UNIVERSITY OF MINNESOTA

BOARD OF REGENTS

MINUTES

BOARD OF REGENTS MEETINGS

AND

COMMITTEE MEETINGS

October 11-12, 2012

Office of the Board of Regents
600 McNamara Alumni Center
UNIVERSITY OF MINNESOTA
BOARD OF REGENTS

Minutes of the Board of Regents Meetings
and Committee Meetings

October 11-12, 2012

I. Committee Meetings
   A. Educational Planning & Policy Committee - October 11, 2012
   B. Finance & Operations Committee - October 11, 2012
   C. Faculty, Staff & Student Affairs Committee - October 11, 2012
   D. Facilities Committee - October 11, 2012

II. Board of Regents Work Session - October 11, 2012
   A. Lessons from the Freeh Report

III. Board of Regents Meeting - October 12, 2012
   A. Approval of Minutes
   B. Report of the President
   C. Report of the Chair
   D. Receive and File Reports
   E. Approval of Consent Report
      1. Report of the University Naming Committee
      2. Report of the All-University Honors Committee
      3. Gifts
   F. Advancing Critical Research: MnDRIVE Initiatives
   G. Approval of Resolution Related to State Biennial Budget Request for FY 2014-15
   H. Approval of Resolution Related to University Plan, Performance & Accountability Report
   I. Annual Report on Private Giving
   J. Review Amendments to Board of Regents Policy: Board Operations and Agenda Guidelines
   K. Report of the Faculty, Staff & Student Affairs Committee
      1. Adoption of Amendments to Board of Regents Policy: Student Conduct Code
      2. Review Amendments to Board of Regents Policy: Employee Development, Education, and Training
      3. Office of Human Resources Strategic Plan Update: HR Service Delivery Redesign
      5. Encore Transitions: Preparing for Post-Career Life
      6. Information Items
   L. Report of the Finance & Operations Committee
      1. Approval of Consent Report
      2. Approval of Resolution Related to Issuance of Debt
      3. Long Range Financial Planning Update
      4. Review Amendments to Board of Regents Policy: Debt Transactions
      5. Administrative Cost Definition & Benchmarking
      6. Information Items
   M. Report of the Audit Committee
      1. No meeting this month
   N. Report of the Educational Planning & Policy Committee
      1. Approval of Consent Report
      2. University Accreditation
      3. Professional Education Update
   O. Report of the Facilities Committee
      1. Approval of Capital Budget Amendment
         A. Community University Health Care Center Parking Lot & Building Renovation, Twin Cities Campus
      2. Approval of Schematic Plans
         A. Community University Health Care Center Parking Lot & Building Renovation, Twin Cities Campus
      3. Approval of Real Estate Transaction

4. Approval of Resolution Related to Issuance of Debt
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90
A meeting of the Educational Planning & Policy Committee of the Board of Regents was held on Thursday, October 11, 2012 at 8:30 a.m. in the East Committee Room, 600 McNamara Alumni Center.

Regents present: Maureen Ramirez, presiding; Linda Cohen, Dean Johnson, David Larson and David McMillan.

Staff present: Chancellors Jacqueline Johnson and Stephen Lehmkuhle; Senior Vice President & Provost Karen Hanson; Vice President Aaron Friedman; Executive Director Brian Steeves; and Associate Vice President Terry Bock.

Student Representatives present: Kyle Kroll and Molly Tomfohrde.

UNIVERSITY ACCREDITATION UPDATE

Senior Vice President & Provost Hanson, Vice President Aaron Friedman, and Joseph Shultz, Associate to the Provost, presented information on the University’s accreditation processes and activities, as detailed in the docket and associated materials distributed at the meeting and on file in the Board Office. Accreditation is a voluntary, peer-conducted process of external review used to scrutinize colleges and universities for quality assurance and compliance with external standards. It is carried out primarily by regional and specialized or professional accrediting organizations.

Hanson walked through how accreditation fits into the University’s broader academic assessment approach, noting that it is an important assessment tool but not sufficient on its own. A full assessment approach includes academic program approval, program review, and assessment of student learning as well. She observed that a key trend in accreditation is growing interest in a streamlined process that focuses on quality improvement and strikes a healthy balance between the labor involved and the value received.

Shultz presented background on the criteria used by the Higher Learning Commission of the North Central Association of Colleges and Schools, which is the University’s regional accrediting body. He emphasized that the Higher Learning Commission is marked both by its diversity and its size. Hanson explained the activities underway in preparation for the 2015 Twin Cities campus accreditation visit.

Vice President Friedman then presented background on specialized and professional accreditation in the context of the Academic Health Center (AHC). He walked through the characteristics of specialized and professional accreditation, noting the links between specialized and professional accreditation and regulatory, legislative and funding procedures.
Friedman discussed the standards of specialized accreditation, including a common framework that includes but is not limited to student achievement, curricula, faculty, facilities, and fiscal capacity. He stressed that self-study is central to the accreditation process, and that the purpose of site visits is to validate the self-study findings.

In response to questions from Regent Johnson, Hanson characterized the accreditation process as helpful, not punitive. She emphasized that it is a process of peer evaluation and that institutions have a keen interest in quality and improvement.

In response to a question from Student Representative Kroll, Hanson explained that students are involved in the accreditation process both during the self-study effort and as part of the site visit.

In response to a question from Regent Ramirez, Friedman differentiated the AHC review from medical school accreditation by noting that the AHC review was initiated by President Kaler and specifically conducted to determine how it can best fit into the President’s administration. He noted that the accreditation process does not evaluate administrative structure.

PROFESSIONAL EDUCATION UPDATE

Senior Vice President & Provost Hanson and Vice President Friedman presented information on the University’s professional education programming, as detailed in the docket and associated materials distributed at the meeting and on file in the Board Office.

Hanson noted that this programming includes the six professional degrees offered at the University (such as Doctor of Medicine and Juris Doctor), as well as a variety of postgraduate professional degrees, certificates and licensure programs that range from teaching licensure to the Doctor of Nursing Practice program to an executive leadership certificate. She pointed out that students pursue professional education to focus on applied skills or to obtain or maintain a professional license.

Friedman explained the need for the University to help meet the growing and rapidly changing health professional workforce needs of Minnesota. He walked through AHC’s professional, graduate and baccalaureate programs, commenting on program length, required clinical hours, class size, and average student debt.

Since 2000, the entering class size of health professions programs has increased from between 2% and 60% as part of the University’s efforts to address a statewide shortage of healthcare professionals. In addition to increased enrollments, AHC has expanded some programs and developed pipelines of future students through relationships with various organizations. AHC has also developed new degree programs and revamped curriculum to emphasize team-based care and wellness/prevention.

In response to a question from Regent Larson, Friedman explained that the choice of where to train reflects where students are from and where they most recently trained. He stated that students list family, training hours, and the opportunity to train part-time as more important factors than cost.
In response to a question from Regent Cohen, Friedman addressed the outreach efforts AHC is undertaking to students at the middle school and high school levels, noting that current efforts are not broad enough across enough schools.

In response to a question from Student Representative Tomfohrde, Friedman described current applicant pools as falling behind demographic changes in the state. He stressed the importance of getting more demographically representative future students into the pipeline right now.

CONSENT REPORT

A motion was made and seconded, and the committee unanimously recommended approval of the following academic program changes, as described in the Consent Report:

- **New Academic Programs**
  - Medical School (Twin Cities Campus)—Create Vascular Medicine and Peripheral Vascular Catheter-based Interventions fellowship
  - Medical School (Twin Cities Campus)—Create Preventative Cardiovascular Medicine fellowship
  - Crookston Campus—Create undergraduate certificate in Taxation

- **Changes to Academic Programs**
  - Humphrey School of Public Affairs (Twin Cities Campus)—Deliver M.P.A. degree online
  - College of Liberal Arts (Twin Cities Campus)—Create subplans in 1) Academic Emphasis and 2) Applied Emphasis within the B.A. Music degree

- **Discontinued Academic Programs**
  - Medical School (Twin Cities Campus)—Discontinue the M.S. Otol. degree

The meeting adjourned at 10:25 a.m.

[Signature]
BRIAN R. STEEVES
Executive Director and
Corporate Secretary
A meeting of the Finance and Operations Committee of the Board of Regents was held on Thursday, October 11, 2012 at 8:30 a.m. in the West Committee Room, 600 McNamara Alumni Center.

Regents present: John Frobenius, presiding; Clyde Allen, Richard Beeson, Laura Brod, Thomas Devine, and Venora Hung.

Staff present: President Eric Kaler; Chancellor Lendley Black; Vice Presidents Kathryn Brown, Timothy Mulcahy, Richard Pfutzenreuter and Scott Studham; Executive Director Brian Steeves; and Associate Vice Presidents Mike Berthelsen, Gail Klatt, Stuart Mason, Julie Tonneson and Mike Volna.

Student Representatives present: Meghan Mason and James Rook.

**LONG RANGE FINANCIAL PLANNING UPDATE**

Regent Frobenius invited Vice President Pfutzenreuter and Lincoln Kallsen, Director of Financial Research, to provide an update on long range financial planning, as detailed in the docket and associated materials distributed at the meeting and on file in the Board Office.

Kallsen explained that the long range financial model had been updated to incorporate the President's recommended biennial budget request. He also provided updates on core assumptions in the financial forecast and detailed a framework for discussion of various future scenarios. The updated model showed that the budget framework recommended by President Kaler would provide for ongoing academic investments and a long-term sustainable financial model. Kallsen also stressed the importance of establishing a clear set of principles and processes regarding long range financial planning.

In response to a question from Regent Allen, Kallsen indicated that the level of detail used to categorize salaries in this model would increase, as associated administrative costs are defined.

In response to questions from committee members, Pfutzenreuter noted that the 2% increase in federal grants and contracts revenue is a projected assumption that has not yet been introduced into the model, pending action related to the federal fiscal cliff.
BOARD OF REGENTS POLICY: DEBT TRANSACTIONS

Regent Frobenius welcomed Carole Fleck, Director of Debt Management, and Rosalie O’Brien, Associate General Counsel, to review proposed amendments to Board of Regents Policy: Debt Transactions, as detailed in the docket.

Fleck reported that the proposed amendments do not change the scope or practice of the policy, but rather focus on definitions, clarifications and elimination of duplications. O’Brien explained the proposed amendments in detail.

In response to a question from Regent Brod, Pfutzenreuter clarified that special purpose debt is backed by the state and the two University capital projects that generated this type of debt were TCF Bank Stadium and the Biomedical Discovery District.

This item will return to a future committee meeting for action.

RESOLUTION RELATED TO ISSUANCE OF DEBT

Vice President Pfutzenreuter and Carole Fleck, Director of Debt Management, presented information on the resolution related to issuance of debt, as detailed in the docket and associated materials distributed at the meeting and on file in the Board Office.

Pfutzenreuter described the project list totaling $103,000,000. Fleck noted that the bonds may be sold in either a negotiated sale or through a competitive process, as determined by the Treasurer. Pfutzenreuter added that the potential benefit of using a competitive bid process would be a lower interest rate.

In response to questions from committee members, Pfutzenreuter explained that the competitive bid process is more common in state and municipal offerings, but does occur in higher education. Fleck confirmed that the University has the right to refuse bids in that process.

A motion was made and seconded and the committee voted unanimously to recommend approval of the resolution related to issuance of debt.

ADMINISTRATIVE COST DEFINITION & BENCHMARKING

Vice President Pfutzenreuter and Lincoln Kallesen, Director of Financial Research, discussed administrative cost definitions and benchmarking, as detailed in the docket and associated materials distributed at the meeting and on file in the Board Office.

Pfutzenreuter reviewed the goals for cost definition and benchmarking:

- Develop a shared understanding of University spending;
- Promote a broader dialogue regarding cost structure - where the money goes;
- Identify gaps in processes, data and information;
• Establish a repeatable methodology to monitor changes in spending over time; and
• Improve the University’s ability to set its own spending benchmarks.

Kallsen presented detailed definitions and information on personnel and non-personnel expenses in the following categories:

• Academic mission (50 percent of University expenses);
• Mission support (32 percent of University expenses); and
• Administrative (9 percent of University expenses).

President Kaler expressed support and noted the clarified definitions will increase transparency with the public and enhance fiduciary oversight by the Board.

In response to questions from committee members, Kallsen agreed that comprehensive definitions of job codes are necessary to provide comparable data with peer institutions. He stated that feedback from individual units will be necessary to set benchmarks. President Kaler added that benchmarking across peer institutions is difficult, because the University of Minnesota system encompasses multiple campuses and is the only land-grant institution in the state of Minnesota. Kaler stressed that benchmarks need to be set in ways that are clear.

CONSENT REPORT

Vice President Pfutzenreuter presented the Consent Report, as detailed in the docket and on file in the Board Office, which included:

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

• Point and Click Solutions, Inc. for approximately $1,700,000 for the purchase, implementation and maintenance of Practice Management, Electronic Medical Records/Health Information and Health Benefits Program Management software for a contract period of 5 years with one optional three year renewal, for Boynton Health Service for Twin Cities campus. Vendor was selected through a competitive process.

• Schindler Elevator for $3,343,425 ($111,448/month) for providing Vertical Transportation Maintenance Services as needed for the period of January 1, 2013 through June 30, 2015 for the Facilities Management Department. Vendor was selected through a competitive process.

• Sciquest Inc. for an estimated $2,641,000 to provide comprehensive e-procurement software, installation services, and 5 year licensing, for the period October 15, 2012 through December 31, 2017 for a joint project for Purchasing Services and University Stores.

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

Vice President Pfunzenreuter referred the committee to the information item contained in the docket materials:

- Quarterly Investment Advisory Committee Update.

The meeting adjourned at 10:30 a.m.

[Signature]

BRIAN R. STEEVES
Executive Director
and Corporate Secretary
A meeting of the Faculty, Staff & Student Affairs Committee of the Board of Regents was held on Thursday, October 11, 2012 at 1:15 p.m. in the East Committee Room, 600 McNamara Alumni Center.


Staff present: President Eric Kaler; Chancellors Lendley Black, Stephen Lehmkuhle and Fred Wood; Senior Vice President and Provost Karen Hanson; Vice Presidents Kathryn Brown and Timothy Mulcahy; Executive Director Brian Steeves; and Associate Vice Presidents Gail Klatt and Mike Volna.

Student Representatives present: Melissa Erlandson and Julia Schliesing.

BOARD OF REGENTS POLICY: STUDENT CONDUCT CODE

Regent Beeson invited Gerald Rinehart, Vice Provost and Dean of Students, to review proposed amendments to Board of Regents Policy: Student Conduct Code, as detailed in the docket.

Rinehart indicated that the Committee reviewed proposed amendments at its June 7, 2012 meeting and also discussed the code at its September 13, 2012 meeting. He provided a brief overview of the recommended amendments and Regents expressed support.

A motion was made and seconded and the committee voted unanimously to recommend approval of the proposed amendments to Board of Regents Policy: Student Conduct Code.

BOARD OF REGENTS POLICY: EMPLOYEE DEVELOPMENT, EDUCATION AND TRAINING

Regent Beeson invited Vice President Mulcahy to present proposed amendments to Board of Regents Policy: Employee Development, Education and Training, as detailed in the docket.

Mulcahy explained that this policy currently provides two faculty development leave options: the single semester leave and the sabbatical leave. The proposed amendments would add a third faculty development leave called an Entrepreneurial
Leave, which is intended to advance and support the president’s commitment to a culture of entrepreneurialism and innovation.

In response to a question from Regent Ramirez, Vice President Brown stated that the proposed amendments include several options to assist faculty with benefit costs during their leave. She added that these issues could become complex moving forward as federal health care changes take effect, but the language can be modified as appropriate.

In response to a question from Regent McMillan, Mulcahy noted that the proposed amendments represent the University’s cutting edge approach to faculty development leaves and added that few peer institutions have formalized such a policy.

The item will return to a future committee meeting for action.

**OFFICE OF HUMAN RESOURCES STRATEGIC PLAN UPDATE: HR SERVICE DELIVERY REDESIGN**

Vice President Brown led the discussion on the redesign of the central human resource service delivery model, as detailed in the docket and associated materials distributed at the meeting and on file in the Board Office.

The Office of Human Resources (OHR) strategic plan has four critical imperatives driving its work: define, simplify, empower and deliver. Brown provided a progress update on the plan, including how its central service delivery model:

- Helps define and shape the relationship between OHR and local unit human resource staff;
- Helps increase professional human resource capacity; and
- Is designed to reinforce accountability.

Brown reported that the redesign has created teams of OHR consultants with a strategic focus that partner with colleges, units and campuses and share best practices across the system.

In response to questions from committee members, Brown explained that the newly implemented dotted line reporting relationship helps standardize best practices by allowing OHR staff to have a local understanding of college and/or unit needs and communicate effectively with other OHR staff to ensure policies and practices are uniform across the University system. She added that the process includes building relationships and a constant interchange of information between consulting teams and team leads.

**ENTERPRISE SYSTEM UPGRADE PROJECT: HRMS VISION, PRELIMINARY SCOPE AND PROCESS**

Vice President Brown invited Lori Lamb, Director of OHR Operations, to present information on the Human Resource Management System (HRMS) aspect of the Enterprise System Upgrade project, as detailed in the docket and associated materials distributed at the meeting and on file in the Board Office.
Lamb explained that this upgrade has significant implications for the delivery of human resource services throughout the system and the ability of OHR to fulfill its core operational responsibilities. She covered the following key points:

- How the HRMS Upgrade adds value;
- The preliminary scope of the project;
- The business process redesign and policy redesign necessary to achieve full functionality from the upgrade;
- The project structure including end user input and involvement;
- The timeline for completion; and
- The vision for a successful implementation of the HRMS upgrade.

In response to questions from committee members, Lamb agreed that requests to customize the system will need to be minimized. Modifications will require a business case that provides a legitimate rationale.

In response to a question from Regent Ramirez, President Kaler indicated that a financing plan is in place that will allow for future system upgrades in smaller and less costly increments.

**ENCORE TRANSITIONS: PREPARING FOR POST-CAREER LIFE**

Vice President Brown welcomed Mary Nichols, Dean of the College of Continuing Education, to provide an update on the University’s Encore Transitions Program, as detailed in the docket and associated materials distributed at the meeting and on file in the Board Office.

Nichols explained that 10,000 people across the United States are reaching age 65 each day, a trend that will continue for the next 20 years. To assist and provide support for those approaching retirement, the University created the Encore Transitions Program, a whole-person approach to a successful retirement transition. Nichols reviewed the 3-year old program and indicated that it is offered through a partnership between the College of Continuing Education and the Office of Human Resources. The goal is to empower individuals to continue having meaning and purpose in their lives post-retirement.

In response to a question from Regent Beeson, Brown stated that by law, the University cannot set an official retirement age. She added that faculty have several options for retirement planning, including the Phased Retirement Agreement and the Terminal Agreement.

In response to questions from the committee, Nichols noted that the course offerings within the program are sometimes made available to the public and she has received requests from other University campuses to conduct courses.

**INFORMATION ITEMS**

Vice President Brown referred the committee to the information items contained in the docket materials, which included:
• Personnel highlights;
• University highlights;
• Faculty and staff activities and awards;
• Student activities and awards; and
• Summary of labor agreements.

The meeting adjourned at 3:00 p.m.

[Signature]

BRIAN R. STEEVES
Executive Director and
Corporate Secretary
A meeting of the Facilities Committee of the Board of Regents was held on Thursday, October 11, 2012 at 1:15 p.m. in the West Committee Room, 600 McNamara Alumni Center.

Regents present: Dean Johnson, presiding; Clyde Allen, John Frobenius, David Larson, and Venora Hung.

Staff present: Vice Presidents Aaron Friedman, Richard Pfallenreuter, and Pamela Wheelock; Executive Director Brian Steeves; and Associate Vice Presidents Michael Berthelsen, Stuart Mason, and Michael Volna.

Student Representatives present: Jesse Jennings and Molly Tomfohrde.

CAPITAL BUDGET AMENDMENT

A. Community University Health Care Center Parking Lot & Building Renovation, Twin Cities Campus

A motion was made and seconded to recommend approval of the following action:

On the recommendation of the President and the Vice President for University Services, the FY 2013 Capital Budget is amended to include the following project:

Community University Health Care Center Parking Lot & Building Renovation, Twin Cities Campus
Scope of Project: This project includes modifications to the south roadway, Americans with Disabilities Act (ADA) site upgrades to the west, south, and southeast entrances, installation of a storm-water retention system, and paving the existing gravel parking lot. Interior improvements include a small lab upgrade, replacement of the heating, ventilation and air conditioning system, updates to the phone system, installation of windows on the north wall, and replacement of the skylights.
Master Plan: No impact to the Campus Master Plan
Cost Estimate: $2,657,000
Capital Funding: U.S. Department of Health and Human Services, Health Resources and Services Administration Grant, Academic Health Center, and Facilities Management.
The committee voted unanimously to recommend approval of the Capital Budget Amendment for the Community University Health Care Center Parking Lot & Building Renovation, Twin Cities Campus.

**SCHEMATIC PLANS**

**A. Community University Health Care Center Parking Lot & Building Renovation, Twin Cities Campus**

A motion was made and seconded to recommend approval of the following actions:

The schematic plans for the Community University Health Care Center Parking Lot & Building Renovation, Twin Cities Campus, are approved and the appropriate administrative officers authorized to proceed with the award of contracts, the development of construction documents, and construction.

The committee voted unanimously to recommend approval of the schematic plans for the Community University Health Care Center Parking Lot & Building Renovation, Twin Cities Campus.

**REAL ESTATE TRANSACTION**

**A. Agreements for Installation of Antennae on Five Rooftops & Building Space for Equipment for Enhanced Cellular Service, Twin Cities Campus**

A motion was made and seconded to recommend approval of the following action:

On the recommendation of the President and the Vice President for University Services, the appropriate administrative officers are authorized to execute the appropriate documents providing for the following real estate transaction:

Agreements for Installation of Antennae on Five Rooftops & Building Space for Equipment for Enhanced Cellular Service, Twin Cities Campus

Location and Description: 410 Church St. SE, Twin Cities Campus; 319-15th Avenue SE, Twin Cities Campus; 100 Church St. SE, Twin Cities Campus; 301-19th Avenue South, Twin Cities Campus; 1334 Eckles Avenue, Twin Cities Campus; 200 Union St. SE, Twin Cities Campus. The licensed premises will consist of space on the rooftops and/or exteriors of five Twin Cities Campus buildings for antennae, cabling and other communications fixtures, and shared equipment closet space within those buildings for antennae equipment.

Basis for Request: New vendor, AT&T, responded to an RFP agreement for Phase Two of the University of Minnesota Cellular Enhancement Project.

Detail of Transaction: The license agreement and co-location agreement would commence upon construction of communication facilities by AT&T, which is estimated to be Spring of 2013, and continue for 10 years thereafter.
Susan Carlson Weinberg, Director of Real Estate, summarized the location and described the installation, as detailed in the docket materials. She explained that the antennae would increase cellular service across the Twin Cities campus and increase cellular coverage for TCF Bank Stadium.

In response to a question from Regent Frobenius, Weinberg explained that the supplementary antennae equipment would be stored in equipment closets owned by the Office of Information Technology (OIT).

In response to a question from Student Representative Tomfohrde, Weinberg clarified that AT&T was the only wireless carrier to come forward with a project proposal. She noted that other vendors may be interested in adding additional cellular equipment in the future.

The committee voted unanimously to recommend approval of the real estate transaction for Agreements for Installation of Antennae on Five rooftops & Building Space for Equipment for Enhanced Cellular Service, Twin Cities Campus.

REPORT ON PUBLIC SAFETY

Vice President Wheelock introduced Assistant Vice President Greg Hestness, Chief of Police, University of Minnesota, Gail Sauter, Associate Vice Chancellor, University of Minnesota Rochester, Scott Drewlo, Captain of Police, University of Minnesota Duluth, Jennifer Lund, Lieutenant, University of Minnesota Morris, and Gary Willhite, Director of Residential Life and Security Services, University of Minnesota Crookston, to provide an overview of the Report on Public Safety as detailed in the docket and associated materials distributed at the meeting and on file in the Board Office.

Drewlo explained that the University of Minnesota Duluth Police Department is a fully functioning police department with arrest power. He noted that the department partners with the City of Duluth to ensure a coordinated public safety effort. He added these collaboration efforts have become more important as the campus has expanded into the surrounding community.

Sauter shared that the University of Minnesota Rochester does not operate a formal police department due to the small size of the campus and limited facilities. She noted that the campus has a contract with a private security firm and partners with the Rochester Police Department to ensure campus safety.

Lund explained that, like Duluth, the University of Minnesota Morris operates a fully functioning police department with arrest power. She noted the necessity to partner with the surrounding law enforcement community and the need to pool resources during the academic year.

Willhite described how the University of Minnesota Crookston employs a combination of police officers and student security officers. He noted that the student security officer program has allowed students to translate their working experience into full time employment opportunities at the county and municipal level.
Hestness explained that the University of Minnesota Twin Cities Police Department is also a fully functioning police department with arrest power. He noted that the department employs sworn officers, detectives, emergency management and security professionals, and student security officers. He stressed the necessity to work collaboratively with the City of Minneapolis Police Department and the City of St. Paul Police Department as the University integrates into the surrounding neighborhoods.

In response to a question from Regent Johnson, Hestness explained that police officers are aggressive in enforcing underage drinking policies during public events.

In response to a question from Regent Allen, Hestness explained that robberies on campus have declined dramatically in recent years.

In response to a question from Regent Larson, Lund explained that public safety officers collaborate system-wide on a regular basis.

The meeting adjourned at 11:38 a.m.

[Signature]

BRIAN R. STEEVES
Executive Director
and Corporate Secretary
A work session of the Board of Regents was held on Thursday, October 11, 2012 at 10:45 a.m. in the Boardroom, 600 McNamara Alumni Center.

Regents present: Linda Cohen, presiding; Clyde Allen, Richard Beeson, Laura Brod, Thomas Devine, John Frobenius, Venora Hung, Dean Johnson, David Larson, David McMillan, and Maureen Ramirez.

Staff Present: President Eric Kaler; Senior Vice President and Provost Karen Hanson; Vice Presidents Kathryn Brown, Richard Pfulzenreuter, and Pamela Wheelock; General Counsel Mark Rotenberg; and Executive Director Brian Steeves.

Chair Cohen introduced President Kaler to present information on lessons from the Freeh Report, which detailed the failures of university governance and administration at Pennsylvania State University associated with the conduct of Gerald A. Sandusky, former assistant football coach. Materials distributed at the meeting are on file in the Board Office.

Kaler provided a summary of the Freeh Report recommendations. He explained that the University of Minnesota already has in place 19 of 21 recommendations outlined in the report related to governance responsibilities and practices. He noted that lapses of judgment that occurred in the University of Minnesota Medical School and Department of Intercollegiate Athletics in the 1990s have created a culture of compliance and accountability. Kaler indicated that the University places significant emphasis on NCAA compliance and reports all infractions, regardless of severity. He added that he is forming an ad-hoc committee to determine which policies and compliance procedures related to the protection of children could be further strengthened in light of the Freeh Report.

Kaler invited Regent Allen to present a summary of his recent work with the Association of Governing Boards of Universities and Colleges (AGB) as it relates to athletics oversight. Regent Allen reviewed his work with AGB as a member of the task force on intercollegiate athletics. He explained that spending on intercollegiate athletics has increased dramatically over the last twenty years, which has been accompanied by repeated break downs in institutional control. Allen noted that boards and presidents must work together to ensure proper oversight of athletics.

A lengthy discussion ensued in which the following issues and questions were addressed:
• the University's culture of compliance;
• the need for all Regent's to be informed of potential compliance issues;
• the role of the Audit Committee as it relates to compliance;
• the University's prior instances of non-compliance; and
• the statutory requirements of the Clery Act.

The work session adjourned at 11:32 a.m.

BRIAN R. STEEVES
Executive Director
and Corporate Secretary
A meeting of the Board of Regents of the University of Minnesota was held on Friday, October 12, 2012 at 9:00 a.m. in the Boardroom, 600 McNamara Alumni Center.

Regents present: Linda Cohen, presiding; Clyde Allen, Richard Beeson, Laura Brod, Thomas Devine, John Frobenius, Venora Hung, Dean Johnson, David Larson, David McMillan, and Maureen Ramirez.

Staff present: President Eric Kaler; Chancellors Lendley Black, Jacqueline Johnson, Stephen Lehmkuhle, and Fred Wood; Senior Vice President and Provost Karen Hanson; Vice Presidents Kathryn Brown, Timothy Mulcahy, and Pamela Wheelock; General Counsel Mark Rotenberg; Executive Director Brian Steeves; and Associate Vice President Gail Klatt.

APPROVAL OF MINUTES

A motion was made and seconded, and the Board of Regents voted unanimously to approve the minutes of the following meetings:

Audit Committee - September 13, 2012
Litigation Review Committee - September 13, 2012
Facilities Committee - September 13, 2012
Faculty, Staff & Student Affairs Committee - September 13, 2012
Educational Planning & Policy Committee - September 13, 2012
Finance & Operations Committee - September 13, 2012
Board of Regents - September 14, 2012

REPORT OF THE PRESIDENT

President Kaler reported that he has been holding discussions with stakeholders regarding the institution’s proposed Biennial Budget Request, which is before the Board of Regents today for approval, and that it has been well received throughout the community. Kaler previewed several new Driven to Discover television commercials and other advertising designed to highlight and promote the initiatives outlined in the Request.

Kaler presented statistical highlights from the incoming class this fall and described the new President's Emerging Scholars Program slated to begin next year. The Emerging Scholars Program is designed for incoming students who have encountered challenges that may have affected their high school ranks and test scores,
but whose personal experiences and high school records indicate strong potential for success at the University.

Kaler reported the formation of a task force to review the functions of the Office of Academic Administration, currently led by Senior Vice President Robert Jones, who will leave soon to lead the State University of New York at Albany. Kaler also provided updates on the searches for vice president for equity and diversity and vice president for research. Kaler also noted that 1977 University of Minnesota Duluth graduate Brian Kobilka was named the co-winner of the Nobel Prize in Chemistry.

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

REPORT OF THE CHAIR

Chair Cohen reported that Regents participated in a number of notable events, including conferrals of an honorary degree and significant awards and other events honoring faculty and staff. She announced that small groups of Regents will visit the Duluth Campus and Morris Campus in the coming days. Cohen explained that these visits provide an important opportunity for Regents to meet with administrative and student leadership, tour facilities, and participate in meetings with the community.

Chair Cohen announced that the Board Office is now fully staffed, with the addition of Sarah Dirksen, deputy director.

The next meeting of the Board of Regents is scheduled for December 13-14, 2012 on the Twin Cities Campus.

A copy of the Report of the Chair is on file in the Board Office.

RECEIVE AND FILE REPORTS

Chair Cohen noted there are no reports for receipt and filing this month.

CONSENT REPORT

Chair Cohen presented the Consent Report, as described in the docket materials, including:

• Report of the University Naming Committee forwarded in a letter from President Kaler dated October 3, 2012;

• Report of the All-University Honors Committee forwarded in a letter from President Kaler dated October 3, 2012; and

• Summary of Gifts through August 31, 2012.

A motion was made and seconded, and the Board of Regents voted unanimously to approve the Consent Report.
ADVANCING CRITICAL RESEARCH: MnDRIVE INITIATIVES

Chair Cohen invited Vice President Mulcahy to the table, who introduced Professor Francisco Diez-Gonzalez, Department of Food Science and Nutrition, Professor Timothy Ebner, Neuroscience, Professor Maria Gini, Computer Science/Engineering, and Professor Michael Sadowsky, Soil, Water and Climate, to brief the Board of Regents on four areas of research proposed as part of the State Biennial Budget Request (Request). Mulcahy reported that the Minnesota Discovery Research and InnoVation Economy (MnDRIVE) initiative is proposed as a new ongoing partnership with the state of Minnesota to discover new knowledge in areas of critical need while also:

- advancing Minnesota’s economy by positioning the state as a national leader in key industries;
- seizing opportunities to leverage the University of Minnesota’s strengths and comparative advantages; and
- improving Minnesotan’s health and quality of life.

Mulcahy noted that the following areas for research are included for funding as part of the Request: 1) supporting robotics, sensors and advanced manufacturing; 2) securing the global food supply; 3) advancing industry, conserving our environment; and 4) advancing discoveries and treatments for brain conditions, as presented in the docket and associated materials distributed at the meeting and on file in the Board Office.

Diez-Gonzalez discussed the global food supply; the importance of food production to Minnesota’s economy; the critical need for increased food production and food safety solutions; and also explained why the University is uniquely positioned to address the challenges and capture the opportunities in this area. The vision in this area is to ensure a safe, sustainable food system and vibrant agricultural sector by increasing advances in protecting food against contamination, plant and animal diseases and other threats to the food supply.

Ebner described advances being made in treatments for brain conditions. He reported that nervous system disorders affect 1 in 5 Americans at an annual cost of over $500 billion, and understanding the fundamental causes of most neurological/psychiatric diseases remains a challenge. He explained neuromodulation, a therapeutic intervention that changes the activity of brain circuits to decrease symptoms and restore normal functions. He indicated that Minnesota industry is a world leader in neuromodulation, with the University uniquely poised to pioneer new technologies and applications to improve health, strengthen the medical device industry, and attract the best research talent.

Gini discussed the goal of making Minnesota a key player in the growing area of robotics, sensors, and advanced manufacturing, a field that produces high-quality jobs and serves to excite students to study science, technology, engineering, and mathematics (STEM). She reported that Minnesota possesses strengths in local industry and in academia, with a broad base of excellence in the STEM areas, vibrant interdisciplinary collaborations, and strong K-12 and college-level educational activities in robotics. She highlighted the potential for growth and economic impact in the area, current strengths in the state, and the role of robotics in education.
Sadowsky highlighted opportunities for Minnesota’s energy, agriculture and mining industries through the use of science and technology to solve environmental challenges and make more efficient use of current and future energy sources. He described how bioremediation can be deployed to render hazardous wastes non-hazardous or less hazardous to human health with potential applications in water, soil, air, and humans. He reported that initiatives in these areas may lead to more permits for currently stalled mining, industrial and agricultural processes requiring environmental remediation; improve water quality throughout the iron range in Minnesota and the Mississippi watershed and increase employment and commerce in these industries.

In response to comments from Regent Beeson, Mulcahy indicated that the private sector is moving further away from early-stage high-risk research that universities are uniquely positioned to perform. The University of Minnesota partners with industry to take discoveries to the next stage of development, adding that the MnDRIVE initiatives were specifically identified because of the high potential for economic development in the state.

STATE BIENNIAL BUDGET REQUEST FOR FY 2014-15

President Kaler and Vice President Pfutzenreuter presented for action the State Biennial Budget Request (Request) for FY 2014-15, as detailed in the docket and associated materials distributed at the meeting and on file in the Board Office. The Board of Regents previously reviewed the Request at its September 2012 meeting.

Kaler detailed the $1.18 billion request. He indicated that the Request is designed to reform how the University and the state partner with one another to:

• Deliver on the University’s threefold mission of research and discovery, teaching and learning, and outreach and public service;
• Advance initiatives and programs that will leverage the University’s expertise in areas that will benefit the state and its citizens; and
• Better support financial access and affordability to post-secondary education for students and families.

Kaler stressed that the Request keeps the University affordable and accessible to qualified students of all economic backgrounds and includes a zero percent tuition increase for Minnesota resident undergraduate students. He indicated that the institution seeks an incremental $14.2 million annually from the state for tuition relief. He noted the University would continue to execute its Operational Excellence initiative, which is focused on cost controls, reallocation of resources, managing risk responsibly, and streamlining policies and procedures.

A motion was made and seconded to approve the Resolution Related to the State Biennial Budget Request for FY2014-15.

Regent Brod expressed support for the Budget, noting that it demonstrates a clear commitment to accountability and transparency, emphasizes affordability for current and future students, and is an important step to improving relations with the legislature. Regent Larson concurred, noting the Budget deserves support from the state and the legislature.
The Board of Regents voted unanimously to approve the Resolution Related to the State Biennial Budget Request for FY 2014-15 as follows:

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

WHEREAS, the University’s biennial budget request to the State of Minnesota for fiscal years 2014 and 2015 is premised on a framework of reforming how the State of Minnesota and the University partner to deliver on the University’s threefold mission of research and discovery, teaching and learning, and outreach and public service; and

WHEREAS, the University and the State of Minnesota play a critical role in supporting and strengthening economic vitality and advancing the health and wellness of Minnesota’s citizens by advancing research initiatives and programs that benefit the state, business and industry and its citizens; and

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

WHEREAS, the University proposes a funding partnership with the State of Minnesota through the enactment of a financial incentive program that measures progress towards identifiable performance outcomes; and

WHEREAS, the University is committed to achieving operational excellence and greater efficiency through internal actions to reduce administrative and operational costs; and

WHEREAS, the University encourages the State of Minnesota to consider and enact policies that support and enhance the ability of students and families to pay for post-secondary education; increase charitable contributions in support of scholarships for middle income students and families; and enhance financial incentives to encourage students studying health sciences and veterinary medicine to enter careers in underserved areas of the state; and

NOW, THEREFORE, BE IT RESOLVED that the biennial budget request for the 2014-2015 biennium be adopted by the Board of Regents for presentation to the State of Minnesota. The request is for $577,544,000 in fiscal year 2014 and $604,744,000 in fiscal year 2015 for a biennial total of $1,182,288,000 in the form of general operations and maintenance and state specials appropriations. The Board of Regents further requests continuation of fiscal year 2013 base funding levels for the Primary Care Education Initiatives totaling $2,157,000 and for the Academic Health Center funding under Minnesota Statutes 297F.10 totaling $22,250,000 for fiscal years 2014 and 2015.
UNIVERSITY PLAN, PERFORMANCE & ACCOUNTABILITY REPORT

President Kaler indicated that this is the eleventh edition of the University Plan, Performance & Accountability Report (Report), which illustrates the University’s overall performance during the previous year relative to its peers, past results, and strategic goals. He invited Senior Vice President and Provost Hanson to lead the discussion (associated materials on file in the Board Office). The Board of Regents previously reviewed the Report at its September 2012 meeting.

A motion was made and seconded, and the Board of Regents voted unanimously to approve the Resolution Related to the University Plan, Performance & Accountability Report, as follows:

WHEREAS, the president of the University and the Board of Regents (Board) are entrusted with the responsibility in their oversight of the University to be good stewards of the public interest, resources, and facilities; and

WHEREAS, it is the responsibility of the Board, in cooperation with the president, to articulate the directions and priorities of the institution; identify and analyze the critical issues and challenges confronting the University; assess its operations; and evaluate the performance and success of its colleges and campuses; and

WHEREAS, it was resolved that the University Plan, Performance, and Accountability Report (Report) shall include the priorities of the institution; statistical profiles of the University at the campus level; selected statistics related to system trends; University-wide strategies to achieve goals; summaries of accomplishments and investments; progress in institutional performance measures; and summaries of special institutional studies and reports; and

WHEREAS, on the recommendation of the senior vice president for academic affairs and provost, the president of the University requests the Board accept the 2012 Report; and

NOW, THEREFORE, BE IT RESOLVED that the Board accepts the 2012 Report as submitted by the administration.

ANNUAL REPORT ON PRIVATE GIVING

Chair Cohen introduced L. Steven Goldstein, President and CEO, University of Minnesota Foundation, and Becky Malkerson, President and CEO, Minnesota Medical Foundation, to present an annual review of fundraising highlights as provided in the materials distributed at the Board meeting and on file in the Board Office.

Goldstein and Malkerson reported that in FY 2012 more than 78,000 donors made commitments of $244 million in current and future gifts, a 10 percent increase over FY 2011 and a tie for all-time gift production. In addition, the Foundations distributed a record $169 million to the university community last year, much of it for student financial support. They pointed out that it was an extraordinary year for giving despite continuing economic challenges. Goldstein and Malkerson highlighted a number of accomplishments made possible by gifts to the University.
Goldstein and Malkerson also announced FastStart4Impact, an innovative new initiative that creates a special benefit for donors making commitments to new endowed scholarships of $50,000 or greater. FastStart4Impact is university-wide and the institution has made a $10 million commitment to the program, which has the potential to grow to $50 million in new endowed support for students. Goldstein and Malkerson also previewed a new television ad from the Discovery Illuminates Everyone campaign.

**BOARD OF REGENTS POLICY: BOARD OPERATIONS AND AGENDA GUIDELINES**

Chair Cohen presented proposed amendments to Board of Regents Policy: Board Operations and Agenda Guidelines as detailed in the docket materials. Cohen indicated that the amendments update portfolios of responsibility for the Board’s committees and seek to articulate areas of governance oversight; clarify how work plans and agendas are developed; and update the duties and responsibilities of the executive director.

A lengthy discussion ensued.

Regent Frobenius made a number of observations regarding committee processes and the authority granted to committee chairs. He recommended that the policy amendments include language to clarify the role of the committee chair in setting agenda topics, finalizing the committee work plan, and review annually the overall duties assigned to the committee. He further recommended that the Finance Committee have the authority to review and recommend to the full Board the Annual Operating and Capital Budgets.

In response to comments, Chair Cohen stressed that all Board members would continue to have full authority to review and take action on the Operating and Capital Budgets.

Regent Brod indicated that it would be useful to have a discussion related to the Board chair’s responsibilities for keeping Regents informed of significant issues.

Board of Regents Policy: Board Operations and Agenda Guidelines will return for action at the December 2012 Board of Regents meeting.

**REPORT OF THE FACULTY, STAFF & STUDENT AFFAIRS COMMITTEE**

Regent Beeson, Vice Chair of the committee, reported that the committee voted unanimously to recommend:

a) Adoption of amendments to Board of Regents Policy: Student Conduct Code, as follows:

**Student Conduct Code**

**SECTION I. GUIDING PRINCIPLES.**

(a) The University seeks an environment that promotes academic achievement and integrity, that is protective of free inquiry, and that serves the educational mission of the University.
(b) The University seeks a community that is free from violence, threats, and intimidation; that is respectful of the rights, opportunities, and welfare of students, faculty, staff, and guests of the University; and that does not threaten the physical or mental health or safety of members of the University community.

(c) The University is dedicated to responsible stewardship of its resources and to protecting its property and resources from theft, damage, destruction, or misuse.

(d) The University supports and is guided by state and federal law while also setting its own standards of conduct for its academic community.

(e) The University is dedicated to the rational and orderly resolution of conflict.

SECTION II. SCOPE.

This policy applies to all students and student organizations at the University of Minnesota (University), whether or not the University is in session.

SECTION III. DEFINITIONS.

Subd. 1. Academic Environment. Academic environment shall mean any setting where a student is engaged in work toward academic credit, satisfaction of program-based requirements, or related activities including but not limited to online courses, learning abroad, and field trips.

Subd. 2. Campus. Campus shall mean all University premises, including all land, buildings, facilities, and other property owned, possessed, leased, used, or controlled by the University, and adjacent streets and sidewalks.

Subd. 3. Plagiarism. Plagiarism shall mean representing the words, creative work, or ideas of another person as one’s own without providing proper documentation of source. Examples include, but are not limited to:

- Copying information word for word from a source without using quotation marks and giving proper acknowledgement by way of footnote, endnote, or in-text citation;

- Representing the words, ideas, or data of another person as one’s own without providing proper attribution to the author through quotation, reference, in-text citation, or footnote;

- Producing, without proper attribution, any form of work originated by another person such as a musical phrase, a proof, a speech, an image, experimental data, laboratory report, graphic design, or computer code;
• Paraphrasing, without sufficient acknowledgment, ideas taken from another person that the reader might reasonably mistake as the author's; and

• Borrowing various words, ideas, phrases, or data from original sources and blending them with one's own without acknowledging the sources.

It is the responsibility of all students to understand the standards and methods of proper attribution and to clarify with each instructor the standards, expectations, and reference techniques appropriate to the subject area and class requirements, including group work and internet use. Students are encouraged to seek out information about these methods from instructors and other resources and to apply this information in all submissions of academic work.¹

Subd. 4. Student. Student shall mean any person taking courses at the University or enrolled in a University program; any person participating as a student in University activities prior to the start of classes; any student who is not enrolled or registered for a particular term but has a continuing relationship with the University; any student who withdraws, transfers, or graduates after an alleged violation of the Student Conduct Code; and any already graduated student when the conduct at issue implicates the student’s University degree.

Subd. 5. Student Organization. Student organization shall mean any organization of students that is or has been registered as a University student organization under applicable University policies or procedures.

Subd. 6. University-Sponsored Activities. University-sponsored activities shall mean any program or event sponsored by the University, including but not limited to those sponsored by student organizations, or athletics.

SECTION IV. JURISDICTION.

Subd. 1. The Student Conduct Code shall apply to student conduct that occurs on campus or at University-sponsored activities.

Subd. 2. The Student Conduct Code shall apply to student conduct that directly relates to the University's education, services, programs, or rules, including but not limited to scholastic dishonesty, hazing, violation of University rules, and falsification, whether the conduct occurs on campus or off campus.

Subd. 3. At the discretion of the president or delegate, the Student Conduct Code also shall apply to off-campus student conduct when the conduct, as alleged, adversely affects a substantial University interest and either:

(a) constitutes a criminal offense as defined by local, state, or federal law or ordinance, regardless of the existence or outcome of any criminal proceeding; or
(b) indicates that the student may present a danger or threat to the health or safety of the student or others.

SECTION V. THE RESPONSIBILITIES OF DUAL MEMBERSHIP.

Students are both members of the University community and of the state. Students are responsible to the community of which they are a part, and they are responsible to the academic community of the University. By enforcing its Code, the University neither substitutes for nor interferes with other civil or criminal legal processes. When a student is charged in both jurisdictions, the University will decide on the basis of its interests, the interests of affected students, and the interests of the community whether to proceed with its disciplinary process or to defer action. Determinations made or sanctions imposed under the Code will not be subject to change because criminal charges arising out of the same facts were dismissed, reduced, or resolved in favor of the criminal law defendant.

SECTION VI. DISCIPLINARY OFFENSES.

Any student or student organization found to have committed, attempted to commit, assisted or abetted another person or group to commit the following misconduct is subject to appropriate disciplinary action under this policy:

Subd. 1. Scholastic Dishonesty. Scholastic dishonesty means plagiarism; cheating on assignments or examinations; engaging in unauthorized collaboration on academic work; taking, acquiring, or using test materials without faculty permission; submitting false or incomplete records of academic achievement; acting alone or in cooperation with another to falsify records or to obtain dishonestly grades, honors, awards, or professional endorsement; altering, forging, misrepresenting, or misusing a University academic record; or fabricating or falsifying data, research procedures, or data analysis.

Subd. 2. Disruption of the Academic Environment. Disruption of the academic environment means engaging in behavior that substantially or repeatedly interrupts either the instructor's ability to teach and/or a student's ability to learn.

Subd. 3. Falsification. Falsification means willfully providing University offices or officials with false, misleading, or incomplete information; forging or altering without proper authorization official University records or documents or conspiring with or inducing others to forge or alter without proper authorization University records or documents; misusing, altering, forging, falsifying, or transferring to another person University-issued identification; or intentionally making a false report of a bomb, fire, natural disaster, or other emergency to a University official or an emergency service agency.

Subd. 4. Refusal to Identify and Comply. Refusal to identify and comply means willfully refusing to or falsely identifying one's self or willfully failing to comply with a proper order or summons when
requested by an authorized University official, by law enforcement personnel, or by emergency medical staff responding to an emergency.

Subd. 5. Attempt to Injure or Defraud. Attempt to injure or defraud means making, forging, printing, reproducing, copying, or altering any record, document, writing, or identification used or maintained by the University when done with intent to injure, defraud, or misinform.

Subd. 6. Harm to Person. Harm to person means engaging in conduct that endangers or threatens to endanger the physical and/or mental health, safety, or welfare of another person, including, but not limited to, threatening, stalking, harassing, intimidating, or assaulting behavior.

Subd. 7. Bullying. Bullying means aggressive behavior directed at another person, either in person or through electronic means, that causes stress or harm and that is repeated over time, including but not limited to assaulting, defaming, terrorizing, making obscene gestures, or invading privacy.

Subd. 8. Sexual Assault. Sexual assault means actual, attempted or threatened sexual contact with another person without that person’s consent. Sexual assault is a criminal act that can be prosecuted under Minnesota state law, as well as under the Student Conduct Code and employee discipline procedures.

Subd. 9. Disorderly Conduct. Disorderly conduct means engaging in conduct that incites or threatens to incite an assault or breach of the peace; breaching the peace; obstructing or disrupting teaching, research, administrative, or public service functions; or obstructing or disrupting disciplinary procedures or authorized University activities.

Subd. 10. Illegal or Unauthorized Possession or Use of Weapons. Illegal or unauthorized possession or use of weapons means possessing or using weapons or articles or substances usable as weapons, including, but not limited to, firearms, incendiary devices, explosives, and dangerous biological or chemical agents, except in those instances when authorized by law and, where applicable, by proper University authority.

Subd. 11. Illegal or Unauthorized Possession or Use of Drugs or Alcohol. Illegal or unauthorized possession or use of drugs or alcohol means possessing or using drugs or alcohol illegally or, where applicable, without proper University authorization.

Subd. 12. Providing Alcohol to Minors. Providing alcohol to minors means directly or indirectly providing alcohol to anyone under the legal drinking age.

Subd. 13. Unauthorized Use of University Facilities or Services. Unauthorized use of University facilities or services means wrongfully using University properties or facilities; misusing, altering, or damaging fire-fighting equipment, safety devices, or other emergency equipment or
interfering with the performance of those specifically charged to carry out emergency services; or acting to obtain fraudulently—through deceit, unauthorized procedures, bad checks, or misrepresentation—goods, quarters, services, or funds from University departments or student organizations or individuals acting on their behalf.

Subd. 14. Theft, Property Damage, or Vandalism. Theft, property damage, or vandalism means theft or embezzlement of, damage to, destruction of, unauthorized possession of, or wrongful sale or gift of property.

Subd. 15. Unauthorized Access. Unauthorized access means accessing without authorization University property, facilities, services, or information systems, or obtaining or providing to another person the means of such unauthorized access, including, but not limited to, using or providing without authorization keys, access cards, or access codes.

Subd. 16. Disruptive Behavior. Disruptive behavior means willfully disrupting University events; participating in a campus demonstration that disrupts the normal operations of the University and infringes on the rights of other individuals; leading or inciting others to disrupt scheduled or normal activities of the University; engaging in intentional obstruction that interferes with freedom of movement, either pedestrian or vehicular, on campus; using sound amplification equipment on campus without authorization; or making or causing noise, regardless of the means, that disturbs authorized University activities or functions.

Subd. 17. Hazing. Hazing means any act taken on University property or in connection with any University-related group or activity that endangers the physical and/or mental health or safety of an individual (including, without limitation, an act intended to cause personal degradation or humiliation), or that destroys or removes public or private property, for the purpose of initiation in, admission to, affiliation with, or as a condition for continued membership in a group or organization.

Subd. 18. Rioting. Rioting means engaging in, or inciting others to engage in, harmful or destructive behavior in the context of an assembly of persons disturbing the peace on campus, in areas proximate to campus, or in any location when the riot occurs in connection with, or in response to, a University-sponsored event. Rioting includes, but is not limited to, such conduct as using or threatening violence to others, damaging or destroying property, impeding or impairing fire or other emergency services, or refusing the direction of an authorized person.

Subd. 19. Violation of University Rules. Violation of University rules means engaging in conduct that violates University, collegiate, or departmental regulations that have been posted or publicized, including provisions contained in University contracts with students.

Subd. 20. Violation of Local, State, or Federal Laws or Ordinances. Violation of local, state, or federal laws or ordinances means engaging in conduct that violates a local, state, or federal law, or
ordinance, including, but not limited to, laws governing alcoholic beverages, drugs, gambling, sex offenses, indecent conduct, or arson.

Subd. 21. Persistent Violations. Persistent violations means engaging in repeated conduct or action in violation of this Code.

SECTION VII. SANCTIONS.

Student and student organizations found responsible for disciplinary offenses under the Student Conduct Code are subject to sanctions. Factors to consider in determining appropriate sanctions include: the nature of the offense, the severity of the offense, the culpability of the student or student organization, the impact on other students or members of the University community, and the opportunity for student development. Separation from the University through suspension or expulsion is a serious sanction that may be appropriate for: repeated violations of the Code, for serious scholastic dishonesty, and for misconduct that constitutes a threat to community safety or well-being (including, but not limited to harm to person and sexual assault), or significantly disrupts the rights of others or the operations of the University. The following sanctions may be imposed upon students or student organizations found to have violated the Code:

Subd. 1. Academic Sanction. An academic sanction means a sanction affecting the course or academic work of the student for violation of Section VI, Disciplinary Offenses, Subdivision 1, Scholastic Dishonesty.

Subd. 2. Warning. A warning means the issuance of an oral or written warning or reprimand.

Subd. 3. Probation. Probation means special status with conditions imposed for a defined period of time and includes the probability of more severe disciplinary sanctions if the student is found to violate any institutional regulation during the probationary period.

Subd. 4. Required Compliance. Required compliance means satisfying University requirements, work assignments, community service, or other discretionary assignments.

Subd. 5. Confiscation. Confiscation means confiscation of goods used or possessed in violation of University regulations or confiscation of falsified identification or identification wrongly used.

Subd. 6. Restitution. Restitution means making compensation for loss, injury, or damage.

Subd. 7. Restriction of Privileges. Restriction of privileges means the denial or restriction of specified privileges, including, but not limited to, access to an official transcript for a defined period of time.

Subd. 8. University Housing Suspension. University housing suspension means separation of the student from University Housing for a defined period of time.
Subd. 9. University Housing Expulsion. University housing expulsion means permanent separation of the student from University Housing.

Subd. 10. Suspension. Suspension means separation of the student from the University for a defined period of time, after which the student is eligible to return to the University. Suspension may include conditions for readmission.

Subd. 11. Expulsion. Expulsion means the permanent separation of the student from the University.

Subd. 12. Withholding of Diploma or Degree. Withholding of diploma or degree means the withholding of diploma or degree otherwise earned for a defined period of time or until the completion of assigned sanctions.

Subd. 13. Revocation of Admission or Degree. Revocation of admission or degree means revoking a student's admission to the University or revoking a degree already awarded by the University.

SECTION VIII. INTERIM SUSPENSION.

The president or delegate may impose an immediate suspension on a student or student organization pending a hearing before the appropriate disciplinary committee (1) to ensure the safety and well-being of members of the University community or to preserve University property, (2) to ensure the student's own physical or emotional safety and well-being, or (3) if the student or student organization poses an ongoing threat of disrupting or interfering with the operations of the University. During the interim suspension, the student or student organization may be denied access to all University activities or privileges for which the student or student organization might otherwise be eligible, including access to University housing or property. The student or student organization has a right to a prompt hearing before the president or delegate on the questions of identification and whether the interim suspension should remain in effect until the full hearing is completed.

SECTION IX. HEARING AND APPEALS OF STUDENT DISCIPLINE.

Any student or student organization charged with violation of the Code shall have the opportunity to receive a fair hearing and access to a campus-wide appeal. To safeguard the rights of students and student organizations, the president or delegate shall ensure that each campus has an appeals procedure to govern alleged violations of this policy. The appeals procedure shall provide both substantive and procedural fairness for the student or student organization alleged to have violated the Code and shall provide for resolution of cases within a reasonable period of time.

The appeals procedure must describe:
(a) grounds for an appeal;
(b) procedures for filing an appeal; and
(c) the nature of an appellate review.

SECTION X. DELEGATION OF AUTHORITY.

The president or delegate shall implement this policy, including publishing and distributing the Code and the procedures governing the student disciplinary process at the University.

1 Portions used with permission from New York Institute of Technology and University of Texas, San Antonio.


The Board of Regents voted unanimously to approve the recommendation of the Faculty, Staff & Student Affairs Committee.

Beeson reported that the committee also reviewed proposed amendments to Board of Regents Policy: Employee Development, Education, and Training; received a presentation on the Office of Human Resources strategic plan update on human resources service delivery redesign; received an update on the Enterprise System Upgrade Project: human resources management system vision, preliminary scope, and process; received an update on encore transitions: preparing for post-career life; and reviewed a number of information items presented in the docket materials.

REPORT OF THE FINANCE & OPERATIONS COMMITTEE

Regent Frobenius, Chair of the committee, reported that the committee voted unanimously to recommend:

a) Approval of the Consent Report for the Finance & Operations Committee as presented to the committee and described in the October 11, 2012 committee minutes.

b) Approval of a Resolution Related to Issuance of Debt, as follows:

WHEREAS, it has been proposed that the University proceed with a plan of financing which involves, among other things, the issuance and sale of indebtedness (such indebtedness, whether issued in the form of bonds, notes or such other form of indebtedness as may be designated by the University, the “Bonds”), the proceeds of which are to be used to finance University capital projects which may include purchases of land and buildings, construction and remodeling projects, and the acquisition and installation of equipment, as well as the costs of issuance of the Bonds;

WHEREAS, the Bonds will be issued pursuant to an Indenture of Trust between the University and a bank or trust company acting as trustee or pursuant to an Order of the University:
WHEREAS, the Indenture of Trust or Order pursuant to which Bonds will be issued will contain the terms of such Bonds and agreements and covenants of the University with respect to the payment of the principal of, premium, if any, and interest on such bonds;

WHEREAS, the principal amount of the Bonds authorized will be the amount of the Bonds outstanding at any time, and not an aggregate principal amount;

NOW, THEREFORE, BE IT RESOLVED by the Board of Regents of the University of Minnesota (Board) as follows:

1. To provide funds to finance capital projects which may include purchases of land and buildings, construction and remodeling projects, and the acquisition and installation of equipment, as well as the costs of issuance of such financing, the Board hereby authorizes the sale and issuance of Bonds in the principal amount of up to $103,000,000. The Bonds may be issued in one or more series and shall mature not later than the date that is 25 years after the date of issuance of each series. The Treasurer is authorized to determine whether or not the Bonds shall be issued as general obligations of the University and whether or not the Bonds shall be tax-exempt under Section 103 of the Internal Revenue Code of 1986, as amended.

2. The purchases of land and buildings, construction and remodeling projects, or acquisition of equipment to be financed by the proceeds of the Bonds shall be those the source of funding of which is so designated by the Board of Regents or by the Treasurer as part of the University’s capital planning process.

3. The Bonds may be sold in either a negotiated sale or a competitive process, as determined by the Treasurer. The Treasurer is authorized to negotiate and approve the terms and conditions of the appropriate agreement or agreements with financial advisors, banks, investment banking firms, or other financial institutions, including the terms and conditions upon which their services will be rendered and the terms and conditions upon which the Bonds will be sold and issued. The Treasurer is further authorized to negotiate and approve the terms and conditions of any credit support or liquidity facility for any series of Bonds and any interest rate swap agreement or other agreement for the purpose of hedging the University’s interest rate risk with respect to any series of Bonds. Such agreements shall be in the form and contain such rights, obligations, covenants, agreements, representations and warranties of the University as are approved by the Treasurer and the General Counsel.

4. In connection with the issuance of any series of Bonds, the President and Treasurer are authorized to execute and deliver on behalf of the University the Indenture of Trust or Order or any supplement or amendment thereto under which the Bonds are to be issued in the form and containing such covenants, agreements, representations and warranties as is approved by the Treasurer and the General Counsel, and the Secretary and Treasurer are authorized to execute and deliver the Bonds in accordance with such Indenture of
Trust or Order or any supplement or amendment thereto. The signatures of the Secretary and/or Treasurer on the Bonds may be by facsimile.

5. The President and Treasurer are authorized to execute and deliver a purchase agreement with the initial purchaser or purchasers of any series of Bonds in the form and containing such covenants, agreements, representations and warranties of the University as are approved by the Treasurer and General Counsel.

6. The Treasurer is authorized to approve the Preliminary Official Statement and the final Official Statement or any supplements or amendments thereto to be prepared and distributed to any purchaser or potential purchaser of a series of Bonds, and the President is authorized to execute and deliver the final Official Statement or any supplements or amendments thereto. In the case of the sale of any series of Bonds in a competitive process, the Treasurer is authorized to approve the Notice of Sale and any amendment thereto.

7. The appropriate University officers are authorized to execute and deliver all other documents, certificates and to take such action as may be necessary or appropriate in connection with the issuance and sale of the Bonds.

8. The Secretary and other officials of the University are authorized and directed to prepare and furnish to any purchasers of the Bonds certified copies of all proceedings and records of the University as may be required or appropriate to evidence the facts relating to the legality of the Bonds as such facts appear from the books and records in the officers’ custody and control or as otherwise known to them; and all such certified copies, certificates and affidavits, including any heretofore furnished, shall constitute representations of the University as to the truth of all statements contained therein.

9. The execution of any document by the appropriate University officers herein authorized shall be conclusive evidence of the approval of such documents in accordance with the terms hereof. In the absence of the President or Treasurer, any Indenture of Trust, Order, final Official Statement, purchase agreement or any other document to be executed by the President or Treasurer in connection with the Bonds may be executed by the Chair or Vice Chair instead of the President and by the Secretary instead of the Treasurer.

The Board of Regents voted unanimously to approve the recommendations of the Finance & Operations Committee.

Frobenius reported that the committee also received a long range financial planning update; reviewed proposed amendments to Board of Regents Policy: Debt Transactions; received a report on administrative cost definition and benchmarking; and discussed the information items included in the docket materials.
REPORT OF THE AUDIT COMMITTEE

Regent Beeson, Chair of the committee, reported that the committee did not meet this month.

REPORT OF THE EDUCATIONAL PLANNING & POLICY COMMITTEE

Regent Ramirez, Chair of the committee, reported that the committee voted unanimously to recommend:

a) Approval of the Consent Report of the Educational Planning & Policy Committee as presented to the committee and described in the October 11, 2012 committee minutes.

The Board of Regents voted unanimously to approve the recommendation of the Educational Planning & Policy Committee.

Ramirez reported that the committee also received an overview of University accreditation and an update on professional education programs and opportunities.

REPORT OF THE FACILITIES COMMITTEE

Regent Johnson, Chair of the committee, reported that the committee voted unanimously to recommend:

a) Approval of an amendment to the 2013 Capital Budget by:

1) $2,657,000 to increase funding for the Community University Health Care Center parking lot and building renovation, Twin Cities Campus.

b) Approval of schematic plans for the following project as presented to the committee and described in the October 11, 2012 committee minutes:

1) Community University Health Care Center Parking Lot & Building Renovation, Twin Cities Campus.

c) Approval of the following real estate transaction as presented to the committee and described in the October 11, 2012 committee minutes:

1) Agreements for installation of antennae on five rooftops and building space for equipment for enhanced cellular service, Twin Cities Campus.

The Board of Regents voted unanimously to approve the recommendations of the Facilities Committee.

Johnson reported that the committee also received a report on public safety.
REPORT OF THE LITIGATION REVIEW COMMITTEE

Regent Hung, Chair of the committee, reported that the committee did not meet this month.

The meeting adjourned at 11:23 a.m.

[Brian R. Steeves]

BRIAN R. STEEVES
Executive Director
and Corporate Secretary