

**UNIVERSITY OF MINNESOTA  
BOARD OF REGENTS**

**Audit & Compliance Committee  
September 7, 2023**

A meeting of the Audit & Compliance Committee of the Board of Regents was held on Thursday, September 7, 2023, at 8:00 a.m. in the Boardroom, 600 McNamara Alumni Center.

Regents present: James Farnsworth, presiding; Mary Davenport, Robyn Gulley, Tadd Johnson, Mike Kenyanya, and Bo Thao-Urabe.

Staff present: Chancellors Mary Holz-Clause and Janet Schrunk Ericksen; Executive Vice President and Provost Rachel Croson; Executive Director Brian Steeves; Chief Auditor Quinn Gaalswyk; Associate Vice Presidents Katharine Bonneson and Michael Volna; and Executive Director of Government and Community Relations Melisa López Franzen.

Student Representatives present: Lee El Cohen and Hal Johnson.

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

**2023-24 COMMITTEE WORK PLAN**

Regent Farnsworth and Chief Auditor Gaalswyk reviewed the 2023-24 Committee Work 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](#).

**UPDATES TO THE INSTITUTIONAL RISK PROFILE**

Regent Farnsworth invited Associate Vice President Bonneson and Matt Reierson, Senior Manager, Baker Tilly, to outline updates to the Institutional Risk Profile, as detailed in the docket.

The docket materials for this item begin on page 8. The closed-captioned video of this item is [available here](#).

**OVERVIEW OF THE INTERNAL AUDIT PROCESS**

Regent Farnsworth invited Chief Auditor Gaalswyk to provide an overview of the internal audit process, as detailed in the docket.

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

## AMENDMENTS TO THE OFFICE OF INTERNAL AUDIT CHARTER

Regent Farnsworth invited Chief Auditor Gaalswyk to present for review proposed amendments to the Office of Internal Audit Charter, as detailed in the docket.

The docket materials for this item begin on page 39. The closed-captioned video of this item is [available here](#).

The meeting adjourned at 9:09 a.m.



**BRIAN R. STEEVES**  
Executive Director and  
Corporate Secretary

**UNIVERSITY OF MINNESOTA  
BOARD OF REGENTS**

**Special Committee on Academic Health  
September 7, 2023**

A meeting of the Special Committee on Academic Health of the Board of Regents was held on Thursday, September 7, 2023, at 8:00 a.m. in the West Committee Room, 600 McNamara Alumni Center.

Regents present: Penny Wheeler, presiding; Doug Huebsch, Ruth Johnson, Janie Mayeron, Mary Turner, and Kodi Verhalen.

Staff present: Chancellor Lori Carrell; Interim Chancellor David McMillan; Senior Vice President Myron Frans; Vice President Jakub Tolar; Executive Director Brian Steeves; Chief Public Relations Officer Chuck Tombarge; Associate Vice President Michael Volna; and Executive Director of Government and Community Relations Melisa López Franzen.

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

**REVIEW OF SPECIAL COMMITTEE CHARGE AND PRIORITIES FOR THE YEAR**

Regent Wheeler and Vice President Tolar reviewed the 2023-24 special committee charge and discussed priorities for the year, 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](#).

**OVERVIEW OF THE UNIVERSITY'S HEALTH SCIENCES**

Regent Wheeler invited Vice President Tolar to give an overview of the University's Health Sciences, as detailed in the docket.

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

**UPDATE ON GOVERNOR'S TASK FORCE TO ENSURE  
NATION-LEADING HEALTH PROFESSIONS EDUCATION**

Regent Wheeler invited Vice President Tolar and Senior Vice President Frans to provide an update on Governor Walz's Task Force to Ensure Nation-Leading Health Professions Education, 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](#).

## **ACADEMIC AFFILIATION AGREEMENT WITH CENTRACARE**

Regent Wheeler invited Vice President Tolar and Ken Holmen, President and CEO, CentraCare, to present for review the Academic Affiliation Agreement with CentraCare, 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](#).

The meeting adjourned at 9:22 a.m.



**BRIAN R. STEEVES**  
**Executive Director and**  
**Corporate Secretary**

**UNIVERSITY OF MINNESOTA  
BOARD OF REGENTS**

**Mission Fulfillment Committee  
September 7, 2023**

A meeting of the Mission Fulfillment Committee of the Board of Regents was held on Thursday, September 7, 2023, at 9:30 a.m. in the Boardroom, 600 McNamara Alumni Center.

Regents present: Ruth Johnson, presiding; Mary Davenport, James Farnsworth, Doug Huebsch, Tadd Johnson, Mike Kenyanya, Janie Mayeron, Bo Thao-Urabe, Mary Turner, Kodi Verhalen, and Penny Wheeler.

Staff present: Interim President Jeff Ettinger; Chancellors Lori Carrell, Mary Holz-Clause, and Janet Schrunk Ericksen; Interim Chancellor David McMillan; Executive Vice President and Provost Rachel Croson; Vice President Mercedes Ramírez Fernández; General Counsel Douglas Peterson; Executive Director Brian Steeves; Chief Auditor Quinn Gaalswyk; Chief Public Relations Officer Chuck Tombarge; and Executive Director of Government and Community Relations Melisa López Franzen.

Student Representatives present: Ebba Wako and Niko Vasilopoulos.

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

**2023-24 COMMITTEE WORK PLAN**

Regent R. Johnson and Executive Vice President and Provost Croson reviewed the 2023-24 Committee Work 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](#).

**ANNUAL REPORT ON ACADEMIC PROGRAM CHANGES**

Regent R. Johnson invited Executive Vice President and Provost Croson to present the annual report on academic program changes, as detailed in the docket.

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

R. Johnson recessed the meeting at 10:15 a.m.

## **IMPACTS OF THE RECENT U.S. SUPREME COURT DECISION ON UNDERGRADUATE ADMISSIONS**

Regent R. Johnson reconvened the meeting at 10:27 a.m. and invited Executive Vice President and Provost Croson and Robert McMaster, Vice Provost and Dean of Undergraduate Education, to present on the impacts of the recent U.S. Supreme Court decision on undergraduate admissions, as detailed in the docket.

The docket materials for this item begin on page 33. The closed-captioned video of this item is [available here](#).

### **CONSENT REPORT**

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

The docket materials for this item begin on page 118. The closed-captioned video of this item is [available here](#).

#### **Request for Conferral of Tenure for New Hires**

- Dongming Cai, professor with tenure, Department of Neurology, Medical School, Twin Cities campus
- Rachel McCord Ellestad, associate professor with tenure, Department of Civil Engineering, Swenson College of Science and Engineering, Duluth campus
- Neil Hoffman, associate professor with tenure, Department of Mathematics and Statistics, Swenson College of Science and Engineering, Duluth campus
- Tran Huynh, associate professor with tenure, Division of Environmental Health Sciences, School of Public Health, Twin Cities campus
- Jonathon Leider, associate professor with tenure, Division of Health Policy and Management, School of Public Health, Twin Cities campus
- Harrison Quick, associate professor with tenure, Division of Biostatistics, School of Public Health, Twin Cities campus
- Matthew Reznicek, associate professor with tenure, Department of Surgery (History of Medicine Program), Medical School, Twin Cities campus
- Nadia Sam-Agudu, professor with tenure, Department of Pediatrics, Medical School, Twin Cities campus
- Brent Williams, professor with tenure, Department of Soil, Water, and Climate, College of Food, Agricultural and Natural Resource Sciences, Twin Cities campus

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

## INFORMATION ITEMS

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

- University, Student, Faculty, and Staff Activities and Awards
- Completed Comprehensive Review of Board Policy

The docket materials for this item begin on page 78. The closed-captioned video of this item is [available here](#).

The meeting adjourned at 11:24 a.m.



**BRIAN R. STEEVES**  
Executive Director and  
Corporate Secretary

**UNIVERSITY OF MINNESOTA  
BOARD OF REGENTS**

**Finance & Operations Committee  
September 7, 2023**

A meeting of the Finance & Operations Committee of the Board of Regents was held on Thursday, September 7, 2023, at 1:00 p.m. in the Boardroom, 600 McNamara Alumni Center.

Regents present: Douglas Huebsch, presiding; Mary Davenport, James Farnsworth, Robyn Gulley, Ruth Johnson, Tadd Johnson, Mike Kenyanya, Janie Mayeron, Bo Thao-Urabe, Mary Turner, Kodi Verhalen, and Penny Wheeler.

Staff present: Interim President Jeff Ettinger; Chancellors Lori Carrell, Mary Holz-Clause, and Janet Schrunk Ericksen; Interim Chancellor David McMillan; Executive Vice President and Provost Rachel Croson; Senior Vice President Myron Frans; Vice Presidents Bernard Gulachek, Kenneth Horstman, Mercedes Ramírez Fernández, Alice Roberts-Davis, and Julie Tonneson; General Counsel Douglas Peterson; Executive Director Brian Steeves; Chief Auditor Quinn Gallswyk; Associate Vice President Michael Volna; and Executive Director of Government and Community Relations Melisa López Franzen.

Student Representatives present: Cole Groshong and Flora Yang.

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

**2023-24 COMMITTEE WORK PLAN**

Regent Huebsch and Senior Vice President Frans reviewed the 2023-24 Committee Work Plan, 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](#).

**INTERIM PRESIDENT'S RECOMMENDED 2023 SIX-YEAR CAPITAL PLAN  
AND 2024 STATE CAPITAL REQUEST**

Regent Huebsch invited Interim President Ettinger, Senior Vice President Frans, and Vice President Roberts-Davis to review the interim president's recommended 2023 Six-Year Capital Plan and 2024 State Capital Request, as detailed in the docket.

The docket materials for this item begin on page 10. The closed-captioned video of this item is [available here](#).



## **INTERIM PRESIDENT'S RECOMMENDED SUPPLEMENTAL FY 2025 STATE BUDGET REQUEST**

Regent Huebsch invited Interim President Ettinger, Senior Vice President Frans, and Vice President Tonneson to present for review the interim president's recommended supplemental FY 2025 State Budget Request, as detailed in the docket.

The docket materials for this item begin on page 51. The closed-captioned video of this item is [available here](#).

Huebsch recessed the meeting at 1:53 p.m.

### **OVERVIEW OF UNIVERSITY BUDGET MODEL**

Regent Huebsch called the meeting back to order at 2:04 p.m. He invited Senior Vice President Frans and Vice President Tonneson to provide an overview of the University budget model, as detailed in the docket.

The docket materials for this item begin on page 63. The closed-captioned video of this item is [available here](#).

### **REAL ESTATE TRANSACTIONS**

Regent Huebsch invited Senior Vice President Frans and Assistant Vice President Leslie Krueger to present for review and action the following real estate transaction, as detailed in the docket:

- Sale of approximately 280 Acres in Rosemount, UMore Park

The docket materials for this item begin on page 87. The closed-captioned video of this item is [available here](#).

Huebsch noted that Regent Verhalen was recusing herself from the discussion. Verhalen left the meeting.

A motion was made and seconded, and the committee voted 10 to 1 to recommend approval of the real estate transaction. Gulley voted no.

Regent Verhalen returned to the meeting.

### **DULUTH CAMPUS PLAN**

Regent Huebsch invited Senior Vice President Frans; Interim Chancellor David McMillan; Monique MacKenzie, Director of Planning; Shane Stennes, Chief Sustainability Officer; and Greg Havens, Principal, Sasaki, to present for review the Duluth Campus Plan, as detailed in the docket.

The docket materials for this item begin on page 100. The closed-captioned video of this item is [available here](#).

Regent Thao-Urabe left the meeting.

## CONSENT REPORT

Regent Huebsch invited Senior Vice President Frans to present for review and action the Consent Report, as detailed in the docket.

The docket materials for this item begin on page 310. The closed-captioned video of this item is [available here](#).

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

- To Cardinal Health for an estimated \$4,000,000 for the purchase of pharmaceuticals and related supplies for Boynton Health Pharmacy (Twin Cities campus) for the period of September 18, 2023 through October 31, 2024. The cost of goods purchased through this contract will be paid for from the sale of prescriptions and retail items to patients and from sales to University departments for research and other uses. The costs have been included in Boynton's budget. See enclosed documentation for the basis of supplier selection.
- To Envigo RMS, The Jackson Laboratory, and Charles River for an estimated \$18,000,000 for laboratory animals for Research Animal Resources (Twin Cities campus) for September 18, 2023 through June 30, 2028. The bulk animal orders will be purchased with centralized departmental funds currently budgeted for these purchases. Suppliers were selected as the result of a competitive Request for Proposal (RFP) process conducted by Purchasing Services. Three suppliers responded to the RFP, and none were a targeted business.
- To LKO Enterprises, Inc., Northland Constructors of Duluth, Inc., and ATK for an estimated \$800,000 of contract snow removal labor and equipment services as needed for the University of Minnesota Duluth's (UMD) Department of Facilities Management and coordinate properties for the period of October 1, 2023 through September 30, 2024 with optional contract extensions of \$800,000 every year through September 30, 2028. The total contract value, if all options are extended, would be \$4,000,000. This approval authorizes both the base term and the optional contract extensions. This purchase of contract labor and equipment services by Facilities Management has been budgeted for FY 2024. It will be funded through individual Repair & Replacement projects and Operation & Maintenance funds. Suppliers were selected as the result of a competitive RFP process conducted by Purchasing Services. Five suppliers responded to the RFP, and none were a targeted business.
- To Nel Hydrogen US for an estimated \$1,190,400 for a hydrogen gas production system for the University of Minnesota West Central Research and Outreach Center in Morris, MN. The source of funds for the purchase will come from a sponsored project funded by the United States Department of Energy APRA-E REFUEL+IT Program and is led by the Research Triangle Institute (dba RTI International). The supplier was selected as the result of a competitive RFP process conducted by Purchasing Services. Two suppliers responded to the RFP, and none were a targeted business.
- To Videotronix, Incorporated dba VTI Security for an additional \$6,000,000 for safety and security systems services for the Public Safety Emergency Communications Center (PSECC) for all University of Minnesota campuses for the period of May 2023 through April 2028.

This is in addition to the \$1,000,000 approved by the Board in May 2023. The funds for this contract are budgeted and will come from the additional funds received from the State of Minnesota that are dedicated to these efforts. See enclosed documentation for the basis of supplier selection.

- To Zoom Video Communications, Inc. for an estimated \$1,868,850 to provide an enterprise online meeting solution for all University of Minnesota students, faculty, and staff for the Office of Information Technology (OIT) for the period of October 6, 2023 through October 7, 2028. The cost of this contract is currently included in OIT's budget and will be funded with O&M funds. See enclosed documentation for the basis of supplier selection.

### **Capital Budget Amendments**

- Main Production Kitchen Renovation, Residence Dining Center, Duluth campus
- Middlebrook Dining Renovation, Twin Cities campus

### **Employment Agreements**

- Melinda Pettigrew, Dean, School of Public Health, Twin Cities campus

### **Real Estate Transactions**

- Land exchange for properties on 350<sup>th</sup> Avenue and State Highway 14, Waseca
- Purchase of 160 acres in Mower County for FAARM
- Lease of office space for the Learning Abroad Center's program in Montpellier, France

### **Schematic Designs**

- Cedar Creek Classroom Expansion, Cedar Creek Reserve, Twin Cities campus
- Shepherd Lab Renovation, Twin Cities campus
- Women's Gymnastics Building, Twin Cities campus

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

## **INFORMATION ITEMS**

Regent Huebsch invited Senior Vice President Frans to discuss the information items in the docket:

- Central Reserves General Contingency Allocations
- Capital Finance and Debt Management Report
- Strategic Facilities & Real Estate Report

The docket materials for this item begin on page 371. The closed-captioned video of this item is [available here](#).

The meeting adjourned at 4:17 p.m.

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

**BRIAN R. STEEVES**  
**Executive Director and**  
**Corporate Secretary**

**UNIVERSITY OF MINNESOTA  
BOARD OF REGENTS**

**Governance & Policy Committee  
September 8, 2023**

A meeting of the Governance & Policy Committee of the Board of Regents was held on Friday, September 8, 2023, at 8:00 a.m. in the Boardroom, 600 McNamara Alumni Center.

Regents present: Kodi Verhalen, presiding; Douglas Huebsch, Ruth Johnson, Janie Mayeron, Mary Turner, and Penny Wheeler.

Staff present: Chancellors Lori Carrell and Mary Holz-Clause; Interim Chancellor David McMillan; Executive Vice President and Provost Rachel Croson; Vice Presidents Kenneth Horstman, Calvin Phillips, and Jakub Tolar; General Counsel Douglas Peterson; Executive Director Brian Steeves; Chief Auditor Quinn Gaalswyk; and Associate Vice President Michael Volna.

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

**2023-24 COMMITTEE WORK PLAN**

Regent Verhalen and Executive Director & Corporate Secretary Steeves reviewed the 2023-24 Committee Work 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](#).

**COMMITTEE DELEGATION OF AUTHORITY**

Regent Verhalen invited Associate Secretary Jason Langworthy to present for review proposed amendments to two Board of Regents policies — *Board Operations and Agenda Guidelines* and *Reservation and Delegation of Authority* — the result of which would delegate authority to the Finance & Operations Committee and the Mission Fulfillment Committee to act on behalf of the Board, as detailed in the docket.

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

Regent Huebsch requested that the item be considered for review and action. There was no objection and Verhalen declared that the item would now be considered for review and action.

A motion was made and seconded, and the committee voted unanimously to recommend approval of the proposed amendments to Board of Regents Policy: *Board Operations and Agenda Guidelines* and Board of Regents Policy: *Reservation and Delegation of Authority*.

## **BOARD COMMITTEE STRUCTURE: CONTEXT AND PRINCIPLES TO GUIDE**

Regent Verhalen invited Executive Director & Corporate Secretary Steeves and Associate Secretary Jason Langworthy to lead a discussion on the Board's committee structure focusing on context and principles to guide future discussions, as detailed in the docket.

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

## **INFORMATION ITEMS**

Regent Verhalen invited Executive Director & Corporate Secretary Steeves to discuss the information items in the docket:

- Completed Comprehensive Review of Board Policy

The docket materials for this item begin on page 37. The closed-captioned video of this item is [available here](#).

The meeting adjourned at 9:13 a.m.



**BRIAN R. STEEVES**  
**Executive Director and**  
**Corporate Secretary**

**UNIVERSITY OF MINNESOTA  
BOARD OF REGENTS**

**Special Committee on University Relations  
September 8, 2023**

A meeting of the Special Committee on University Relations of the Board of Regents was held on Friday, September 8, 2023, at 8:00 a.m. in the West Committee Room, 600 McNamara Alumni Center.

Regents present: Bo Thao-Urabe, presiding; Mary Davenport, Robyn Gulley, James Farnsworth, Tadd Johnson, and Mike Kenyanya.

Staff present: Interim President Jeff Ettinger; Chancellors Lori Carrell and Janet Schrunk Ericksen; Vice Presidents Ken Horstman and Julie Tonneson; Chief Public Relations Officer Chuck Tombarge; Executive Director Brian Steeves; and Executive Director of Government and Community Relations Melisa López Franzen.

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

**REVIEW OF SPECIAL COMMITTEE CHARGE AND PRIORITIES FOR THE YEAR**

Regent Thao-Urabe and Chief Public Relations Officer Tombarge reviewed the 2023-24 special committee charge and discussed priorities for the year, 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](#).

**NEW SYSTEMWIDE MARKETING CAMPAIGN**

Regent Thao-Urabe invited Chief Public Relations Officer Tombarge and Ann Aronson, Chief Marketing Officer, to present the strategy and approach of the new systemwide marketing campaign, as detailed in the docket.

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

**INTRODUCTION OF EXECUTIVE DIRECTOR FOR  
GOVERNMENT AND COMMUNITY RELATIONS**

Regent Thao-Urabe invited Interim President Ettinger to introduce Melisa López Franzen, Executive Director of Government and Community Relations, as detailed in the docket.

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

The meeting adjourned at 9:02 a.m.

A handwritten signature in black ink that reads "Brian R. Steeves". The signature is written in a cursive, flowing style.

**BRIAN R. STEEVES**  
**Executive Director and**  
**Corporate Secretary**



**UNIVERSITY OF MINNESOTA  
BOARD OF REGENTS**

**Board of Regents  
September 8, 2023**

A meeting of the Board of Regents of the University of Minnesota was held on Friday, September 8, 2023, at 9:31 a.m. in the Boardroom, 600 McNamara Alumni Center.

Regents present: Mike Kenyanya, presiding; Mary Davenport, James Farnsworth, Robyn Gulley, Douglas Huebsch, Ruth Johnson, Tadd Johnson, Janie Mayeron, Bo Thao-Urabe, Mary Turner, Kodi Verhalen, and Penny Wheeler.

Staff present: Interim President Jeffrey Ettinger; Chancellors Lori Carrell, Mary Holz-Clause, and Janet Schrunk Ericksen; Interim Chancellor David McMillan; Executive Vice President and Provost Rachel Croson; Senior Vice President Myron Frans; Vice Presidents Kenneth Horstman, Calvin Phillips, and Jakub Tolar; Executive Director Brian Steeves; Chief Auditor Quinn Gaalswyk; Chief Public Relations Officer Chuck Tombarge; Associate Vice President Michael Volna; and Executive Director of Government and Community Relations Melisa López Franzen.

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

**APPROVAL OF MINUTES**

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

Board of Regents – July 12, 2023  
Litigation Review Committee – August 1, 2023

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

**REPORT OF THE INTERIM PRESIDENT**

Interim President Ettinger delivered the report of the President. Ettinger invited Senior Vice President Frans and Vice President Tolar to join him.

The docket materials for this item begin on page 9. The closed-captioned video of this item is [available here](#).

**REPORT OF THE CHAIR**

Regent Kenyanya delivered the report of the Chair.

The docket materials for this item begin on page 10. The closed-captioned video of this item is [available here](#).

### **RECEIVE AND FILE REPORTS**

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

- Virtual Forum Comments

The docket materials for this item begin on page 11. The closed-captioned video of this item is [available here](#).

### **CONSENT REPORT**

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

- A. Gifts
- B. Adjustments to Board Calendar

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

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

### **DISCUSSION OF KEY PRESIDENTIAL LEADERSHIP CHARACTERISTICS**

Regent Kenya invited Executive Director Steeves and WittKieffer consultants Zachary Smith, Executive Partner and Market Leader, Education; James King, Senior Partner and Chief Quality Officer; Christine Pendleton, Principal; and Melody Rose, Principal; to discuss the key presidential leadership characteristics, as detailed in the docket.

The docket materials for this item begin on page 19. The closed-captioned video of this item is [available here](#).

Kenya recessed the meeting at 11:13 a.m.

### **ANNUAL REPORT OF THE UNIVERSITY OF MINNESOTA FOUNDATION**

Regent Kenya called the meeting back to order at 11:22 a.m. and invited Kathleen Schmidlkofer, CEO and President, University of Minnesota Foundation, to present the annual report of the University of Minnesota Foundation, as detailed in the docket.

The docket materials for this item begin on page 33. The closed-captioned video of this item is [available here](#).

## **PUBLIC SAFETY UPDATE: 2023-24 ACADEMIC YEAR OVERVIEW**

Regent Kenya invited Interim President Ettinger and Senior Vice President Frans to provide an overview of public safety initiatives for the 2023-24 academic year, as detailed in the docket.

The docket materials for this item begin on page 63. The closed-captioned video of this item is [available here](#).

## **REPORT OF THE AUDIT & COMPLIANCE COMMITTEE**

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

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

## **REPORT OF THE MISSION FULFILLMENT 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) Approval of the Consent Report for the Mission Fulfillment Committee as presented to the committee and described in the September 7, 2023 committee minutes. The committee docket materials for this item can be found on page 118.

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

## **REPORT OF THE FINANCE & OPERATIONS COMMITTEE**

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

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

- 1) The sale of approximately 280 Acres in Rosemount, UMore Park.

Regent Kenya noted that Regent Verhalen was recusing herself from consideration of this item. Verhalen left the meeting.

A motion was made, and the Board voted 10 to 1 to approve the sale of approximately 280 Acres in Rosemount, UMore Park. Regent Gulley voted no.

Verhalen returned to the meeting.

- 2) Approval of the Consent Report for the Finance & Operations Committee as presented to the committee and described in the September 7, 2023 committee minutes. The committee docket materials for this item can be found on page 310.

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

## **REPORT OF THE GOVERNANCE & POLICY 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) Adoption of proposed amendments to Board of Regents Policy: *Board Operations and Agenda Guidelines* and Board of Regents Policy: *Reservation and Delegation of Authority* as follows:

### ***Board Operations and Agenda Guidelines***

#### **SECTION I. SCOPE.**

This policy governs the Board's operations, committee structure, and agenda guidelines.

#### **SECTION II. GUIDING PRINCIPLES.**

The Board of Regents (Board), created under the Minnesota Territorial Laws of 1851 by the passage of the University charter and perpetuated by the Constitution of the State of Minnesota, is the governing body of the University. The Board, guided by the constitution and laws of the state:

- holds itself accountable to the public for accomplishing the mission of the University;
- meets openly, in the spirit of the Minnesota Open Meeting Law;
- fosters communication with the citizens of Minnesota, its elected representatives, and the University community; and
- works with the president to create a relationship characterized by trust and openness.

#### **SECTION III. BOARD BUSINESS.**

##### **Subd. 1. Governing Documents.**

Board exercises its authority consistent with the University Charter, the Constitution of the State of Minnesota, the *Bylaws of the Board of Regents (Bylaws)*, and relevant Board policies. These documents provide the basic framework for the conduct of the business of the Board.

##### **Subd. 2. Board Business.**

The Board conducts business through meetings of the Board and its committees. Items placed on the Board agenda have the most fundamental importance and broad policy implications for the University. The following items are required to come to the Board:

###### **(a) Fundamental planning documents, including:**

- Systemwide Strategic Plan - The Systemwide Strategic Plan articulates and reinforces the mission and vision of the University; identifies University

priorities and goals; and establishes a framework to guide University decision-making. The plan includes goals articulated through the University Progress Card and establishes a framework for the University's operating and capital budgets.

- University Performance and Accountability Report - The University Performance and Accountability Report publicly demonstrates the University's accountability for progress in reaching its stated goals and objectives; links planning, performance evaluation, and resource allocation at the system and campus/college level; illustrates and analyzes longitudinal trends in key areas; provides a means for comparisons with peer institutions; and identifies areas for continued work. The report includes progress made in achieving the goals articulated in the University Progress Card.
  - Annual Operating Budget - The annual operating budget sets forth the operating requirements and authorizations for financing the activities of the University. The budget includes all funds (revenues and expenditures), all campuses, and all programs of the University. It incorporates historical background and projections. It is based on the framework established by the Systemwide Strategic Plan. The president recommends to the Board the annual operating budget in successive meetings.
  - Capital Budget - The capital budget has two parts. Part I is the six-year capital plan, which is updated annually and identifies capital projects, as defined by Board of Regents Policy: *Reservation and Delegation of Authority* Article I, Section VIII, Subd. 6, that are approved to proceed with preliminary project planning, but not authorized to proceed with design and construction. Part II is the annual capital improvement budget, which authorizes the completion of design and construction of projects, as defined by Board of Regents Policy: *Reservation and Delegation of Authority* Article I, Section VIII, Subd. 7, that have approved financing. The framework established by the Systemwide Strategic Plan and approved campus master plans guide both parts of the capital budget. The president recommends to the Board both parts of the capital budget in successive meetings.
- (b) Legislative funding requests, including the biennial budget request and the capital request.
- (c) Reports on federal and legislative relations and issues.
- (d) Reports submitted to the State of Minnesota as defined by Board of Regents Policy: *Reservation and Delegation of Authority* Article I, Section I, Subd. 7.
- (e) Annual summary of expenditures for the Office of the President, Eastcliff, and the Office of the Board of Regents (OBR).
- (f) Gifts.
- (g) Other reports, including, but not limited to, reports of the Faculty Consultative Committee, the University of Minnesota Foundation, the University of Minnesota Alumni Association, and the Student Representatives to the Board.
- (h) Additional items as decided by the Board chair in consultation with the president and Board vice chair.

At the Board chair's discretion, any of these items may be referred for discussion in committee.

#### SECTION IV. COMMITTEES OF THE BOARD.

##### Subd. 1. Role of the Committees.

Committees provide recommendations for action by the Board. Typically, standing committees have the following responsibilities:

- recommend action on matters where the Board has reserved authority to itself as outlined in Board of Regents Policy: *Reservation and Delegation of Authority* and other Board policies;
- take action on behalf of the Board on matters where the Board has delegated authority to the committee as outlined in Board of Regents Policy: *Reservation and Delegation of Authority*;
- provide oversight on topics within the committee's purview;
- review and make recommendations on relevant new and existing Board policies;
- receive reports on policy-related issues affecting University departments and units;
- receive information items (e.g., status reports on current issues of concern and administrative searches); and
- review other items placed on the agenda by the Board chair in consultation with the president and the Board vice chair.

#### Subd. 2. Responsibilities of the Committee Chairs.

Committee chairs preside over the meetings of their respective committees, ensuring the orderly, open, and timely conduct of committee business. Committee chairs should annually review the committee responsibilities outlined in this policy as the committee work plans outlined in Section V, Subd. 4 are finalized. The senior leader committee liaison consults with committee chairs prior to committee meetings regarding background issues for committee agendas.

#### Subd. 3. Committee Descriptions.

Standing, nominating, and special committees meet on a varying schedule set through the agenda development process. These committees, specific committee responsibilities, and required agenda items are listed below. As stated in the *Bylaws*, the Board chair has the authority to name and identify the responsibilities of all committees. Any changes in committee structure are to be noted in this policy.

#### Subd. 4. Audit & Compliance Committee Charter.

The Audit & Compliance Committee oversees the University's system of risk assessment and internal controls, audits, financial reporting practices, and the institutional compliance program. The committee is to assist the Board in discharging its oversight responsibilities related to the audit and compliance functions by:

- promoting the development of an effective, efficient, and continuously improving control environment, in concert with the administration, to achieve the institution's objectives through an appropriate system of risk assessment and internal control;
- overseeing the University's integrated framework of internal control, risk management practices, and institutional compliance program to ensure that the administration executes the provisions of Board of Regents Policy: *Internal Control*;
- serving as an informed voice on the Board by relaying the audit and compliance perspective when related issues are brought before the Board and its standing committees; and
- providing a direct channel of communication to the Board for the chief auditor and the independent public auditor.

Consistent with Board of Regents Policy: *Reservation and Delegation of Authority* Article I, Section X, the Board reserves to itself authority to adopt policies regulating the audit

function; approve selection of external public accountants and the chief auditor; review audit plans; and evaluate the performance of the independent auditor and, jointly with the president, the performance of the internal audit function.

Specific duties of the Audit & Compliance Committee include the following:

- (a) Oversight of the Independent Auditor. The independent auditor reports directly to the Board through the Audit & Compliance Committee. The committee shall recommend for Board approval the engagement and related fees of the independent auditor to perform the annual financial statement and federal compliance audits. The committee shall approve in advance all audit and non-audit services provided by the independent auditor with a value greater than \$100,000 or that may impair the audit firm's independence regarding the University. Such impairment of independence is currently limited to prohibited non-audit services as defined in the United States General Accounting Office Government Auditing Standards. Engagements not requiring approval by the Board shall be reported to the Audit & Compliance Committee at the next scheduled meeting of the committee. The committee shall annually review and evaluate the independent auditor's performance, independence, and effectiveness of coordination with other assessment activities, including internal audit.
- (b) Oversight of the Internal Audit Function. The Audit & Compliance Committee shall recommend for Board approval changes to the Office of Internal Audit's charter and any material revisions to internal audit plans or budgets. In consultation with management and the chief auditor, the committee shall review the annual internal audit plan and the extent to which it addresses high risk areas.
- (c) Review of the Annual Financial Report. The Audit & Compliance Committee shall review, in advance of final issuance, the proposed formats and wordings of the annual financial report, including the management's discussion and analysis, financial statements, footnotes, statistics, and disclosures.
- (d) Review of Audit Results. The Audit & Compliance Committee shall review the internal and external audit results and discuss significant issues of internal control and compliance with the independent auditor, chief auditor, and management. The committee shall monitor management's progress in addressing audit recommendations.
- (e) Investigation of Reported Concerns Regarding Accounting or Auditing Matters. The Audit & Compliance Committee shall be apprised of investigations conducted under administrative policy.
- (f) Requests for Audits. The Audit & Compliance Committee is authorized to request supplemental reviews or other audit procedures by the chief auditor, the independent auditor, or other advisors.
- (g) Approval of Engagements of Audit Firms Other Than the University's Principal External Auditors. The Audit & Compliance Committee shall approve all engagements of external audit firms to perform work or provide services with a value greater than \$100,000 or that may impair the audit firm's independence regarding the University. Such impairment of independence is currently limited to prohibited non-audit services as defined in (a) of this section. Engagements not requiring approval by the Board shall be reported to the committee at the next scheduled meeting of the committee.
- (h) This committee provides additional oversight of compliance initiatives and enterprise risk management processes, including risk identification and mitigation.

This committee also reviews:

- The annual financial statements, prior to issuance.
- annual report on institutional risk and financial reports.
- The independent auditor's annual audit and management letter.
- The chief auditor's annual audit plan.
- Responses to questions regarding audit issues, reports on enterprise systems, administrative program reviews, investigations conducted under administrative policy, and other items relevant to the audit function.
- annual institutional compliance report.
- The institutional conflict of interest report.
- External auditor engagements not requiring approval by the Board. Any engagements shall be reported to the Audit & Compliance Committee at the next scheduled meeting of the committee.

#### Subd. 5. Finance & Operations Committee.

The Finance & Operations Committee oversees and makes recommendations to the Board related to the University's operations, fiscal stability, physical assets (e.g., land, buildings, infrastructure, technology, and equipment), and long-term economic health. The committee also advises the administration on faculty and staff compensation strategy, benefits, recruitment, and engagement.

Specifically, this committee approves on behalf of the Board:

- appointments reserved to the Board as defined by Board of Regents Policy: *Reservation and Delegation of Authority* Article I, Section IV. Subd. 1 and 3.
- budgetary, financial, and investment matters reserved to the Board as defined by Board of Regents Policy: *Reservation and Delegation of Authority* Article I, Section VII.
- property, facilities, and capital budgets reserved to the Board as defined by Board of Regents Policy: *Reservation and Delegation of Authority* Article I, Section VIII.
- employment and labor relations matters reserved to the Board as defined by Board of Regents Policy: *Reservation and Delegation of Authority* Article I, Section XI.

This committee provides oversight of:

- long-range financial planning strategies, including total indebtedness of the University and investment portfolio;
- the financial relationship between the University and its partners, including affiliated foundations, clinical operations, and external entities;
- potential risks within University finance and operations;
- long-range physical asset planning strategies, including technology infrastructure;
- public safety and emergency preparedness;
- operational services such as housing, parking, transportation, and dining;
- faculty and staff employment, compensation and benefits policy, including senior leader compensation, benchmarking, and terms of employment; and
- employee engagement and workforce development.

This committee also reviews:

- the annual central reserves fund report;
- the annual capital financing and debt management report;
- annual strategic facilities and real estate report, which includes updates on the University's facilities condition assessment and space utilization, real estate transactions from the past fiscal year, and capital project management updates for



projects in process that have been approved in the annual capital improvement budget and have a value equal to or greater than \$1,000,000;

- exceptions to a competitive bid process for purchases requiring Board approval;
- annual asset management report;
- the annual financial report;
- selected financial metrics that measure the University's fiscal condition;
- periodic updates on future facilities projects;
- design guidelines when a project design represents an exception to adopted campus master plans; and
- other financial reports, employment reports, and facilities management reports and significant issues.

#### Subd. 6. Governance & Policy Committee.

The Governance & Policy Committee oversees and makes recommendations to the Board related to policy and processes that seek to ensure the integrity and high performance of the Board. The committee supports effective governance by guiding the Board to: articulate a clear vision for the University and its major components; clarify reserved and delegated authorities; establish institutional benchmarks and performance measures; and thoughtfully considers risks that may impact the performance of the institution.

Specifically, this committee recommends to the Board:

- amendments to the *Bylaws* and changes to the structure and function of the Board;
- amendments to Board policies not routed through one of the other standing committees; and
- consideration of other University policy matters referred to the committee by the Board chair.

This committee provides oversight to:

- evaluate the effectiveness of the Board through periodic self-assessment;
- ensure that Regents are fully oriented and receive ongoing education; and
- identify best practices in governance for possible implementation.

#### Subd. 7. Litigation Review Committee.

The Litigation Review Committee reviews litigation matters and obtains legal advice regarding specific University actions and their legal consequences. This committee typically meets in non-public session and consults with the general counsel on cases and claims, consistent with Board of Regents Policy: *Attorneys and Related Services* and Board of Regents Policy: *Legal Claims and Settlements*. The committee determines which matters shall be referred to the Board for review or approval.

#### Subd. 8. Mission Fulfillment Committee.

The Mission Fulfillment Committee oversees and makes recommendations to the Board related to the University's mission, as articulated in Board of Regents Policy: *Mission Statement* and carried out on five campuses and across the state, the nation, and the world. The committee oversees and advises the administration on academic priorities, activities, programs, and initiatives central to the threefold mission of research and discovery, teaching and learning, and outreach and public service.

Specifically, this committee approves on behalf of the Board:

- academic matters reserved to the Board as defined by Board of Regents Policy: *Reservation and Delegation of Authority* Article I, Section V.

This committee provides oversight of:

- academic program reviews and strategic plans of academic units;
- admissions practices, demographic trends and enrollment planning;
- curricular and co-curricular educational, research and engagement opportunities;
- diversity and campus climate;
- faculty development, recruitment and retention;
- faculty promotion and tenure;
- international partnerships and global research and educational programs;
- health education and academic medicine;
- issues related to the University's academic profile such as accreditation, reputation, and academic ranking;
- online learning;
- public engagement and community partnerships that fulfill the University's land-grant mission;
- scholarship, artistic activity and commercialization of technology and intellectual property;
- sponsored projects and research support infrastructures;
- student affairs, student wellness and the student experience;
- student experience and academic performance of student-athletes;
- undergraduate, graduate, and professional education.

Subd. 9. Nominating Committee.

The Nominating Committee is charged with nominating candidates to serve as Board chair, vice chair, secretary, and treasurer.

Subd. 10. Presidential Performance Review Committee.

The Presidential Performance Review Committee evaluates the president's performance. This committee meets in non-public session, reporting its findings to the Board.

Subd. 11. Special Committees.

The Board chair identifies the responsibilities, appoints the members, and designates the chair of special committees.

## SECTION V. MEETINGS OF THE BOARD AND COMMITTEES.

Subd. 1. Board Meetings.

The Annual Meeting of the Board is held on the second Friday in June, unless otherwise determined by the *Bylaws*. At the Annual Meeting a schedule is approved for regular meetings, which are usually held on the second Friday and preceding Thursday of each month in February, March, May, June, July, September, October and December.

Other meetings are scheduled as needed and may include work sessions, open forums, and public hearings. Retreats, typically held annually in the summer, are opportunities for the Board to plan, assess its performance, develop priorities for the year, and/or to consider a particular topic.

The documents, minutes, and recordings related to the public deliberations of the Board are available in the OBR.

#### Subd. 2. Committee Meetings.

Committees usually meet as follows:

- Audit & Compliance: Meets six times a year.
- Finance & Operations: Meets six times a year.
- Governance & Policy: Meets five times a year.
- Litigation Review: Meets six times a year and as called by the committee chair.
- Mission Fulfillment: Meets six times a year.
- Nominating: May of odd-numbered years prior to the Board's Annual Meeting and election of officers in June.
- Presidential Review: As called by the Board chair.

#### Subd. 3. Meeting Procedures.

The Board chair presides over meetings of the Board. The Board vice chair presides in the absence of the chair. Board and committee meetings are conducted consistent with the *Bylaws* and Robert's Rules of Order. The general counsel rules on all disputed questions of procedure.

Items are presented in one of the following ways:

- *Review* - All significant items typically are reviewed one month with action in a subsequent month. Any Board member may request that an item listed for Review become a Review/Action item. If there is no objection from other members of the Board, the item is voted on in that meeting. The fundamental planning documents, as described in Section III, Subd. 2, (a) of this policy, are exempt from this provision.
- *Action* - Previously reviewed items requiring Board approval.
- *Review/Action* - Items for review and action in the same meeting, as allowed by Board policy or under special circumstances with permission of the Board chair or respective committee chair. The Consent Report includes routine action items that normally do not require discussion. Any Board member may request discussion or separate action on any Consent Report item.
- *Discussion* - Items for discussion that require no action when presented.
- *Other*
  - *Information Items* - Items of interest to a committee or the Board requiring no action or discussion, such as status reports on current issues of concern and administrative searches.
  - *Receive and File Reports* — Submitted reports that are not intended for discussion and do not require action, but are listed on the agenda and officially noted by the chair in the form of a statement to "receive and file."

#### Subd. 4. Work Plans.

Each year the Board outlines its priorities and its committees develop work plans with the advice of the president or delegate. Committee work plans outline major agenda items and discussion topics for the year, and include a brief description of the purpose of the item.

#### Subd. 5. Staff Responsibilities.

- (a) Senior Leader Committee Liaisons. The Board chair and president identify a senior leader for each committee to facilitate committee meetings, assist in agenda

development, prepare docket materials, coordinate presentations, and fulfill other duties. Assignments to standing committees are typically as follows:

- Audit & Compliance: Chief Auditor
- Finance & Operations: Senior Vice President for Finance and Operations
- Governance & Policy: Executive Director and Corporate Secretary
- Litigation Review: General Counsel
- Mission Fulfillment: Executive Vice President and Provost

(b) Board Staff. The Board elects an executive director and corporate secretary, whose duties and responsibilities include:

- advising and supporting each Board member, as well as Board leadership, to advance good governance practices;
- acting as a liaison between the Board and senior leaders of the University;
- managing the Board's policy library and ongoing policy review process;
- managing the Board agenda and docket process;
- maintaining official records of meetings of the Board and its committees;
- advising the president regarding the standards and protocols of Board meetings;
- maintaining and providing to the Board an annual planning calendar that outlines Board and committee meetings along with reports and other actions required by Board policy; and
- ensuring that logistical support is provided so that Board proceedings are conducted in an open, timely, and accountable manner.

The executive director and corporate secretary assigns a committee coordinator to each committee. Committee coordinator responsibilities include:

- advising and supporting committee leadership and members of the committee to ensure successful committee operations;
- serving as a liaison between committee leadership and the senior leader committee liaison;
- facilitating annual work planning, agenda planning, and docket previews;
- and reviewing docket materials, resolutions, and revisions to Board policies.

#### Subd. 6. Docket.

The docket is the set of recommendations, reports, and all supporting documents prepared for each item on an agenda of the Board and its committees. A docket item summary accompanies each agenda item, summarizing key points and background. Materials are submitted to the Board by the president or delegate with the assistance of Board staff. The OBR distributes the docket to Regents one week prior to meeting dates, after which it is publicly available.

#### Subd. 7. Urgent Approvals.

When waiting for the next scheduled meeting to obtain Board approval on a particular matter could have a significant impact on the University's mission or poses a considerable health, safety, or financial risk, the president may request an urgent approval. To request an urgent approval, the president shall submit orally or in writing to the Board chair a statement describing the matter and the basis for immediate action.

After reviewing the circumstances and timeline of the urgent approval request, the Board chair shall determine if there is time to attempt to contact all Regents in order to hold a special or emergency meeting. If the Board chair determines that there is not time to contact all Regents or if a quorum of the Board is not available, the Board chair may act on

behalf of the Board. In the absence of the Board chair, the Board vice chair shall perform the duties of the chair consistent with this subdivision and in alignment with the *Bylaws*. Immediately following the granting of an urgent approval on behalf of the Board, the OBR shall distribute to all Regents notice of the approval and all materials provided to support the request.

At the next meeting of the Board following the approval, the urgent approval granted on behalf of the Board shall be presented to the Board as a separate information item, consistent with Subd. 3 of this section, or for action, as appropriate.

## SECTION VI. BOARD MEETING AGENDAS.

### Subd. 1. Agenda Development.

The agenda is set in the following manner:

- (a) Approximately two months prior to each Board meeting, the executive director and corporate secretary develops a draft agenda for discussion at Agenda I, a meeting with the president and senior leader committee liaisons. The agenda is a result of consultation with Board leadership and committee agenda planning meetings. Agenda items are identified from Board priorities, committee work plans, and other reports and items as specified in Board policy.
- (b) The Board chair approves the agenda at a subsequent Agenda II meeting, which is also attended by the Board vice chair, the president, and senior leader committee liaisons. Changes to an approved Board or committee agenda require the approval of the Board chair and, in the case of a committee agenda, shall be done in consultation with the appropriate committee chair.

### Subd. 2. Requests to Appear Before the Board.

Anyone requesting to appear before the Board must follow the process stated in Article VI of the *Bylaws*.

## SECTION VII. PRESIDENTIAL PERFORMANCE REVIEW, EVALUATION, AND COMPENSATION.

### Subd. 1. Presidential Performance Review.

The Presidential Performance Review Committee evaluates the president's performance annually in order to: assess outcomes; support the president's efforts to strengthen performance; enable the president and the Board to establish mutually-agreeable goals; and inform decisions regarding annual compensation and other terms of employment.

This committee meets in non-public session as permitted by law, reporting its findings to the Board at a public meeting.

The following principles shall guide the performance review process:

- (a) All Board members shall be involved.
- (b) Comments on the president's performance shall be requested from multiple sources.
- (c) Collegiality shall be a hallmark of all discussions.
- (d) Confidentiality of personnel matters shall be maintained.

Performance review process procedures shall be on file in the OBR.

### Subd. 2. Presidential Compensation.

The compensation of the president shall be set by the Board at a public meeting. The Board shall exercise reasonable care and set compensation in a transparent, prudent, and responsible manner.

The following principles shall guide compensation setting:

- (a) The compensation plan shall reflect the public purpose of the University and support the organization's mission,
- (b) Compensation shall enable the recruitment and retention of an individual who can achieve excellence for the University and contribute to the vitality of the State of Minnesota.
- (c) Compensation is meant to appropriately reward and motivate the president, be commensurate with the president's responsibilities and performance, and be responsive to the president's requests.
- (d) Compensation shall be informed by appropriate data that helps determine comparability or fair market value.

The Board shall consider data from a comparable peer group of public research universities and private universities that are substantially similar to the University and designate a list for comparison purposes. It shall be the responsibility of the chair, in consultation with the vice chair, to recommend presidential compensation and other contract terms for Board action. The chair also shall be responsible for reviewing the president's total compensation and approving all reimbursements for presidential business travel and entertainment expenses.

Compensation-setting procedures shall be on file in the OBR.

#### REVISION HISTORY

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### ***Reservation and Delegation of Authority***

#### ARTICLE I

#### RESERVATION OF AUTHORITY

#### SECTION I. GENERAL RESERVATIONS OF AUTHORITY.

##### Subd. 1.

The Board of Regents reserves to itself all authority necessary to carry out its legal and fiduciary responsibilities under the University Charter, the Constitution of the State of Minnesota, and the Board of Regents (Board) Bylaws. This reservation specifically includes all authority to enact laws and policies for the governance of the University of Minnesota (University) and to issue Board directives to executive officers and employees. The Board's

reserved authority shall be exercised consistent with the University Charter, the Constitution of the State of Minnesota, Board Bylaws, and relevant Board policies.

Subd. 2.

The Board reserves to itself authority to ensure constitutional and institutional autonomy, to approve the University's mission and vision, to set the overall direction of the institution, including the adoption of fundamental plans for the educational, financial, and physical development of the University, and to declare a fiscal emergency.

Subd. 3.

No authority that the Board reserves to itself in this policy shall be exercised by any other person or body unless expressly authorized by Board policy or directive.

Subd. 4.

The authority of the Board resides only with the Board as a whole and not in its individual members, except as the Board itself may have delegated specific authority to one of its members or one of its committees.

Subd. 5.

The Board reserves to itself authority to approve the use, and revocation of the use, of its corporate name or any abbreviated name, including *University of Minnesota*, by any non-University person or entity, consistent with Board policies. The Board also reserves authority over the removal of the corporate name or any abbreviated name from the name of any University campus, college, school, division, or unit, consistent with Board policies.

Subd. 6.

The Board reserves to itself authority to approve any matter delegated to the president in Article II, Section I of this policy if it raises unusual questions of public interest or public policy, has significant impact on the University's mission, or poses a significant financial risk to the University.

Subd. 7.

The Board reserves to itself authority to approve and submit any report to the State of Minnesota that impacts the University's autonomy or addresses the performance of the University and/or its major initiatives. All other reports to the State of Minnesota that fall outside these criteria shall be provided to the Board upon submission to the state.

**SECTION II. CONDUCT OF BOARD BUSINESS.**

The Board reserves to itself authority to establish procedures for the conduct of its business, create committees, set its agenda, require reports from executive officers and employees, hear appeals, and enforce its code of conduct.

**SECTION III. ELECTION OF BOARD OFFICERS.**

The Board reserves to itself authority to elect and remove Board officers, including the president, chair, vice chair, secretary, and treasurer.

**SECTION IV. APPOINTMENT AUTHORITY.**

Subd. 1.

The Board reserves to itself, or to one of its committees, authority to appoint all individuals and approve any individually negotiated terms of employment, and significant amendments thereto, for those who serve in each of the following positions:

- (a) Chancellor
- (b) Chief Auditor
- (c) Dean
- (d) Division I Director of Intercollegiate Athletics
- (e) Executive Vice President and Provost
- (f) General Counsel
- (g) Senior Vice President for Finance and Operations
- (h) University Librarian and Dean of Libraries
- (i) Vice Chancellor for Academic Affairs
- (j) Vice President
- (k) Such other administrative positions as the Board may specify from time to time.

The president shall recommend individuals for appointment to these positions, consistent with Board policies and directives, except the chief auditor.

Subd. 2.

The Board reserves to itself authority to remove University officers as provided in the University Charter. The president (a) may remove the general counsel with Board approval and (b) may remove any other individuals appointed under subd. 1 of this section, except the chief auditor.

Subd. 3.

The Board reserves to itself, or to one of its committees, authority to appoint members of the boards of University-associated foundations, institutes, committees, and other bodies, consistent with Board policies.

#### SECTION V. ACADEMIC MATTERS.

Subd. 1.

The Board reserves to itself, or to one of its committees, authority to grant academic degrees, grant faculty indefinite tenure, grant continuous appointments to academic professionals, and award the title faculty emeritus, consistent with Board policies.

Subd. 2.

The Board reserves to itself, or to one of its committees, authority to establish, name, and abolish colleges, academic institutes, programs, and courses of study, consistent with Board policies.

Subd. 3.

The Board reserves to itself, or to one of its committees, authority to establish tuition and student fees and approve policies and reciprocity agreements related to such matters, consistent with Board policies.

Subd. 4.

The Board reserves to itself, or to one of its committees, authority to: (a) establish and review policies relating to the conduct of research and the receipt and accounting of sponsored research funds; (b) require timely reporting to the Board of sponsored research activity; and (c) establish limits for financial support to non-University entities for the



commercialization of technology, as defined by Board of Regents Policy: *Commercialization of Intellectual Property Rights*.

Subd. 5.

The Board reserves to itself, or to one of its committees, authority to approve educational policies and procedures, in consultation with the president and the faculty governance process, consistent with Board policies. This policy is not intended to alter the relationship between the Board, the University Senate, and the faculties regarding educational policies.

SECTION VI. AWARDS, HONORS, AND NAMINGS.

Subd. 1.

The Board reserves to itself authority to establish and bestow awards, honors, and recognition, consistent with Board policies.

Subd. 2.

The Board reserves to itself authority to name and revoke names of University buildings and other assets, consistent with Board policies.

SECTION VII. BUDGETARY, FINANCIAL, AND INVESTMENT MATTERS.

Subd. 1.

The Board reserves to itself, or to one of its committees, authority to approve the following: annual operating budgets; the central reserves budget and minimum reserve level; and adjustments and amendments, consistent with Board policies. The Board also reserves to itself authority to approve any modifications to the central reserves budget and any expenditures from the central reserves general contingency account, consistent with Board policies.

Subd. 2.

The Board reserves to itself, or to one of its committees, authority to approve all requests for operating and capital budget appropriations from the State of Minnesota and positive or negative adjustments to the budget caused by a 1% or more change in total appropriations within a fiscal year.

Subd. 3.

The Board reserves to itself, or to one of its committees, authority to establish investment objectives, approve asset allocation guidelines, and approve the payout rate for endowment distributions.

Subd. 4.

The Board reserves to itself, or to one of its committees, authority to authorize issuance and retirement of debt and to engage debt advisers and/or underwriters, consistent with Board policies.

Subd. 5.

The Board reserves to itself, or to one of its committees, authority to accept gifts for the benefit of the University, consistent with Board policies.

Subd. 6.

The Board reserves to itself, or to one of its committees, authority to approve individual purchases of goods and services with a value greater than \$1,000,000, consistent with Board policies.

#### SECTION VIII. PROPERTY, FACILITIES, AND CAPITAL BUDGETS.

##### Subd. 1.

The Board reserves to itself, or to one of its committees, authority to approve the purchase or sale of real property (a) with a value greater than \$1,000,000; (b) located on or within 2 miles of a University campus; or (c) larger than 10 acres.

##### Subd. 2.

The Board reserves to itself, or to one of its committees, authority to approve leases of real property, easements, and other interests in real property if the initial term amount to be paid by or to the University exceeds \$1,000,000.

##### Subd. 3.

The Board reserves to itself, or to one of its committees, authority to exercise the power of eminent domain to acquire land for University purposes.

##### Subd. 4.

The Board reserves to itself, or to one of its committees, authority to (a) exercise property owner rights regarding the designation, decommissioning, or demolition of historic resources; and (b) take final action on all environmental reviews of historic resources initiated by the administration for which the University is the responsible governmental unit, consistent with Board policies and applicable state and federal laws.

##### Subd. 5.

The Board reserves to itself, or to one of its committees, authority to approve campus master plans and amendments thereto.

##### Subd. 6.

The Board reserves to itself, or to one of its committees, authority to approve multi-year capital plans consisting of projects with a value greater than \$1,000,000 or a value anticipated to be greater than \$1,000,000 if a cost estimate has not yet been established.

##### Subd. 7.

The Board reserves to itself, or to one of its committees, authority to approve annual capital budgets consisting of projects with a value greater than \$1,000,000.

##### Subd. 8.

The Board reserves to itself, or to one of its committees, authority to approve capital budget amendments to approved projects and new projects when the amendment has a value greater than \$1,000,000.

##### Subd. 9.

The Board reserves to itself, or to one of its committees, authority to approve project schematic plans, or significant amendments thereto, for any project or amendment with a value greater than \$1,000,000.

#### SECTION IX. LEGAL MATTERS.

The Board reserves to itself, or to one of its committees, authority to direct the president or the general counsel to settle any legal claim or initiate or appeal a lawsuit or administrative proceeding, consistent with Board policies.

#### SECTION X. AUDIT FUNCTION.

The Board reserves to itself authority to adopt policies regulating the audit function; approve selection of independent auditors and the chief auditor; and evaluate the performance of the independent auditor and the chief auditor. Performance review process procedures shall be on file in the Office of the Board of Regents.

#### SECTION XI. EMPLOYMENT AND LABOR RELATIONS.

##### Subd. 1.

The Board reserves to itself, or to one of its committees, authority to approve all contracts and other agreements with the exclusive collective bargaining representatives of its employees.

##### Subd. 2.

The Board reserves to itself, or to one of its committees, authority to approve civil service rules and annual pay and benefit plans for University employees.

##### Subd. 3.

The Board reserves to itself, or to one of its committees, authority to establish or discontinue retirement plans for University faculty and staff. For those plans sponsored by the University and governed by formal plan documents, the Board reserves to itself authority to approve amendments to those plans.

##### Subd. 4.

The Board reserves to itself, or to one of its committees, authority to approve individually negotiated employment agreements, and significant amendments thereto, when such agreements have a total value of more than \$1,000,000. For purposes of this subdivision, total value shall mean the potential amount due to the employee if the University terminated the employment agreement without cause. For faculty positions as defined by Board of Regents Policy: *Faculty Tenure*, this subdivision only applies when the faculty member's first year compensation is set at more than \$1,000,000, or when individually negotiated terms of employment create a potential amount due to the faculty member of more than \$1,000,000 if the faculty member's appointment were terminated.

##### Subd. 5.

The Board reserves to itself, or to one of its committees, authority to review individually negotiated employee severance agreements of unusual importance or significance.

#### SECTION XII. ASSOCIATED ORGANIZATIONS.

The Board reserves to itself authority to approve the legal structure and scope of any relationship between the University and any associated organization, non-profit corporation, foundation, institute, or similar entity that substantially relies upon University resources or personnel to carry out its mission.

#### ARTICLE II

#### DELEGATION OF AUTHORITY

#### SECTION I. DELEGATION OF AUTHORITY TO THE PRESIDENT.

The Board delegates to the president authority to act as chief executive officer of the University, with such general executive management and administrative authority over the University as is reasonable and necessary to carry out the policies and directives of the Board, subject to the limitations noted in Article II, Section II below.

#### SECTION II. LIMITATIONS UPON PRESIDENTIAL AUTHORITY.

The authority delegated to the president is limited by the following:

- (a) the provisions of the University Charter and the Constitution of the State of Minnesota;
- (b) the provisions of Board Bylaws;
- (c) the provisions of Board policies and directives, including specifically Article I of this policy; and
- (d) the directive that the president shall notify the Board of any matter not otherwise addressed in this section that significantly involves the authority and role of the Board, including its fiduciary, oversight, and public accountability responsibilities.

#### SECTION III. DELEGATION OF AUTHORITY BY THE PRESIDENT.

##### Subd. 1.

Unless otherwise restricted by specific Board policies or directives, the president shall be responsible for delegating general executive management and administrative authority to other executive officers and employees as necessary and prudent, including authority to execute contracts and other legal documents. The president may condition, limit, or revoke any presidential authority so delegated.

##### Subd. 2.

All delegations and revocations under this section shall be in writing, name the position to whom such authority is delegated, describe the scope and limitations of such authority, and prescribe the extent to which such authority may be further sub-delegated.

##### Subd. 3.

All delegations and revocations under this section shall be reviewed as to form, legality, and consistency by the general counsel.

##### Subd. 4.

Annually, the president shall report to the Board significant changes to the delegations.

#### SECTION IV. DELEGATION OF AUTHORITY TO THE CHAIR AND VICE CHAIR.

The chair and vice chair of the Board shall have such authority as is authorized by Board Bylaws and policies and is customarily exercised by such officers of a corporation. The chair shall have authority to execute any and all instruments and documents on behalf of the Board.

#### SECTION V. DELEGATION OF AUTHORITY TO THE BOARD SECRETARY, TREASURER, GENERAL COUNSEL, AND CHIEF AUDITOR.

The secretary, treasurer, general counsel, and chief auditor shall have authority to perform such duties for the Board as provided by Board Bylaws, policies, and directives.

The secretary shall have authority to execute such instruments and documents that would customarily devolve upon a corporate officer and are usual to that office.

The secretary and the general counsel shall have authority to accept legal service on behalf of the University.

The chief auditor reports to the Board and may perform audits at the request of the president. By invitation, the chief auditor may serve on the president's cabinet.

The chief auditor and the general counsel shall notify the Board of any matter that significantly involves the authority and role of the Board, including its fiduciary, oversight, and public accountability responsibilities, or if it raises unusual questions of public interest or public policy, has significant impact on the University's mission, or poses a significant risk to the University.

#### SECTION VI. CONFORMANCE WITH THIS POLICY.

##### Subd. 1.

Any request or demand by a Board member for action must be consistent with the written policies, rules, and regulations of the Board and the University.

##### Subd. 2.

No executive officer or employee of the University shall have any authority to take any action or make any representation on behalf of the University beyond the scope of, or materially inconsistent with, the authority delegated to such executive officer or employee as provided in this policy.

##### Subd. 3.

The secretary and the general counsel each shall have the duty to inform the Board of any existing or proposed Board policy or directive that is inconsistent with or alters the delegations of authority as provided in this policy.

#### REVISION HISTORY

Adopted: April 5, 2001

Amended: July 9, 2004; December 10, 2004; July 9, 2008; February 12, 2010; February 10, 2012; May 12, 2017; February 9, 2018; October 8, 2021

Technical Correction: March 1, 2012; December 11, 2013; March 31, 2016; February 10, 2017; October 13, 2017; February 14, 2020

Last Comprehensive Review: 2017

Supersedes: General Delegations Adopted October 17, 1980, Last Amended October 10, 1997.

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

#### **REPORT OF THE SPECIAL COMMITTEE ON ACADEMIC HEALTH**

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

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

### **REPORT OF THE SPECIAL COMMITTEE ON UNIVERSITY RELATIONS**

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

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

The meeting adjourned at 12:32 p.m.



**BRIAN R. STEEVES**  
Executive Director and  
Corporate Secretary

**UNIVERSITY OF MINNESOTA  
BOARD OF REGENTS**

**Litigation Review Committee  
September 12, 2023**

A special meeting of the Litigation Review Committee of the Board of Regents was held on Tuesday, September 12, 2023, at 8:00 a.m. in the West Committee Room, 600 McNamara Alumni Center.

Regents present: Tadd Johnson, presiding; Doug Huebsch, Ruth Johnson, Mike Kenya, Janie Mayeron, and Mary Turner.

Staff present: Interim President Jeff Ettinger; Vice President Shashank Priya; General Counsel Douglas Peterson; Executive Director Brian Steeves; and Chief Auditor Quinn Gaalswyk.

Others present: Brian Dahlin, Dan Herber, Jason Langworthy, Krista Overby, and Brian Slovut.

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

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

The meeting convened in public session at 8:01 a.m. A motion was made and seconded that the following resolution be adopted:

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

NOW, THEREFORE, BE IT RESOLVED, that in accordance with Minn. Stat. § 13D.01, Subd. 3 and 13D.05 Subd. 3(b), a non-public special meeting of Litigation Review Committee be held on Tuesday, September 12, 2023 at 8:00 a.m. in the West Committee Room, 600 McNamara Alumni Center, for the purpose of discussing attorney-client privileged matters including the following:

- I. *Dittberner, et al. v. University of Minnesota; Martin, et al. v. University of Minnesota*

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 9:13 a.m.

A handwritten signature in black ink that reads "Brian R. Steeves". The signature is written in a cursive, flowing style.

**BRIAN R. STEEVES**  
**Executive Director and**  
**Corporate Secretary**