The docket materials for this item begin on page 16. The closed-captioned video of this item is available here.

A motion was made and seconded, and the committee voted unanimously to approve on behalf of the Board the adoption of Board of Regents Policy: *Capital Reserves and Liquidity Management* and the repeal of Board of Regents Policy: *Central Reserves Fund* and Board of Regents Policy: *Investment of Reserves*.

PRESIDENT'S RECOMMENDED
FY 2027 ANNUAL CAPITAL IMPROVEMENT BUDGET

Regent Wheeler invited President Cunningham, Executive Vice President for Finance and Operations Goldman, and Vice President Roberts-Davis to review the President's Recommended FY 2027 Annual Capital Improvement Budget, as detailed in the docket.

The docket materials for this item begin on page 26. The closed-captioned video of this item is available here.

PRESIDENT'S RECOMMENDED
FY 2027 ANNUAL OPERATING BUDGET

Regent Wheeler invited President Cunningham, Executive Vice President for Finance and Operations Goldman, and Interim Vice President Zewers to review the President's Recommended FY 2027 Annual Operating Budget, as detailed in the docket.

The docket materials for this item begin on page 45. The closed-captioned video of this item is available here.

Regent Farnsworth joined the meeting.

Wheeler recessed the meeting at 2:42 p.m.

RESOLUTION RELATED TO FINANCING FOR COMMUNITY-UNIVERSITY HEALTH CARE CENTER

Regent Wheeler called the meeting back to order at 2:56 p.m. and invited Executive Vice President for Finance and Operations Goldman and Vice President Volna to review the resolution authorizing the use of New Markets Tax Credits to fund the costs of constructing the new Community-University Health Care Center (CUHCC), as detailed in the docket.

The docket materials for this item begin on page 143. The closed-captioned video of this item is available here.

Regents Farnsworth and Mohamed left the meeting.

REAL ESTATE TRANSACTION: SALE OF LES BOLSTAD GOLF COURSE

Regent Wheeler invited Executive Vice President for Finance and Operations Goldman; Vice President Roberts-Davis; and Leslie Krueger, Assistant Vice President, Planning, Space, and Real Estate, to review the sale of the Les Bolstad Golf Course, 2275 Larpenteur Avenue West, Falcon Heights (Twin Cities campus), as detailed in the docket.

The docket materials for this item begin on page 156. The closed-captioned video of this item is available here.

CONSENT REPORT

Regent Wheeler invited Executive Vice President for Finance and Operations Goldman to present for review and action the revised Consent Report, as detailed in the docket.

The docket materials for this item begin on page 170. The closed-captioned video of this item is available here.

Employment Agreements

- Cynthia Carnes, Vice President for Research and Innovation
- Elisia Cohen, Vice Provost for Graduate and Professional Education and Dean, Graduate School
- Mark Coyle, Director of Intercollegiate Athletics, Twin Cities campus
- Koryn Zewers, Vice President and Chief Budget Officer
- Anne Stevens, Dean, College of Arts, Humanities, and Social Sciences, Duluth campus
- Kim Zoder-Martell, Dean, College of Education and Human Services Professions, Duluth campus
- Dawn Plitzuweit, Head Coach, Women's Basketball, Twin Cities campus

Long-Term Capital Financing Program: Use of Proceeds

Purchase of Goods and Services $5,000,000 and Over

- To Gardner Builder's, Johnson Wilson Constructors, and Kraus Anderson Construction for an estimated $5,000,000 to provide construction manager services for Facilities Management on the Duluth campus for the period of July 1, 2026 through June 30, 2027 with optional contract extensions estimated at $10,000,000 through June 30, 2029. The total estimated contract value if the optional contract extensions are exercised would be an estimated $15,000,000. This approval authorizes both the base term and the additional optional contract extension. This purchase has been budgeted for the current fiscal year and is funded by a variety of sources (Facilities Reserves, Departmental, Central Reserves, HEAPR, etc.). Suppliers were selected through a Request for Proposal (RFP) conducted by Purchasing Services.

- To Pier Group for an estimated $24,000,000 for the purchase of HPE /Aruba networking equipment, support, and maintenance for the systemwide WiFi Network. This purchase is a part of the Next Generation Network 3 (NGN3) project for the Office of Information Technology (OIT) on all campuses. This will be a 10-year contract from June 15, 2026

through May 31, 2036. This purchase has been budgeted with NGN3 funds for the initial hardware purchase, followed by OIT funds for ongoing support. The supplier was selected through an RFP conducted by Purchasing Services.

- To US Fleet Source, Luther Family LLLP, Brookdale Motors Inc, and Rudy Luther Toyota for an estimated $4,500,000 for vehicles for Fleet Services, a systemwide unit of Parking and Transportation Services on the Twin Cities campus, for the period of June 15, 2026 through June 30, 2029 with optional contract extensions estimated at $3,000,000 through June 30, 2031. The total estimated contract value if the optional contract extensions are exercised would be an estimated $7,500,000. This approval authorizes both the base term and the additional optional contract extension. The central motor pool vehicles are funded through fees charged to departments based on the time period of usage. Funding for purchased vehicles is determined by the applicable department at the time of purchase. Suppliers were selected through an RFP conducted by Purchasing Services.

- To Whelan Event Services for an estimated $1,500,000 for crowd management, guest services, and 24/7 security services for Twin Cities athletic facilities and events (including Huntington Bank Stadium, Williams Arena, 3M Arena at Mariucci, etc.) for the Department of Intercollegiate Athletics on the Twin Cities campus for the period of July 1, 2026 through June 30, 2027 with optional contract extensions estimated at $6,000,000 through June 30, 2031. The total estimated contract value if the optional contract extensions are exercised would be an estimated $7,500,000. This approval authorizes both the base term and the additional optional contract extension. All services will be paid for with departmental budgeted funds. The supplier was selected through an RFP conducted by Purchasing Services.

Real Estate Transaction

- Amendment to 1200 Washington Avenue South Lease, Minneapolis, Twin Cities campus

A motion was made and seconded, and the committee voted unanimously to approve on behalf of the Board the revised Consent Report.

INFORMATION ITEMS

Regent Wheeler invited Executive Vice President for Finance and Operations Goldman to discuss the information items in the docket:

A. Investment Advisory Committee Update

The docket materials for this item begin on page 233. The closed-captioned video of this item is available here.

The meeting adjourned at 3:37 p.m.

BRIAN R. STEEVES
Executive Director and
Corporate Secretary

UNIVERSITY OF MINNESOTA
BOARD OF REGENTS

Academic Health Committee
June 11, 2026

A meeting of the Academic Health Committee of the Board of Regents was held on Thursday, June 11, 2026, at 4:02 p.m. in the Boardroom, 600 McNamara Alumni Center.

Regents present: Ruth Johnson, presiding; Joel Bergstrom, Ellen Goldberg Luger, Tadd Johnson, Mary Turner, and Penny Wheeler.

Other Regents present: Samuel Heins, Douglas Huebsch, and Kodi Verhalen.

Staff present: President Rebecca Cunningham; Chancellors Lori Carrell and Mary Holz-Clause; Executive Vice President and Provost Gretchen Ritter; Executive Vice President for Finance and Operations Gregg Goldman; Interim Executive Vice President for Health Affairs Carol Bradford; Vice Presidents Chris Gade, Kenneth Horstman, Alice Roberts-Davis, Ryan Schmiesing, Erin Sexton, and Michael Volna; Interim Vice President Joanne Billings; General Counsel Douglas Peterson; Executive Director Brian Steeves; and Chief Auditor Quinn Gaalswyk.

Student Representatives present: Daneille Awere and Ethan Ellis.

The docket materials for this meeting are available here.

RESOLUTION RELATED TO 2027 DEFINITIVE AGREEMENTS BETWEEN THE UNIVERSITY OF MINNESOTA, UNIVERSITY OF MINNESOTA PHYSICIANS, AND FAIRVIEW HEALTH SERVICES

Regent R. Johnson invited President Cunningham; Keith Ellison, Minnesota Attorney General; Gregory Beilman, CEO, University of Minnesota Physicians; James Hereford, President and CEO, Fairview Health Services; and Interim Executive Vice President for Health Affairs Bradford to present for review and action the proposed definitive agreements between the University, University of Minnesota Physicians, and Fairview Health Services, as detailed in the docket.

The docket materials for this item begin on page 3. The closed-captioned video of this item is available here.

A motion was made and seconded, and the committee voted unanimously to recommend approval of the revised resolution related to 2027 Definitive Agreements between the University of Minnesota, University of Minnesota Physicians, and Fairview Health Services.

The meeting adjourned at 4:41 p.m.

BRIAN R. STEEVES
Executive Director and
Corporate Secretary

UNIVERSITY OF MINNESOTA
BOARD OF REGENTS

Governance & Policy Committee
June 12, 2026

A meeting of the Governance & Policy Committee of the Board of Regents was held on Friday, June 12, 2026, at 8:00 a.m. in the Campus View Room, 600 McNamara Alumni Center.

Regents present: Joel Bergstrom, presiding; Ellen Goldberg Luger, Tadd Johnson, Penny Wheeler, and Kodi Verhalen.

Other Regents present: Mary Turner.

Staff present: President Rebecca Cunningham; Executive Vice President and Provost Gretchen Ritter; Executive Vice President for Finance and Operations Gregg Goldman; Vice President Chris Gade; General Counsel Douglas Peterson; and Executive Director Brian Steeves.

The docket materials for this meeting are available here.

BOARD OF REGENTS POLICY: *RESERVATION AND DELEGATION OF AUTHORITY* (APPOINTMENT AUTHORITY)

Regent Bergstrom invited Executive Director Steeves and Associate Secretary Jason Langworthy to review proposed amendments to Board of Regents Policy: *Reservation and Delegation of Authority*, as detailed in the docket.

The docket materials for this item begin on page 3. The closed-captioned video of this item is available here.

INFORMATION ITEMS

Regent Bergstrom invited Executive Director Steeves to discuss the information items in the docket:

- 2026 Board Policy Report

The docket materials for this item begin on page 7. The closed-captioned video of this item is available here.

The meeting adjourned at 8:24 a.m.

BRIAN R. STEEVES
Executive Director and
Corporate Secretary

UNIVERSITY OF MINNESOTA
BOARD OF REGENTS

Board of Regents
June 12, 2026

A meeting of the Board of Regents of the University of Minnesota was held on Friday, June 12, 2026, at 9:15 a.m. in the Boardroom, 600 McNamara Alumni Center.

Regents present: Douglas Huebsch, presiding; Joel Bergstrom, Ellen Goldberg Luger, Robyn Gulley, Samuel Heins, Ruth Johnson, Tadd Johnson, Mary Turner, Kodi Verhalen, and Penny Wheeler.

Staff present: President Rebecca Cunningham; Chancellors Lori Carrell and Michael Rodriguez; Executive Vice President and Provost Gretchen Ritter; Executive Vice President for Finance and Operations Gregg Goldman; Interim Executive Vice President for Health Affairs Carol Bradford; Vice Presidents Chris Gade, Kenneth Horstman, Calvin Phillips, Alice Roberts-Davis, Ryan Schmiesing, Erin Sexton, Tarek Tomes, and Michael Volna; Interim Vice President Koryn Zewers; General Counsel Douglas Peterson; Executive Director Brian Steeves; Chief Auditor Quinn Gaalswyk; and Associate Vice President Paige Rohman.

REGULAR MEETING

The regular meeting of the Board of Regents was convened at 9:15 a.m. The docket materials for this meeting are available here.

PUBLIC FORUM ON THE PRESIDENT'S RECOMMENDED FY 2027 ANNUAL OPERATING BUDGET

The following individuals addressed the Board:

1. Cal Mergendahl
2. Jennifer Pierce
3. Tim Kersey
4. Sasmit Rahman
5. Fae Hodges
6. Eric Daigre
7. Julien Nguyen
8. Michael Gallope
9. Emil Chu
10. Christopher Moua
11. Roger Day

Regent Huebsch recessed the meeting at 9:53 a.m.

Huebsch called the meeting back to order at 9:55 a.m.

The following individual addressed the Board:

12. Christina Gallup

The closed-captioned video of this item is available here.

Huebsch recessed the meeting at 9:57 a.m.

APPROVAL OF MINUTES AND CONSENT REPORT

Regent Huebsch called the meeting back to order at 10:14 a.m. and presented for review and action the approval of the following minutes and the revised Consent Report, as detailed in the docket:

Minutes

- Presidential Performance Review Committee – April 8, 2026
- Litigation Review Committee – April 9, 2026
- Mission Fulfillment Committee – April 9, 2026
- Finance & Operations Committee – April 9, 2026
- Academic Health Committee – April 9, 2026
- Audit & Compliance Committee – April 9, 2026
- Governance & Policy Committee – April 10, 2026
- Board of Regents – April 10, 2026
- Presidential Performance Review Committee – May 4, 2026
- Board of Regents – May 5, 2026
- Presidential Performance Review Committee – May 6, 2026
- Presidential Performance Review Committee – May 29, 2026

Consent Report

A. Gifts
B. Report of the 2026 Regents Professor Selection Advisory Committee
C. Report of the All-University Honors Committee
D. Report of the Naming Committee

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

The docket materials for this item begin on page 3. The closed-captioned video of this item is available here.

REPORT OF THE PRESIDENT

President Cunningham delivered the report of the President.

The docket materials for this item begin on page 53. The closed-captioned video of this item is available here.

REPORT OF THE CHAIR OF THE BOARD

Regent Huebsch delivered the report of the Chair of the Board.

The docket materials for this item begin on page 54. The closed-captioned video of this item is available here.

RECEIVE AND FILE REPORTS

Regent Huebsch noted the following reports to receive and file this month:

- Annual Review of the President's Delegations
- Virtual Forum Comments

The docket materials for this item begin on page 55. The closed-captioned video of this item is available here.

BOARD OF REGENTS POLICY: *CODE OF CONDUCT FOR MEMBERS OF THE BOARD OF REGENTS* – ANNUAL REVIEW

Regent Huebsch invited General Counsel Peterson and Executive Director & Corporate Secretary Steeves to provide the annual review of Board of Regents Policy: *Code of Conduct for Members of the Board of Regents*, as detailed in the docket.

The docket materials for this item begin on page 60. The closed-captioned video of this item is available here.

REPORT OF THE UNIVERSITY SENATE CONSULTATIVE COMMITTEES

Regent Huebsch invited Perry Leo, chair of the Senate Consultative Committee and the Faculty Consultative Committee; Toni Abts, chair of the Academic Professional and Administrative Consultative Committee; Rosemary Burns Velez, chair of the Civil Service Consultative Committee; and Dominic Scavullo, chair of the Student Senate Consultative Committee, to deliver their respective reports, as detailed in the docket.

The docket materials for this item begin on page 61. The closed-captioned video of this item is available here.

RECOGNITION OF THE UNIVERSITY SENATE CONSULTATIVE COMMITTEE OUTGOING CHAIRS

Regent Huebsch and President Cunningham recognized Perry Leo, outgoing chair of the Senate Consultative Committee and the Faculty Consultative Committee; Toni Abts, outgoing chair of the Academic Professional and Administrative Consultative Committee; Rosemary Burns Velez, outgoing chair of the Civil Service Consultative Committee; and Dominic Scavullo, outgoing chair of the Student Senate Consultative Committee, as detailed in the docket.

The docket materials for this item begin on page 73. The closed-captioned video of this item is available here.

GOVERNMENT AND COMMUNITY RELATIONS: 2026 LEGISLATIVE SESSION

Regent Huebsch invited Vice President Sexton to provide an update on the outcomes of the 2026 Minnesota state legislative session and review the University's advocacy performance, as detailed in the docket.

The docket materials for this item begin on page 74. The closed-captioned video of this item is available here.

2026 SPECIAL OLYMPICS USA GAMES UPDATE

Regent Huebsch invited Vice President Gade and Christine Sovereign, President and CEO, Special Olympics USA Games, to provide an update on the partnership between the University and the Special Olympics USA Games, as detailed in the docket.

The docket materials for this item begin on page 91. The closed-captioned video of this item is available here.

REPORT OF THE LITIGATION REVIEW COMMITTEE

Regent Turner, chair of the committee, reported that the committee met on June 11, 2026. At this meeting, the committee considered and adopted a resolution that authorized the closing of the meeting. In the closed meeting, discussion was held on matters subject to the attorney-client privilege.

The committee docket materials can be found here. The closed-captioned video of this item is available here.

REPORT OF THE ACADEMIC HEALTH COMMITTEE

Regent R. Johnson, chair of the committee, reported that the committee voted unanimously to recommend the following item.

The committee docket materials can be found here. The closed-captioned video of this item is available here.

1) The revised resolution related to the 2027 definitive agreements between the University of Minnesota, University of Minnesota Physicians, and Fairview Health Services as follows:

   WHEREAS, on January 30, 2026, the Board of Regents (Board) approved the terms of a Mediated Settlement Agreement (MSA) among the University of Minnesota (University), University of Minnesota Physicians (UMP) and Fairview Health Services (Fairview), with the understanding that the parties would negotiate binding, definitive agreements to implement the understandings and commitments set forth in such MSA; and

WHEREAS, the University, UMP, and Fairview have negotiated the terms of the definitive agreements, including the following definitive agreements to which the University is a party (collectively referred to herein as, 2027 Definitive Agreements):

- Academic Affiliation Agreement between Fairview and the University, attached to this Resolution as Attachment #1; and
- Master Agreement between UMP and the University, attached to this Resolution as Attachment #2; and

WHEREAS, pursuant to notifications given by Fairview on November 20, 2023, and by the University on December 8, 2023, the parties embarked on negotiations for their renewed relationship subsequent to expiration of all contractual arrangements between the parties as of December 31, 2026 (M Health Agreements); and

WHEREAS, the "M Health Fairview" brand will sunset as of January 1, 2027, and all respective names and brands revert to the granting organization; and

WHEREAS, the Academic Affiliation Agreement acknowledges that Fairview will respect the University's rights in its brand and marks, which are defined broadly as University Marks, and prohibits Fairview's use of University Marks and any "confusingly similar usages of such marks and logos", with any such branding issues, as well as other areas requiring further discussion, such as research and information exchange, to be determined as part of the implementation of the Academic Affiliation Agreement; and

WHEREAS, the 2027 Definitive Agreements forge a new chapter in the relationships between the University, UMP, and Fairview, that will lay the groundwork to address the most urgent healthcare needs facing Minnesota; and

WHEREAS, these new partnerships will provide an important foundation that ensures the University is able to carry out its 175-year land-grant mission to serve Minnesota, the nation, and the world through health sciences education, research, and patient care, while working to address healthcare workforce shortages and to secure the health of Minnesotans for generations to come.

NOW, THEREFORE, BE IT RESOLVED by the Board of Regents that the following 2027 Definitive Agreements attached to this resolution are approved, to be effective on January 1, 2027 (unless a provision in either agreement details a different effective date):

- Academic Affiliation Agreement between Fairview and the University; and
- Master Agreement between UMP and the University.

BE IT FURTHER RESOLVED that that the President is hereby authorized and directed to execute on behalf of the University each of the 2027 Definitive Agreements and, upon completion of arbitration over remaining issues, a lease to Fairview for the Clinics and Surgery Center.

BE IT FURTHER RESOLVED that that the Secretary is directed to make any necessary amendments to Board of Regents Policy: Appointments to Organizations and Boards to reflect the governance changes included in the 2027 Definitive Agreements.

A motion was made, and the Board voted unanimously to approve the recommendation included in the report of the Academic Health Committee.

REPORT OF THE GOVERNANCE & POLICY COMMITTEE

Regent Bergstrom, vice chair of the committee, reported that the committee did not act on any items this month.

The committee docket materials can be found here. The closed-captioned video of this item is available here.

REPORT OF THE FINANCE & OPERATIONS COMMITTEE

Regent Wheeler, chair of the committee, reported that the committee voted unanimously to approve on behalf of the Board the following items.

The committee docket materials can be found here. The closed-captioned video of this item is available here.

1) Approval of the amendment to the 415 2nd Avenue SW, Rochester lease.
2) Adoption of Board of Regents Policy: *Capital Reserves and Liquidity Management* and the repeal of Board of Regents Policy: *Central Reserves Fund* and *Investment of Reserves* as follows:

Capital Reserves and Liquidity Management

ARTICLE I

SECTION I. SCOPE.
This policy governs the management and use of assets held by the University of Minnesota (University) to address various short- and long-term financial needs. This policy also governs the investment objectives and guidelines for the University's short- and medium-term reserves.

SECTION II. GUIDING PRINCIPLES.
The following principles shall guide the University's approach to capital reserves and liquidity management and the investment of reserves:

(a) The University shall maintain an integrated, enterprise-wide approach for managing financial and capital assets and the liquidity of those assets. The approach will be designed to promote financial resilience and strategic flexibility in support of the University's core mission. Consistent with these objectives, the University shall maintain sufficient and ready access to a diversified mix of both internal and external sources of capital.
(b) The University shall ensure sufficient capital is available for the University to repay the principal balance of maturing debt if refinancing is not a viable option.
(c) The University shall maintain and invest the short- and medium-term reserves in a way that effectively balances the dual objectives of capital preservation and return generation.

SECTION III. DEFINITIONS.

Subd. 1. Bond Proceeds.
Bond Proceeds shall mean the amount of unspent funds available through the sale of external debt prior to being used to fund its intended use.

Subd. 2. Capital Assets.
Capital Assets shall mean goods, equipment, or real estate that at inception, under generally accepted accounting principles, is required to be characterized as an asset on the University's Statement of Net Assets.

Subd. 3. Commercial Paper.
Commercial Paper shall mean any form of unsecured short-term revolving debt obligation with a maturity of less than 270 days.

Subd 4. Commercial Paper Facility.
Commercial Paper Facility shall mean a program authorized by the Board of Regents (Board) under which, subject to a total maximum amount, one or more series of commercial paper notes may be issued, reissued, or paid off, as defined by Board of Regents Policy: *Debt Transactions and Long-Term Capital Financing Program.*

Subd. 5. Endowment Fund.
Endowment Fund shall mean the consolidated endowment fund as defined by Board of Regents Policy: *Endowment Fund.*

Subd. 6. Group Investment Pool.
Group Investment Pool (GIP) shall mean the University's medium-term reserves.

Subd. 7. Institutional Income Reserve.
Institutional Income Reserve refers to financial reserves that are not allocated to any specific unit of the University but are held in a central account within the University's financial system. The primary revenue sources of the Institutional Income Reserve include the following: investment earnings and realized and unrealized gains or losses in market values from the Temporary Investment Pool (TIP); other miscellaneous revenues; and undedicated legal settlements.

Subd. 8. Internally Managed Funds.
Internally Managed Funds shall mean portfolio assets for which security selection, execution and ongoing monitoring are conducted by the University, rather than delegated to an external investment manager.

Subd. 9. Line of Credit.
Line of Credit shall mean a short-term lending arrangement that can be accessed as needed, up to a preapproved limit, with flexible repayment arrangements.

Subd. 10. RUMINCO, Ltd.
RUMINCO, Ltd shall mean the University's wholly-owned captive insurance company (Regents of the University of Minnesota Insurance Company Ltd.), including the assets held by RUMINCO.

Subd. 11. Temporary Investment Pool.
Temporary Investment Pool (TIP) shall mean the University's short-term reserves, including, but not limited to, the Institutional Income Reserve.

ARTICLE II
CAPITAL RESERVES AND LIQUIDITY MANAGEMENT FRAMEWORK

SECTION I. CAPITAL RESERVES AND LIQUIDITY MANAGEMENT TIERS.
The University shall utilize an integrated, enterprise-wide approach to capital reserve adequacy and liquidity management through the implementation, monitoring and reporting of capital across a three-tiered system. Assets will be assigned into each of the three tiers according to the following criteria:

- the probability of a requirement for liquidity and the potential impact of a liquidity or risk event (ranging from low to high); and
- the varying degrees of accessibility of capital (ranging from high to low) and the cost of capital (ranging from low to high).

In accordance with the segmentation outlined above, the University shall assign all available capital within the following pools to the appropriate tiers: Temporary Investment Pool (TIP) – including the Institutional Income Reserve and both unrestricted and restricted unit-level balances; Bond Proceeds – including designated and undesignated bond proceeds; Line(s) of Credit; Commercial Paper – including excess capacity in the Commercial Paper Facility; Endowment Fund – including permanent, quasi-restricted and quasi-unrestricted endowments; RUMINCO; Group Income Pool; and Capital Assets.

Subd. 1. Tier 1.
Tier 1 reserves are intended for potential immediate use to address short-term operational cash needs, support non-recurring purchases, or offset minor, unplanned revenue or expense variances.

- *Description*: Sum of all assets assigned to Tier 1 as a percentage of the University's current fiscal year annual operating expenses budget.
- *Minimum Level Required*: The University shall maintain Tier 1 funds sufficient to provide a minimum of 75 days cash on hand, which is approximately equivalent to 20.5 percent of the University's annual operating budget expenses for the current fiscal year.

Subd. 2. Tier 2.
Tier 2 reserves include funds with moderate accessibility and/or a moderate cost of capital reserved for moderately significant program investments or to offset material but manageable unplanned changes in revenues or expenses.

- *Description*: Sum of all assets assigned to Tier 1 and Tier 2 as a percentage of the University's current fiscal year annual operating expenses budget.
- *Minimum Level Required*: None.

Subd. 3. Tier 3.
Tier 3 reserves include funds with lower accessibility and/or a higher cost of capital, reserved for major strategic initiatives or to cover significant unplanned revenue shortfalls or expense shocks that cannot be sufficiently addressed from Tier 1 and Tier 2.

- *Description:* Sum of all assets assigned to Tier 1, Tier 2 and Tier 3 as a percentage of the University's current fiscal year annual operating expenses budget.
- *Minimum Level Required:* None.

SECTION II. RESERVATION AND DELEGATION OF AUTHORITY.

Subd. 1. Reservation of Authority.
The Board reserves to itself the authority to approve the planned level of spending from the Institutional Income Reserve as a part of the annual operating budget. The Board reserves to itself the authority to establish and amend the minimum reserve level for Tier 1, as defined by Article II, Section I of this policy. Specific transactions and asset allocations for the various assets of each tier are governed by their respective Board policies.

Subd. 2. Delegation of Authority.
The president or delegate shall have the authority to do the following to ensure the implementation of this policy:

(a) Adopt and amend administrative policies and procedures to implement this policy and manage the capital assets defined by this policy when dispersed throughout the University.
(b) Allocate Institutional Income Reserve funds above the planned spending level identified in the annual operating budget. Allocations may be used for recurring expenses and expenses with a fixed term (usually less than three years) as needed.
(c) Assign all available capital sources listed in Article II, Section I of this policy to the appropriate capital reserve and liquidity management tiers.
(d) Invest funds within the parameters defined by Article III of this policy and Board policies applicable to other asset programs addressed in this policy.
(e) Incorporate the planned use of these assets in the annual operating budget.
(f) Conduct transactions consistent with the purpose of this policy and in alignment with other Board policies.
(g) Assess options and determine actions to address risk at the three tier levels outlined in this policy, delivering recommended actions to the Board for approval as required by Board policy.

SECTION III. REPORTING.

Subd. 1. Reporting Included in the Annual Operating Budget.
An Institutional Income Reserve report will be presented to the Board as a part of the annual operating budget. The report will include projected resources and allocations for the current and upcoming fiscal year.

Subd. 2. Reporting Included in Other Required Reports.
The following items shall be annually reported to the Board in conjunction with the Annual Asset Management and Annual Debt Management reports:

(a) Details for each of the three capital reserve and liquidity management tiers shall include, but not be limited to:
    (1) the specific allocation of capital sources into each of the three tiers;

(2) the total asset value within each aggregate tier; and
(3) the resulting percentages of those assets in each tier relative to the University's annual operating budget, including a comparison against any minimum or target levels established by this policy and comparative data from rating agencies and peer institutions.

ARTICLE III
INVESTMENT OF RESERVES

SECTION I. SHORT-TERM RESERVES.

Subd. 1. Investment Objectives.
The investment objectives for the Temporary Investment Pool (TIP) are capital preservation and current income generation while seeking market-commensurate returns on invested capital. The pursuit of these objectives shall be guided by and consistent with the following programmatic priorities:

(a) maintaining sufficient liquidity to meet the near-term funding and operations requirements of the University, including as required by Article II, Section I, Subd. 1; and
(b) providing backup liquidity for certain of the University's short-term or variable rate debt obligations, to the extent liquidity is not provided by other means.

Subd. 2. Portfolio Characteristics.
A majority of TIP funds are to be invested in high quality, relatively short-term interest bearing securities denominated in United States dollars and not exposed to significant market risk. This interest bearing portion of TIP investments (Core Allocation) shall be guided by the following:

(a) Average duration shall be four years or less with a maximum duration of seven years for any individual holding.
(b) Credit quality shall be investment grade, specifically an average of A2/A or better.
(c) Corporate obligations shall not exceed 60 percent of the portfolio, measured at the time of investment, with a maximum limitation of 5 percent for any single issuer.

Up to 30 percent of the total TIP funds, measured at the time of investment, may be invested in the Endowment Fund, illiquid investments, and other strategies with a higher risk but higher expected return profile. Investments made under this allocation (Growth Allocation) shall not be subject to the duration, credit quality, or issuer concentration guidelines applicable to the Core Allocation described above. When determining the amount of TIP funds to be invested in the Growth Allocation, consideration shall be given to market conditions and other financial circumstances, including the University's funding and liquidity needs.

Subd. 3. Investment Guidelines for Internally Managed Funds.
The following investment guidelines shall apply to investments managed directly by the University as part of the Core Allocation:

(a) Sovereign Government Securities - Investments in U.S. federal government securities including Treasury obligations, federal agency securities, and obligations guaranteed or insured by an agency of the federal government, shall have no limitation on amount per agency or percent of overall portfolio. Foreign sovereign securities are limited to government obligations issued by Canada or countries that are part of the developed markets MSCI EAFE (Europe, Australasia, and the Far East) Index and shall not exceed 33 percent, at the time of investment, of the overall portfolio unless the president or delegate approves the purchase of a higher percentage. The Board must be notified of such approvals.

(b) Corporate Obligations - Investments in corporate obligations shall be limited to commercial paper, short- or intermediate-term bonds, and bank certificates of deposit.

Subd. 4. Prohibitions.
Explicit leverage – defined as any investment position where potential losses may exceed the initial principal invested – shall not be utilized in the management of TIP funds.

While TIP funds may be invested directly by University personnel, the use of external investment managers also is permissible. The following shall not be subject to the prohibitions described below: a) investment managers utilized in the Core Allocation as long as overall duration and credit quality averages are in compliance with the guidelines described in this policy, and b) investment managers and investments made in the Endowment Fund as part of the Growth Allocation. Subject to the aforementioned exceptions:

(a) the following investments are prohibited:
    (1) equity and equity related alternatives;
    (2) securities convertible into equity;
    (3) non-investment grade high yield securities;
    (4) unrated securities;
    (5) securities not traded on a major exchange;
    (6) any securities issued by a foreign government or corporation domiciled in a country that is not part of the Europe, Australasia, and Far East (EAFE) Index, or Canada; and
    (7) uncollateralized derivative securities.

SECTION II. MEDIUM-TERM RESERVES.

Subd. 1. Investment Objective.
The primary investment objective for the Group Income Pool (GIP) is to maximize the total investment return while preserving capital balances until such time as the principal is required to fund the intended use. To achieve this, the pool is managed as a balanced, moderate volatility portfolio that prioritizes capital preservation alongside growth.

Subd. 2. Investment Guidelines.
GIP funds shall be invested on a total return basis. The following investment guidelines shall apply for GIP:

(a) Interest Bearing Securities - Up to 100 percent of the portfolio may be invested in interest bearing securities that may include:
    (1) bonds, convertible bonds, mortgage-backed and/or asset-backed securities that are issued by governments, government agencies, or corporations in developed market countries;
    (2) securities, denominated in foreign currencies or U.S. dollars;
    (3) securities rated below investment grade or unrated private credit investments, up to a maximum 30 percent allocation; and
    (4) emerging market debt, up to a maximum 10 percent allocation.
    (5) Money Market Funds - Investments in money market instruments shall be limited to money market funds or fixed income mutual funds designed to maintain a stable unit value, with no limitation on percent of overall portfolio.
(b) Equity - Up to 50 percent of the overall portfolio may be invested in diversified equity and equity-related securities and/or in the Endowment Fund.

Subd. 3. Prohibitions.
Except for investments made in the Endowment Fund:

(a) leverage shall not be used in investing GIP funds; and

(b) investments in uncollateralized derivative securities are prohibited.

REVISION HISTORY
Adopted: June 11, 2026
Supersedes: Central Reserves Fund, dated February 11, 2022; Investment of Reserves, dated September 9, 2016.

3) Approval of the revised Consent Report for the Finance & Operations Committee as presented to the committee and described in the June 11, 2026 committee minutes.

REPORT OF THE MISSION FULFILLMENT COMMITTEE

Regent T. Johnson, chair of the committee, reported that the committee voted unanimously to approve on behalf of the Board the following items.

The committee docket materials can be found here. The closed-captioned video of this item is available here.

1) Approval of the University Enrollment Plan.
2) Approval of the Consent Report for the Mission Fulfillment Committee as presented to the committee and described in the June 11, 2026 committee minutes.

REPORT OF THE PRESIDENTIAL PERFORMANCE REVIEW COMMITTEE

Regent Huebsch, chair of the committee, reported that the committee met on May 4, May 6, May 29, and June 10, 2026. At each meeting, the committee considered and adopted a resolution that authorized the closing of the meeting. In the closed meeting, the committee discussed the president's performance.

The closed-captioned video of this item is available here.

The regular meeting adjourned at 11:49 a.m.

ANNUAL MEETING

Regent Huebsch called the Annual Meeting to order at 11:49 a.m. The docket materials for this meeting are available here.

ESTABLISHMENT OF MEETING DATES FOR 2026–27

Regent Huebsch outlined the proposed Board meeting dates for 2026–27. A motion was made and seconded and the Board voted unanimously to approve the following:

Regular Meetings

- October 8–9, 2026
- December 10–11, 2026

- February 11–12, 2027
- April 8–9, 2027
- June 10–11, 2027
- July 21–23, 2027 (includes annual retreat)

Item-Specific Meetings

- September 17, 2026: Review of the FY 2028–29 Biennial Budget Request, 2026 Six-Year Capital Plan, and 2027 State Capital Request
- May 4, 2027: Approval of promotion and tenure, and annual continuous appointments; annual recognition ceremony; PPR Committee non-public session
- June 25, 2027: Approval of the FY 2028 Annual Operating and Capital Budgets

Active Learning/Listening Engagements

- September 17–18, 2026
- November 12–13, 2026
- May 4–5, 2027

Potential Special Meeting Date Holds

- November 12–13, 2026
- March 5, 2027

The docket materials for this item begin on page 3. The closed-captioned video of this item is available here.

The annual meeting adjourned at 11:51 a.m.

Brian R. Steeves

BRIAN R. STEEVES
Executive Director and
Corporate Secretary

UNIVERSITY OF MINNESOTA
BOARD OF REGENTS

Audit & Compliance Committee
June 26, 2026

The rescheduled June meeting of the Audit & Compliance Committee of the Board of Regents was held on Friday, June 26, 2026, at 8:00 a.m. in the Campus View Room, 600 McNamara Alumni Center.

Regents present: Kodi Verhalen, presiding; James Farnsworth, Robyn Gulley, Samuel Heins, Douglas Huebsch, and Kowsar Mohamed.

Staff present: President Rebecca Cunningham; Chancellor Mary Holz-Clause; Executive Vice President and Provost Gretchen Ritter; Executive Vice President for Finance and Operations Gregg Goldman; Vice Presidents Chris Gade, Kenneth Horstman, and Michael Volna; General Counsel Douglas Peterson; Executive Director Brian Steeves; Chief Auditor Quinn Gaalswyk; and Associate Vice President Katharine Bonneson.

Student Representative present: Ethan Ellis.

The docket materials for this meeting are available here.

INTERNAL AUDIT UPDATE

Regent Verhalen invited Chief Auditor Gaalswyk to provide the internal audit update, as detailed in the docket.

The docket materials for this item begin on page 3. The closed-captioned video of this item is available here.

Regents Gulley and Heins joined the meeting.

INTERNAL AUDIT PLAN

Regent Verhalen invited Chief Auditor Gaalswyk to present for review and action the FY 2027 Internal Audit Plan, as detailed in the docket.

The docket materials for this item begin on page 17. The closed-captioned video of this item is available here.

A motion was made and seconded, and the committee voted unanimously to recommend approval of the FY 2027 Internal Audit Plan.

Regent Farnsworth left the meeting.

INFORMATION ITEMS

Regent Verhalen invited Chief Auditor Gaalswyk to discuss the information items in the docket:

A. Annual Report on Institutional Risk and Financial Reports
B. Engagements with the University's Appointed Independent External Auditor Requiring After-the-Fact Reporting

The docket materials for this item begin on page 52. The closed-captioned video of this item is available here.

The meeting adjourned at 8:31 a.m.

BRIAN R. STEEVES
Executive Director and
Corporate Secretary

UNIVERSITY OF MINNESOTA
BOARD OF REGENTS

Board of Regents
June 26, 2026

A special meeting of the Board of Regents of the University of Minnesota was held on Friday, June 26, 2026, at 8:45 a.m. in the Boardroom, 600 McNamara Alumni Center.

Regents present: Douglas Huebsch, presiding; Joel Bergstrom, Ellen Goldberg Luger, Robyn Gulley, Samuel Heins, Ruth Johnson, Tadd Johnson, Kowsar Mohamed, Kodi Verhalen, and Penny Wheeler.

Staff present: President Rebecca Cunningham; Executive Vice President and Provost Gretchen Ritter; Executive Vice President for Finance and Operations Gregg Goldman; Vice Presidents Chris Gade, Kenneth Horstman, Alice Roberts-Davis, Michael Volna, and Koryn Zewers; General Counsel Douglas Peterson; Executive Director Brian Steeves; and Chief Auditor Quinn Gaalswyk.

The docket materials for this meeting are available here.

PRESIDENT'S RECOMMENDED FY 2027 ANNUAL CAPITAL IMPROVEMENT BUDGET

Regent Huebsch invited President Cunningham, Executive Vice President for Finance and Operations Goldman, and Vice President Roberts-Davis to present for action the President's Recommended FY 2027 Annual Capital Improvement Budget, as detailed in the docket.

The docket materials for this item begin on page 3. The closed-captioned video of this item is available here.

A motion was made and seconded, and the Board voted unanimously to approve the resolution related to the FY 2027 Annual Capital Improvement Budget, as follows:

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

WHEREAS, the Board has adopted principles to guide the formulation of the six-year capital plan and the annual capital improvement budget; 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 on projects that support the University's institutional priorities with a realistic financial strategy.

NOW, THEREFORE, BE IT RESOLVED that the Board approves the FY 2027 Annual Capital Improvement Budget.

PRESIDENT'S RECOMMENDED
FY 2027 ANNUAL OPERATING BUDGET

Regent Huebsch invited President Cunningham, Executive Vice President for Finance and Operations Goldman, and Vice President Zewers to present for action the President's Recommended FY 2027 Annual Operating Budget, as detailed in the docket.

The docket materials for this item begin on page 21. The closed-captioned video of this item is available here.

A motion was made and seconded, and the Board voted 9-1 to approve the resolution related to the FY 2027 Annual Operating Budget, as follows. Regent Gulley voted no.

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

WHEREAS, the University's base recurring operating appropriation from the State of Minnesota is $644,018,000 for FY 2027, which is a $0 change from the FY 2026 appropriation and thus represents a decrease in buying power of 3.8 percent based on current inflation rates; and

WHEREAS, continued market pressures on wages for many faculty and staff groups continue to drive significant budget decisions in FY 2027; and

WHEREAS, the cost of health-related benefits has rapidly increased, driving up fringe benefit expenses in FY 2027; and

WHEREAS, expenditures for FY 2027 will be impacted differentially across the University by continued high inflation rates for a variety of goods and services; and

WHEREAS, recent underinvestment in key mission support functions; technology and security services and infrastructure; compliance-related requirements; and facilities require additional investment in FY 2027; and

WHEREAS, the state's North Star Promise program will continue in the 2026–27 academic year, ensuring student aid to cover full tuition and fees to eligible undergraduate students (Minnesota residents from families with incomes up to $80,000); and

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

WHEREAS, the University is committed to achieving standards of national and international excellence while maintaining efficient and effective services and processes.

NOW, THEREFORE, BE IT RESOLVED that the Board of Regents approves the University of Minnesota FY 2027 Annual Operating Budget, including the following attachments:

Attachment 1 Recommended Incremental Investments

Attachment 2 Resource and Expenditure Budget Plan (University Fiscal Page)
Attachment 3 University of Minnesota 2026–27: Tuition Rate Plan
Attachment 5 University of Minnesota 2026–27: Course & Class Fees
Attachment 6 University of Minnesota 2026–27: Miscellaneous Fees
Attachment 7 University of Minnesota 2026–27: Academic Fees
Attachment 8 University of Minnesota 2026–27 Student Services Fees
Attachment 9 Fund Forecast – Centrally Distributed and Attributed Funds

RESOLUTION RELATED TO FINANCING FOR COMMUNITY-UNIVERSITY HEALTH CARE CENTER

Regent Huebsch invited Executive Vice President for Finance and Operations Goldman and Vice President Volna to present for action the resolution authorizing the use of New Markets Tax Credits to fund the costs of constructing the new Community-University Health Care Center (CUHCC), as detailed in the docket.

The docket materials for this item begin on page 147. The closed-captioned video of this item is available here.

A motion was made and seconded, and the Board voted unanimously to approve the resolution related to Financing for Community-University Health Care Center, as follows:

WHEREAS, the Finance & Operations Committee previously approved on behalf of the Board of Regents (Board) the costs for constructing the new Community-University Health Care Center (CUHCC) project (Project) at its meeting on December 12, 2024 and the Project budget is $45,000,000; and

WHEREAS, since the approval of the Project budget and funding plan, the University of Minnesota (University) has identified an additional financing opportunity called the New Markets Tax Credit (NMTC) program, a federally funded program administered by the U.S. Department of the Treasury; and

WHEREAS, under the NMTC program, a qualifying business must operate its facility within a qualifying federally designated low-income community census tract; and

WHEREAS, since CUHCC's new building will operate in a "highly distressed" low-income community census tract, the Project is an ideal candidate for the NMTC program; and

WHEREAS, the NMTC program further requires that a qualifying business that receives funding through the NMTC program must be a corporation (whether for-profit or nonprofit), partnership, or sole proprietorship but cannot be a governmental entity; and

WHEREAS, given the NMTC program requirement, a new Minnesota nonprofit corporation would need to be established by the University as an associated organization that will be a special purpose entity (SPE) as a 501(c)(3) supporting organization under the Internal Revenue Code; and

WHEREAS, in connection with the NMTC financing, the University, as landlord, will enter into a long-term ground lease transferring the University property on which the Project sits to the SPE; and

WHEREAS, once the Project is completed, the SPE will own the new building and lease it back to the University under a long-term operating lease; and

WHEREAS, per the SPE's proposed organizational documents, the University will appoint all of the SPE's board directors and, once the SPE is established, the University intends to contract with the SPE for the University to provide legal, tax, accounting, construction management, funding, and other support activities; and

WHEREAS, the Board reserves to itself authority to recognize the SPE as an associated organization and to approve University agreements and commitments to the SPE consistent with Board of Regents Policy: Reservation and Delegation of Authority and other applicable University policies and procedures.

NOW, THEREFORE, BE IT RESOLVED by the Board of Regents as follows:

1. The President or delegate is authorized to establish a Minnesota nonprofit corporation as a related supporting organization of the University and as an organization described in Section 501(c)(3) of the Internal Revenue Code which will be organized exclusively for the benefit of, to support the functions of, and to assist in carrying out the purposes and mission of the University.
2. The SPE, once established, is hereby recognized as an associated organization for purposes of Board of Regents Policy: Associated Organizations and the Secretary is directed to make any necessary amendments to Board policy, including Board of Regents Policy: Appointments to Organizations and Boards, to reflect the new associated organization.
3. The President or delegate is authorized to fully negotiate and execute the terms of the various agreements customarily required for NMTC financing of the Project, including but not limited to: (1) guarantees of Project completion and payments of interest and principal on the NMTC debt incurred in connection with the Project so long as such debt is not in an aggregate principal amount in excess of $45,000,000 with a stated interest rate not to exceed six percent annually, and (2) indemnities relating to environmental matters and tax-credit recapture.
4. The President or delegate is authorized to transfer all or a part of the capital campaign pledges and cash and/or other University funds (collectively, Project Funds) to the SPE in amounts necessary to complete the Project, as well as any cash reserves for which investment is deemed appropriate; or to loan all or part of the Project Funds to the NMTC investment fund to facilitate the NMTC financing so long as such loan is secured with a pledge of the NMTC investment fund's 99.99 percent ownership interest in the NMTC lenders; or any combination of the above two uses.
5. The President or delegate is authorized to act on behalf of the University, as landlord, to enter into a long-term ground lease with the SPE to transfer the land the Project is located on to the SPE of up to 99 years for nominal rent as determined by the President or delegate, and to assign the CUHCC architect agreement and construction contract to the SPE, both in order to allow the SPE to build the new building and to own it for the term of the NMTC financing.
6. The authorization of the ground lease described in numbered item 5 above is contingent on the SPE entering into a long-term lease with the University to operate the new CUHCC building, and the President or delegate is authorized to negotiate and enter into that long-term lease, which can include rental rates sufficient to allow the SPE to pay principal and interest on all NMTC debt incurred in connection with the Project so long

as such debt is not in an aggregate principal amount in excess of $45,000,000 with a stated interest rate not to exceed six percent annually.

7. The President or delegate is authorized to enter into contracts with the SPE for the University to provide legal, tax, accounting, construction management, and other support activities to the SPE.
8. The President or delegate is hereby authorized, empowered, and directed to execute, deliver, and enter into, on behalf of the University, all agreements, instruments and other documents necessary or desirable to carry out this effort, and to undertake on behalf of the University all acts necessary and desirable to carry out this resolution.

REAL ESTATE TRANSACTION: SALE OF LES BOLSTAD GOLF COURSE

Regent Huebsch invited Executive Vice President for Finance and Operations Goldman; Vice President Roberts-Davis; and Leslie Krueger, Assistant Vice President, Planning, Space, and Real Estate, to present for action the sale of the Les Bolstad Golf Course, 2275 Larpenteur Avenue West, Falcon Heights (Twin Cities campus), as detailed in the docket.

The docket materials for this item begin on page 160. The closed-captioned video of this item is available here.

Huebsch announced that Regent Bergstrom was recusing himself from consideration of the sale of the Les Bolstad Golf Course. Bergstrom left the meeting.

A motion was made and seconded, and the Board voted 6-3 to approve the sale of the Les Bolstad Golf Course, 2275 Larpenteur Avenue West, Falcon Heights. Regents Gulley, Heins, and Mohamed voted no.

REPORT OF THE AUDIT & COMPLIANCE COMMITTEE

Regent Verhalen, chair of the committee, reported that the committee voted unanimously to recommend the following item.

The committee docket materials can be found here. The closed-captioned video of this item is available here.

1) Approval of the FY 2027 Internal Audit Plan.

Regent Bergstrom returned to the meeting.

A motion was made, and the Board voted unanimously to approve the recommendation included in the report of the Audit & Compliance Committee.

REPORT OF THE PRESIDENTIAL PERFORMANCE REVIEW COMMITTEE

Regent Huebsch, chair of the committee, reported that the committee has concluded its work and shared a summary of conclusions.

The closed-captioned video of this item is available here.

Huebsch invited Regents R. Johnson and Wheeler to comment on the president's performance.

The meeting adjourned at 9:45 a.m.

BRIAN R. STEEVES
Executive Director and
Corporate Secretary