

**Official Minutes
Board of Regents
Meeting of the Full Board
September 15-16, 2016
Juneau, Alaska**

1. Individuals Present

Regents Present:

Jyotsna Heckman, Chair
Gloria O'Neill, Vice Chair
Kenneth Fisher, Secretary
John Davies, Treasurer
Dale Anderson
Sheri Buretta
Mary K. Hughes
Stacey Lucason
Deena Paramo
Lisa Parker
Andy Teuber

James R. Johnsen, Chief Executive Officer and President, University of Alaska

Others Present:

Tom Case, Chancellor, University of Alaska Anchorage
Rick Caulfield, Chancellor, University of Alaska Southeast
Dana Thomas, Interim Chancellor, University of Alaska Fairbanks
Michael Hostina, General Counsel
Myron Dosch, Chief Financial Officer
Michelle Rizk, Vice President for University Relations and Chief Strategy, Planning and Budget
Daniel White, Vice President for Academic Affairs and Research
Roberta Graham, Associate Vice President of Public Affairs and Federal Relations
Keli Hite McGee, Chief Human Resources Officer
Brandi Berg, Executive Officer, Board of Regents
Keni Campbell, Assistant, Board of Regents

2. Opening Items

A. Call to Order

Chair Heckman called the meeting to order at 8:03 a.m. on Thursday, September 15, 2016.

B. Adoption of Agenda

Note for the record: Regent Anderson recused himself from participation on the bond issue consistent with prior disclosures and rulings. Chair Heckman concurred with his recusal.

Regent Davies declared a possible conflict regarding a possible Fairbanks North Star Borough lease of a university building. Because the board is not taking action during this meeting on the item pertaining to the disclosure, General Counsel Hostina noted there was no need for a ruling by the chair.

PASSED AS AMENDED (amendment noted by *)

"The Board of Regents adopts the agenda as amended. This motion is effective September 15, 2016."

Motion by Dale G Anderson, second by Lisa M Parker.

Final Resolution: Motion Carries

Yea: Dale G Anderson, Sheri Buretta, John Davies, Kenneth J Fisher, Jyotsna L Heckman, Mary K Hughes, Stacey Lucason, Deena Paramo, Lisa M Parker, Andy Teuber

Not Present at Vote: Gloria R O'Neill

C. Approval of Minutes - Regular Meeting of June 2-3, 2016

PASSED

"The Board of Regents approves the minutes of its regular meeting of June 2-3, 2016 as presented. This motion is effective September 15, 2016."

Motion by John Davies, second by Deena Paramo.

Final Resolution: Motion Carries

Yea: Dale G Anderson, Sheri Buretta, John Davies, Kenneth J Fisher, Jyotsna L Heckman, Mary K Hughes, Stacey Lucason, Deena Paramo, Lisa M Parker, Andy Teuber

Not Present at Vote: Gloria R O'Neill

D. Approval of Minutes - Emergency Meeting of June 23, 2016

PASSED

"The Board of Regents approves the minutes of its emergency meeting of June 23, 2016 as presented. This motion is effective September 15, 2016."

Motion by Deena Paramo, second by Stacey Lucason.

Final Resolution: Motion Carries

Yea: Dale G Anderson, Sheri Buretta, John Davies, Kenneth J Fisher, Jyotsna L Heckman, Mary K Hughes, Stacey Lucason, Deena Paramo, Lisa M Parker, Andy Teuber

Not Present at Vote: Gloria R O'Neill

E. Approval of Minutes - Special Meeting of June 27, 2016

PASSED

"The Board of Regents approves the minutes of its special meeting of June 27, 2016 as presented. This motion is effective September 15, 2016."

Motion by Mary K Hughes, second by John Davies.

Final Resolution: Motion Carries

Yea: Dale G Anderson, Sheri Buretta, John Davies, Kenneth J Fisher, Jyotsna L Heckman, Mary K Hughes, Stacey Lucason, Deena Paramo, Lisa M Parker, Andy Teuber

Not Present at Vote: Gloria R O'Neill

***2.1. Welcome from Juneau Legislators**

Representative Sam Kito welcomed the board to Juneau; acknowledged the changes to how the board receives public testimony; noted the need for additional needs-based scholarships for industry professions; spoke in support of UA continuing to offer graduate programs within the school of engineering and stated the importance of having Mt. Edgecumbe remain as is and not become a school specializing in STEM education.

Representative Cathy Muñoz welcomed the board to Juneau and thanked the board for its service; spoke of the importance UAS provides in educating Southeast Alaska residents and noted the mining, fisheries, maritime and public administration programs are all important to serving Southeast's needs.

Senator Dennis Egan welcomed the board to Juneau; highlighted the role UAS provides in Juneau and in Southeast Alaska communities; stated concern for the reduced amount of money being provided to the university from the state; encouraged the board to look closely at the important role UAS has in providing teacher training via distance delivery and said Alaska has the top 50 commercial ports in the nations noting the need to continue investing in UA's fisheries programs.

3. Reports

A. President's Report

President Johnsen said this is a most important meeting because it's a most important time in our state and a most important time for the university regarding tough decisions that come with the current budget situation; noted UA's mission and purpose is to serve the state's higher education needs for a highly educated and skilled workforce, an informed and engaged citizenry, a culture of education and a growing and diversified economy; stated UA's mission is built on years of hard work by faculty, staff, students, regents, alumni, legislators, and community supporters noting the same support will be required using creative ideas, a willingness to invest and to take risks for the long-term well-being of UA; thanked individuals in the room and those online for dedication to UA; thanked distinguished guests Representatives Kito and Muñoz

and Senator Egan for their strong support of UA; welcomed Dana Thomas back to UA as UAF's Interim Chancellor, Susan Behlke Foley as UA Foundation President and UA Chief Development Officer, Keli Hite McGee as UA Chief Human Resources Officer and Geoff Bacon as UA Labor Relations Director.

He stated during the meeting with the Alaska State Board of Education on September 14, 2016, both boards committed to aligning priorities in postsecondary education with P-12 education to better serve Alaska's students; said preparing the FY18 budget has been a challenging process noting the guidance from the Governor's Office is to prepare for a cut of between 5 and 10 percent of UA's general fund, meaning approximately 16 to 32 million dollars, which is in addition to the cuts UA has taken during the last three years; noted enrollment summits have been held at each of the three universities focusing on increasing enrollment to meet the state's higher education attainment requirements and on compiling ideas regarding how to recruit, retain, and graduate more students to generate additional revenue in light of the potential state funding cuts; and noted reports on Strategic Pathways, accreditation and succession planning will be forthcoming during this meeting.

B. Governance Reports

Tara Smith, Faculty Alliance chair, thanked the board for offering public testimony via statewide audio conference; stated general education requirement (GER) coordination continues; noted the Alaska Native Studies Council has met to offer insight about the addition of an Alaska Native Studies GER; shared information regarding assessment of placement testing for math and English noting ALEKS will likely be considered as the common placement test for math; said she participated in and is grateful to have been included in Strategic Pathways (SP) Phase 1 review process; noted UAA Faculty Senate recently did a survey asking faculty about seeking jobs elsewhere and moral, survey results indicated 41 percent are looking outside of Alaska and 30 percent report a decline in moral; thanked President Johnsen for his quick response to the Google Mail conversion issue at UAA; stated all three faculty senates are against guns on campus and hope for a united opposition from UA administration on the issue.

Nate Bauer, Staff Alliance chair, introduced himself noting he is from Fairbanks and has served two years on UAF's Staff Council; thanked Faye Gallant for her service as the previous alliance chair; recognized Kolene James of Juneau as the alliance vice chair; reported on the compensation committee's goals and achievements; thanked President Johnsen for the increased communication with governance groups noting the importance of transparent communication during these challenging times; stated staff is skilled, devoted, willing to assist with SP, universally stretched and challenged with the current decline in positions but are hardworking, resilient and lean and said he is optimistic in these times of change.

Colby Freel and Sam Erickson, Coalition of Student Leaders representatives, noted the coalition will meet during the week of September 19, 2016 to elect officers; said students are actively engaged and participated in SP Phase 1 review process and will also participate in SP Phase 2 process; stated President Johnsen has had honest and frank discussions with students regarding tuition, which has been greatly appreciated and said the coalition is pursuing two initiatives regarding the inclusion of an Alaska Native Studies GER and a required low cost campus safety training course.

4. Financial Briefing

A. Financial Briefing

Chief Finance Officer Dosch provided a financial briefing.

5. UA Budget Discussion

A. UA Budget Discussion

President Johnsen recapped the FY17 budget request and the final allocation received from the state; reviewed the Board of Regents' FY17 strategic investment priorities which included facilities, campus strategic priorities, student success, research, K-12 partnerships, workforce development, compliance and development; summarized the FY17 decrement responses and impacts; noted the FY18 goals and principles which include cost efficiency, productivity, strategic investment, alignment with Strategic Pathways, student success, partnerships, benchmarking, sustainability and contingency; noted the elements of a financial model for FY17-FY25; suggested the FY18 capital budget request be \$50 million for deferred maintenance and the FY18 operating budget request be \$345 million, which is \$20 million above the budget received for FY17, noting fixed costs of \$3 million and strategic investments of \$17 million as part of the request with additional revenue from tuition (10 percent increase; approximately \$10 million); specified FY18 strategic investment ideas as deferred maintenance, student recruitment, retention and completion, research, K-12 partnerships, workforce development and economic diversification and suggested an additional work session in mid-October for board members to review budget items coming forward for approval during the November 10-11, 2016 meeting.

~~*B. First Review of FY18 Operating Budget Request (Postponed to a future meeting)~~

~~*C. First Review of FY18 Capital Budget Request and 10 Year Capital Improvement Plan (Postponed to a future meeting)~~

6. Campus Presentation

A. University of Alaska Southeast Programs: PITAAS, Fisheries Technology and MPA

Provost Carey provided a brief overview of the University of Alaska Southeast.

Preparing Indigenous Teachers for Alaska Schools (PITAAS) Program

Director Cadiente-Brown and faculty member Angela Lunda provided an introduction and an overview of the PITAAS program.

Michelle Snyder, teacher from Dillingham, and Josh Jackson, teacher from Juneau, provided alumni testimonials.

Fisheries Program

Associate Professor Brewer, from the Sitka campus, provided an introduction, an overview and an iPad demonstration.

Dr. Doug DeMaster, NOAA science and research director, provided a community member testimonial.

Master of Public Administration (MPA) Program

Lt. David Campbell, Juneau Police Department, and Tiffany Zulkosky, Vice President of Communications Yukon-Kuskokwim Health Corporation, provided alumni testimonials.

7. Strategic Pathways Discussion

A. Strategic Pathways Discussion

President Johnsen provided an overview regarding why Strategic Pathways (SP) is taking place, the framework, the goals and measures, the core principles and the process noting SP is a framework to review the university system and what is the best use of UA's resources.

SP Phase 1 review included information technology, procurement, research administration, intercollegiate athletics, management/business, engineering and teacher education. He reviewed the options put forth by the SP committees and provided direction on each area for the board to discuss.

Information technology (IT): the board supported the recommendation to centralize most IT employees currently working in departments into a central hub on each of the university campuses, and to dramatically increase coordination and support for an IT governance structure that will improve UA's prioritization and funding of IT projects. Serious cost savings and improved coordination will come out of IT.

Procurement: the board supported centralizing systemwide administrative and policy authority at UAF while maintaining an office at UAA and expanding the use of field procurement technicians, to include UAS. Costs will be reduced through efficiency in purchasing.

Research Administration: the board supported consolidating research administration at UAF with service centers at each campus under UAF leadership.

Engineering: the board supports two engineering schools, one at UAA and one at UAF. This is with the understanding that faculty and administrators will continue working together on common course numbering, descriptions, developing a common curriculum committee, creating a joint advisory board and increasing collaboration between the two schools including hiring and more courses shared online across campuses.

***A.1. Direction to University Management to Develop Options to Avoid Elimination of Athletic Programs**

PASSED

"The Board of Regents directs management to develop options allowing the university to avoid elimination of athletic programs. This motion is effective September 15, 2016."

Motion by Andy Teuber, second by Gloria R O'Neill.

Final Resolution: Motion Carries

Yea: Dale G Anderson, Sheri Buretta, John Davies, Kenneth J Fisher, Jyotsna L Heckman, Mary K Hughes, Gloria R O'Neill,

Deena Paramo, Lisa M Parker, Andy Teuber
Abstain: Stacey Lucason

Intercollegiate Athletics: the board expects UA to bring down the costs of athletics by reaching out to NCAA to explore reducing the number of teams in both athletic programs and seeking a consortium with ten teams in a single program shared across the two universities. In all cases, the board supported stepping up private fundraising for athletics based on the many commitments of support made at recent public meetings in Anchorage and Fairbanks.

Regents Davies, Fisher, Hughes, O'Neill and Paramo stated they are against zero funding for athletics.

***A.2. Direction to University Management to Develop options for One Dean over One School of Business and Management**

FAILED

"The Board of Regents directs management to further look at options for business and management regarding one dean over one school verses two deans over two schools. This motion is effective September 15, 2016."

Motion by Lisa M Parker, second by Kenneth J Fisher.

Final Resolution: Motion Fails

Yea: Dale G Anderson, Sheri Buretta, Kenneth J Fisher, Deena Paramo, Lisa M Parker

Nay: John Davies, Jyotsna L Heckman, Mary K Hughes, Stacey Lucason, Gloria R O'Neill, Andy Teuber

Management/Business: the board supported reducing administration and continuing to offer the current programs with delivery from faculty at all three universities, including the popular online BBA and MPA programs from UAS. UA will move from three schools to two schools, with the programs at UAS moving under its School of Arts and Sciences. Like engineering, UA will develop common course numbers and descriptions in order to provide options for students across the state.

***A.3. Support of One Dean over One School of Education**

PASSED

"The Board of Regents supports the president's direction to move to one dean over one school of education. This motion is effective September 15, 2016."

Motion by Gloria R O'Neill, second by Mary K Hughes.

Final Resolution: Motion Carries

Yea: Dale G Anderson, Sheri Buretta, John Davies, Kenneth J Fisher, Jyotsna L Heckman, Mary K Hughes, Stacey Lucason,

Gloria R O'Neill, Deena Paramo, Lisa M Parker

Not present at Vote: Andy Teuber

Teacher Education: the board provided support for moving from three schools of education to one, at a university yet to be determined. The reason is to focus efforts and dramatically change and improve how UA educates teachers in Alaska. In addition, the board supported UA's goal of 90 percent of new teachers hired by 2025 will be Alaskans.

8. Approval Items

A. Approval of Quasi-Endowment and Delegation of Authority for Luther Hess Funds

PASSED

"The Board of Regents approves the establishment of the Luther Hess quasi-endowment and vests expenditure authority therefrom with the president, as presented. This motion is effective September 15, 2016."

Motion by Mary K Hughes, second by Deena Paramo.

Final Resolution: Motion Carries

Yea: Dale G Anderson, Sheri Buretta, Kenneth J Fisher, Jyotsna L Heckman, Mary K Hughes, Stacey Lucason, Gloria R O'Neill, Deena Paramo, Andy Teuber

Not Present at Vote: John Davies, Lisa M Parker

POLICY CITATION

P05.07.030. Endowment and Quasi-Endowment Fund.

A. All endowment and quasi-endowment assets will be transferred to the University of Alaska Foundation for care, custody, investment and administration, to the extent feasible and not prohibited by donor agreement. Endowments will be

transferred to the foundation as follows:

1. unrestricted endowment principal and income funds will be transferred to the foundation upon approval of the chief finance officer,
2. quasi-endowment and restricted endowments will be transferred to the foundation upon specific approval by the board.

RATIONALE AND RECOMMENDATION

To be consistent with other large unrestricted gifts made to the university and transferred to the foundation for management, the administration recommends the establishment of a quasi-endowment with Luther Hess funds and vest expenditure authority therefrom with the president.

The University of Alaska Foundation (foundation) has accumulated approximately \$1.0 million in periodic distributions from a trust established by Luther Hess and held at Key Bank. The trust specifies that the distributions are to be:

"....(U)sed and disbursed by said university (the University of Alaska) under the absolute direction and control of the governing body of the university for such general purposes in the furtherance of education and spread of knowledge as said governing body in its sole discretion may consider helpful."

The distributed funds are held by the foundation in short-term investments. Absent action by the Board of Regents (board), these funds cannot be used. The establishment of a quasi-endowment with the bulk of the available funds (\$800,000) will allow the distributed earnings on the principal. The remaining funds (approximately \$232,000) will be placed in the spending account, to be used, as directed by the university president, in support of the university. In addition, as an endowment, the principal may be invested in the Consolidated Endowment Fund with longer term, higher yielding investments. As a quasi-endowment (an endowment established by the board as opposed to being established by a donor), any part of the principal may, upon approval by the board, be spent in the future.

Historical facts: Luther Hess was born on a farm near Milton, Ill., in 1865 and earned a bachelor's degree from Illinois College. He was licensed to practice law in Alaska in 1901 and served as assistant U.S. District Attorney for the Fourth Judicial Division until 1905. He then helped organize the First National Bank of Fairbanks. He was its first cashier and served many years as director and vice president.

He served nine sessions of the Alaska Territorial Legislature as a Democrat and was speaker of the House in 1917 and president of the Senate in 1931 and 1935. Hess was the chairman of the divisional Selective Service Board in World War I and directed the Alaska Rural Rehabilitation Corp. for six years. Luther and Harriet Belle Hess were married in 1911. She was elected secretary of the Board of Trustees of the Alaska Agricultural College and School of Mines upon its founding in 1917, and she remained on the board when it became the University of Alaska Board of Regents in 1935. She was still a member of the board when she died in 1951.

Several buildings on UAF's campus are named in honor of Luther and Harriet Hess: Hess Commons, Hess Hall and Hess Village.

B. General Revenue Bonds 2016 Series V-1 and General Revenue Refunding Bonds Series V-2

PASSED

"The Board of Regents adopts the bond resolution hereunder for University of Alaska General Revenue Bonds 2016 Series V-1 and General Revenue Refunding Bonds Series V-2, as presented. This motion is effective September 15, 2016."

Motion by Gloria R O'Neill, second by Kenneth J Fisher.

Final Resolution: Motion Carries

Yea: Sheri Buretta, John Davies, Kenneth J Fisher, Jyotsna L Heckman, Mary K Hughes, Stacey Lucason, Gloria R O'Neill, Deena Paramo, Lisa M Parker, Andy Teuber

Abstain: Dale G Anderson

POLICY CITATION

In accordance with Regents' Policy 05.04.020 A. – "Debt and Credit" specifies that all facilities and other real property debt issuances must be approved by the board.

RATIONALE AND RECOMMENDATION

By way of background, on June 27, 2016, the board authorized the administration to prepare a general revenue bond package for \$37,500,000 for the purpose of funding the construction and completion of the University of Alaska Fairbanks Engineering Facility. Alaska Statutes Chapter 14.40 authorizes the board to issue revenue bonds to pay the cost of acquiring, constructing and equipping a facility that the board determines is necessary.

Chief Finance Officer Dosch reported on the proposed sale of the bonds. The resolution authorizes the issuance and sale of

the bonds. By approval of the motion, the resolution is adopted.

The Series V-1 general revenue bonds will provide \$37,500,000 toward constructing and completing the University of Alaska Fairbanks Engineering Facility. Estimated annual debt service is approximately \$2.1 million, and final maturity is October 1, 2044. The source for repayment is state operating appropriation revenue that the university segregated for debt service. After issuance of the bonds, the university's annual debt service as a percent of unrestricted revenues will be approximately 4.6 percent. Regents' Policy is 5 percent.

The Series V-2 general revenue refunding bonds will refund the remaining outstanding maturities of Series N and Series O bonds to realize debt service savings. Interest rates continue to be at historical lows, thus pro forma percentage savings as a percent of refunded bonds is 10 percent. Total debt service savings over the remaining life of the bonds are projected to be \$2.0 million, and as much as \$163,000 annually.

The bonds are being sold via a negotiated sale, with RBC Capital Markets, LLC as underwriter.

Upon approval of the bond sale by the board, the Series V bonds are scheduled to be priced via a negotiated sale on or about September 28, 2016.

A number of standard bond sale documents are attached in final form for your review and approval: Nineteenth Supplemental Indenture, Preliminary Official Statement, Bond Purchase Agreement and Series V Preliminary Numbers.

UNIVERSITY OF ALASKA BOARD OF REGENTS

RESOLUTION OF THE BOARD OF REGENTS OF THE UNIVERSITY OF ALASKA AUTHORIZING THE ISSUANCE AND SALE OF NOT TO EXCEED \$39,800,000 PRINCIPAL AMOUNT OF UNIVERSITY OF ALASKA GENERAL REVENUE BONDS, 2016 SERIES V-1 AND \$18,000,000 PRINCIPAL AMOUNT OF UNIVERSITY GENERAL REVENUE REFUNDING BONDS, 2016 SERIES V-2; AUTHORIZING THE OFFERING OF EACH SERIES OF THE BONDS AT NEGOTIATED SALE; APPROVING THE FORM OF A SUPPLEMENTAL INDENTURE, A PRELIMINARY OFFICIAL STATEMENT, AND A BOND PURCHASE CONTRACT; AND AUTHORIZING AND APPROVING RELATED MATTERS.

WHEREAS, the University of Alaska (the "University") is authorized pursuant to Alaska Statutes Chapter 14.40, as amended (the "Act") to issue revenue bonds to pay the cost of acquiring, constructing, or equipping one or more projects that the Board of Regents (the "Board") of the University determines is necessary; and

WHEREAS, the University intends to issue its General Revenue Bonds, 2016 Series V-1, in a principal amount not to exceed \$39,800,000 (the "V-1 Bonds") for the following purposes: (i) paying a portion of the costs of constructing, acquiring and equipping the engineering facility located on the campus of the University of Alaska Fairbanks (the "Project"); (ii) making a deposit to the herein defined Reserve Fund, and (iii) paying costs of issuing the V-1 Bonds; and

WHEREAS, the University intends to issue its General Revenue Refunding Bonds, 2016 Series V-2, in a principal amount not to exceed \$18,000,000 (the "V-2 Bonds," and together with the V-1 Bonds, are herein referred to as the "Bonds") for the following purposes: (i) redeeming and refunding certain outstanding general revenue bonds (the "Outstanding Bonds") described in Exhibit C to the herein defined Supplemental Indenture so as to effect a savings in debt service, and (ii) paying costs of issuing the V-2 Bonds; and

WHEREAS, the Bonds will be issued under and pursuant to, and secured by, a Trust Indenture dated as of June 1, 1992, as amended (the "Master Indenture"), and a Nineteenth Supplemental Indenture (the "Supplemental Indenture," and together with the Master Indenture, the "Indenture"); the Supplemental Indenture shall be in the form presented to and made part of the records of this meeting; and

WHEREAS, the Bonds are to be offered by negotiated sale pursuant to the terms of a bond purchase contract (the "Bond Purchase Contract"); and

WHEREAS, in connection with the public offering of the Bonds, a preliminary official statement (the "Preliminary Official Statement") will be provided to potential purchasers of the Bonds; and

WHEREAS, the Bond Purchase Contract and Preliminary Official Statement shall be in the forms presented to and made part of the records of this meeting; and

WHEREAS, bonds issued under the terms of the Master Indenture, and corresponding supplemental indentures, are secured by a parity reserve fund (the "Reserve Fund"); and

WHEREAS, on March 1, 2013, the University entered into a supplemental indenture which, among other things, modified and amended the Master Resolution to eliminate the establishment of the Reserve Fund which becomes effective

after all bonds issued prior to March 1, 2013 cease to be outstanding.

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF REGENTS OF THE UNIVERSITY OF ALASKA AS FOLLOWS:

Section 1. The issuance of the V-1 Bonds in an amount not to exceed the aggregate principal amount of \$39,800,000 is hereby authorized and approved subject to the terms and conditions herein stated. The V-1 Bonds shall be designated as the "University of Alaska General Revenue Bonds, 2016 Series V-1," or such further designation as deemed appropriate by the Authorized Officers.

The issuance of the V-2 Bonds in an amount not to exceed the aggregate principal amount of \$18,000,000 is hereby authorized and approved subject to the terms and conditions herein stated. The V-2 Bonds shall be designated as the "University of Alaska General Revenue Refunding Bonds, 2016 Series V-2," or such further designation as deemed appropriate by the Authorized Officers.

Section 2. The President or the President's designee, the Chief Finance Officer and the Associate Vice President for Treasury and Procurement Services (collectively, the "Authorized Officers") are, and each of them is, hereby authorized to cause each series of Bonds to be sold on a date no later than one hundred eighty (180) days from the date of approval of this Resolution, subject to the terms and conditions of this Resolution.

Section 3. The Authorized Officers are, and each of them is, hereby authorized to offer each series of Bonds at negotiated sale to RBC Capital Markets, LLC (the "Underwriter") pursuant to the terms of the Bond Purchase Contract.

The form and content of the Bond Purchase Contract are hereby in all respects authorized, approved and confirmed, with such changes as Authorized Officers consider necessary or appropriate.

An Authorized Officer is hereby authorized to execute the Bond Purchase Contract regarding the sale of each series of Bonds upon their approval of the sale details of such Bonds, including, but not limited to, the aggregate principal amount of each series of Bonds, the purchase price of each series of Bonds, the maturity and the interest payment dates of each series of Bonds, and the redemption provisions and interest rate of each maturity of each series of Bonds. Provided, however, (i) the aggregate principal amount of the V-1 Bonds shall not exceed Thirty-Nine Million Eight Hundred Thousand Dollars (\$39,800,000), the true interest cost on the V-1 Bonds shall not exceed four and one-half percent (4.5%), and the Underwriter's discount shall not exceed one-half percent (0.5%) of the par value of the V-1 Bonds, and (ii) the aggregate principal amount of the V-2 Bonds shall not exceed Eighteen Million Dollars (\$18,000,000), the true interest cost on the V-2 Bonds shall not exceed four and one-half percent (4.5%), and the Underwriter's discount shall not exceed one-half percent (0.5%) of the par value of the V-2 Bonds.

Prior to execution of the Bond Purchase Contract, such Authorized Officer, with the assistance of the University's financial advisor, shall take into account those factors which, in their judgment, will result in the lowest true interest cost on each series of Bonds.

Section 4. (a) V-1 Bonds. Subject to Section 1 hereof, the Authorized Officers are, and each of them is, hereby authorized to issue the V-1 Bonds in an aggregate principal amount determined by such Authorized Officers as the amount necessary to (i) adequately provide funding for the Project, (ii) satisfy the Reserve Requirement, and (iii) pay costs associated with the issuance of the V-1 Bonds.

(b) V-2 Bonds. Subject to Section 1 hereof, the Authorized Officers are, and each of them is, hereby authorized to issue the V-2 Bonds in an aggregate principal amount determined by such Authorized Officers as the amount necessary to redeem and refund the Outstanding Bonds, or a portion thereof, and (ii) pay costs associated with the issuance of the V-2 Bonds. Further, the Authorized Officers are each hereby authorized to designate which, if any, of the Outstanding Bonds shall be redeemed and refunded. Provided, however, redeeming and refunding the Outstanding Bonds so designated by an Authorized Officer must cause the University to realize an aggregate debt service savings of at least three percent (3%) of the principal amount of the Outstanding Bonds so designated, net of issuance costs and the Underwriter's discount, on a present value basis. Subject to the foregoing, an Authorized Officer is hereby authorized to direct the Trustee of the Outstanding Bonds to be refunded, and to redeem such bonds on the first available redemption date in accordance with the terms of the respective authorizing supplemental indenture.

Section 5. The form and content of the Supplemental Indenture are hereby, in all respects authorized, approved, and confirmed, and each of the Authorized Officers is hereby, in all respects severally authorized, empowered, and directed to execute and deliver the Supplemental Indenture for and on behalf of the University to the Trustee named therein for the security of each series of Bonds, including necessary counterparts, in the form now before this meeting, but with such changes, modifications, additions, and deletions therein as shall to them seem necessary, desirable, or appropriate, the execution thereof to constitute conclusive evidence of their approval of any and all changes, modifications, additions, or deletions thereto from the form, and after the execution and delivery of the Supplemental Indenture, the Authorized Officers are, and each of them is, hereby authorized, empowered, and directed to do all such acts and things and to execute all such documents as may be necessary or convenient to carry out and comply with the provisions of the Supplemental Indenture as executed.

The form and content of each series of Bonds as set forth in the Supplemental Indenture are hereby, in all respects, authorized, approved, and confirmed subject to appropriate insertions and revisions as the Authorized Officers consider necessary or appropriate.

Section 6. The form and content of the Preliminary Official Statement are hereby in all respects authorized, approved and confirmed. The Authorized Officers are, and each of them is, hereby authorized, empowered, and directed to approve the final form of a Preliminary Official Statement and to declare such final form as "deemed final" by the University for purposes of Rule 15c2-12 of the Securities and Exchange Commission (17 CFR 240.15c2-12) (the "Rule") and to approve the final form of the Official Statement. The final form of the Preliminary Official Statement and the Official Statement shall be in the same form as the Preliminary Official Statement presented to and as a part of the records of this meeting, but with such changes as the Authorized Officers consider necessary or appropriate to fully disclose to purchasers of Bonds all material information relating thereto. The distribution of the Preliminary Official Statement and the Official Statement, as each is approved by an Authorized Officer, to prospective purchasers and the use thereof by the purchasers in connection with the offering of the Bonds is hereby ratified, confirmed, and approved.

Section 7. The Authorized Officers are, and each of them is, hereby authorized to deliver each series of Bonds to the Trustee for authentication under the Indenture, and, upon authentication and receipt of the purchase price of each such series of Bonds, to deliver to the Trustee a written order in the name of the University directing the Trustee to deliver each series of Bonds to, or upon the order of, the Underwriter and to receive the proceeds of sale of each series of Bonds and give a written receipt therefor on behalf of the University, to apply said proceeds and the other moneys required to be transferred or deposited in accordance with the terms of the Indenture and in such manner as is required to cause the conditions precedent to the issuance of each series of Bonds to be complied with, and to do and perform or cause to be done and performed, for and on behalf of the University, all acts and things that constitute conditions precedent to the authentication and delivery of each series of Bonds or that are otherwise required to be done and performed by or on behalf of the University prior to or simultaneously with the delivery of each series of Bonds.

Section 8. The Authorized Officers are, and each of them is, hereby authorized, empowered, and directed to enter a "continuing disclosure undertaking" pursuant to the Rule.

Section 9. The Authorized Officers are, and each of them is, hereby authorized to execute all documents, including an escrow agreement, and to take any action necessary or desirable to carry out the provisions of this Resolution and to effectuate the issuance and delivery of the Bonds. The Bank of New York Mellon Trust Company, N.A. is hereby authorized to serve as escrow agent under the terms of the escrow agreement entered into in connection with the refunding and redemption of the designated Outstanding Bonds.

Section 10. The Recitals to this Resolution are hereby incorporated into this Resolution.

Section 11. This Resolution shall take effect immediately upon approval by the Board.

C. Approval of Revisions to Regents' Policy 05.06 – Procurement and Supply Management

PASSED

"The Board of Regents approves revisions to Regents' Policy 05.06 - Procurement and Supply Management as presented. This motion is effective September 15, 2016."

Motion by Gloria R O'Neill, second by Kenneth J Fisher.

Final Resolution: Motion Carries

Yea: Sheri Buretta, John Davies, Kenneth J Fisher, Jyotsna L Heckman, Mary K Hughes, Stacey Lucason, Gloria R O'Neill, Deena Paramo, Lisa M Parker, Andy Teuber

Not Present at Vote: Dale G Anderson

RATIONALE AND RECOMMENDATION

This is the second reading of the proposed revisions to the Regents' Procurement Policies. The procurement policies have not been updated for a number of years and are out of date in many areas due to changes in the Alaska Procurement Code, state regulation and university processes and procedures. In response to a legislative audit regarding the application of procurement preferences for Alaska grown and harvested products, the administration agreed to modify its policies to facilitate incorporation of the statutory preferences into its purchasing procedures. Due to the need for a complete review and revision of the procurement policies, the administration undertook broad-based review of the policies and is submitting the attached revisions for the board to consider.

The proposed revisions were included in the June 2-3, 2016 Board of Regents' agenda. Although there have been some editing changes since June, there have been no substantive changes to the draft revisions since the first reading and no comments have been received regarding the proposed changes. A clean copy of the revised policies, a redline version and a summary of significant changes are included in the agenda materials.

D. Approval of Academic Degree Recipients

PASSED

"The Board of Regents approves the list of degree recipients for the summer and fall of 2015 and the spring of 2016. This motion is effective September 15, 2016."

Motion by Stacey Lucason, second by Lisa M Parker.

Final Resolution: Motion Carries

Yea: Sheri Buretta, John Davies, Kenneth J Fisher, Jyotsna L Heckman, Mary K Hughes, Stacey Lucason, Gloria R O'Neill, Deena Paramo, Lisa M Parker, Andy Teuber

Not Present at Vote: Dale G Anderson

POLICY CITATION

Regents' Policy 10.03.010.B. states: "The official lists of degree and certificate recipients will be established by the chancellors immediately after the official closing date of each term. The combined lists for the spring and preceding fall and summer terms will be transmitted by the president to the board after the spring session. This official list of degree and certificate recipients will be presented to the board for their approval at the next regularly scheduled meeting."

***8.1. Governor Walker's Address**

Governor Walker welcomed the board to Juneau; said he appreciates Alaskans looking at problems as opportunities to change how business is conducted in Alaska; noted the state's current education budget is \$1.2 billion; said Alaska's government agencies continue to look at efficiencies and shared services to reduce costs; noted taxes in Alaska are the lowest in the nation; said the permanent fund made more money than resource development during the past year; stated President Johnsen has been proactive in creating a framework for the university in this challenging time and is looking forward to his participation in the Governor's Cabinet; said this difficult budget climate was going to come at some point because a state cannot live on one commodity; stated he and Lt. Governor Mallott have hope for the future noting this is an embraceable time for change and thanked the board for its time, service and dedication to the university, education in Alaska and the state's needs.

9. Accreditation Assessment Discussion**A. Single vs Separate Accreditation Report**

President Johnsen provided an overview on the assessment of three accreditations versus one accreditation for the University of Alaska.

Dana Thomas, as contractor for the accreditation assessment process, reviewed results from the assessment with members of the board.

President Johnsen recommended the universities continue as three separately accredited institutions at this time, complete Strategic Pathways (SP) and revisit accreditation if need be, once SP has been completed. The board supported and concurred with the recommendation.

10. Title IX Presentation and Update**A. Title IX Presentation**

Lindsey Blumenstein, UAA Justice Center assistant professor, discussed results from a federally funded Bureau of Justice Statistics study related to sexual violence against University of Alaska students. The rates of sexual misconduct and sexual assaults were provided and discussed for the University of Alaska statewide system, as well as rates for each university within the system. The presentation concluded with a discussion of the implications of these rates.

B. Title IX Update

President Johnsen, Chancellors Case, Caulfield and Interim Chancellor Thomas provided an update on Title IX.

11. Planning and Development Committee**A. Discussion Regarding Board Governance**

Regent Parker thanked the board for completing the 2015 board assessment; said responses from the assessment indicated the strategic issues to focus on in the coming year include coping with the effects of financial setbacks, unifying Strategic Pathways (SP) and prioritizing academic and administration programs; stated an area where the board could spend additional time would be defining UA's place in Alaska's future noting the SP process is doing some of that work;

however, time at the board's January 2017 retreat could be spent on the topic and noted an area to improve upon includes more engagement by the board in fundraising.

B. Succession Planning

Regent Parker and Chief Human Resources Officer Hite McGee provided information regarding succession planning at UA.

C. UA Development and UA Foundation Reports

UA Foundation Executive Director and Associate Vice President for Development Riebe introduced UA Foundation President and Chief Development Officer Foley; reported on the challenging investment climate; shared information regarding the FY16 contribution revenue; said each university has increased alumni giving since the last report; stated work continues on the comprehensive UA capital campaign and said discussion forums will be held this fall to implement UA's priorities.

UA Foundation President and Chief Development Officer Foley thanked the board for welcoming her to the position; spoke of the importance regarding the support and collaboration between UA Foundation Board of Trustees and the Board of Regents in fundraising efforts and thanked the board for its service and tireless efforts supporting UA.

***11.1. Acceptance of Bargaining Unit Agreement between the University of Alaska and the Fairbanks Fire Fighters Association, Local 1324, IAFF, AFL-CIO**

PASSED

"The Board of Regents approves the collective bargaining agreement (CBA) between the University of Alaska and Fairbanks Fire Fighters Association for the term of October 1, 2016 through September 30, 2017. This motion is effective September 16, 2016."

Motion by Lisa M Parker, second by John Davies.

Final Resolution: Motion Carries

Yea: Dale G Anderson, John Davies, Jyotsna L Heckman, Mary K Hughes, Stacey Lucason, Gloria R O'Neill, Lisa M Parker, Andy Teuber

Nay: Kenneth J Fisher

Not Present at Vote: Sheri Buretta, Deena Paramo

POLICY/STATUTORY CITATION

Board of Regents' Policy 04.11.020 – Exclusions and Agreements, states: "No collective bargaining agreement shall be binding upon the Board of Regents without prior approval of the entire agreement by the Board of Regents."

Alaska Statute 14.40.170(b)(1) provides:

The Board of Regents may . . . adopt reasonable rules, orders, and plans with reasonable penalties for the good government of the university and for the regulation of the Board of Regents.

The Alaska Supreme Court has stated:

Through legislative enactments, the University enjoys a considerable degree of statutory independence. Not only does the board of regents have the constitutional authority to appoint the president of the University, formulate policy and act as the governing body of the institution, but the legislature has specifically empowered it to fix the president's compensation and the compensation of all teachers, professors, instructors and other officers . . .

RECOMMENDATION

Pursuant to this policy and legal authority, the university administration has tentatively agreed upon a contract with the Fairbanks Fire Fighters Association.

The collective bargaining agreement between the University of Alaska and the Fairbanks Fire Fighters Union expired on December 31, 2015. The university's labor relations department and Local 1324 reached a tentative agreement on June 28, 2016. The tentative agreement reflects the changes agreed to between the parties. The rank and file of Fairbanks Fire Fighters Association Local 1324 ratified the agreement on September 15, 2016. Pending approval from the Board of Regents, the changes will go into effect October 1, 2016.

Pursuant to AS 23.40.215, the monetary terms of this collective bargaining agreement are subject to initial approval/disapproval and annual funding by the Alaska Legislature.

12. Approval of Resolution of Appreciation

A. Approval of Resolution of Appreciation for Mary K. Hughes

PASSED

"The Board of Regents approves the resolution of appreciation for Mary K. Hughes. This motion is effective September 16, 2016."

Motion by Lisa M Parker, second by John Davies.

Final Resolution: Motion Carries

Yea: Dale G Anderson, John Davies, Kenneth J Fisher, Jyotsna L Heckman, Stacey Lucason, Gloria R O'Neill, Lisa M Parker, Andy Teuber

Abstain: Mary K Hughes

Not Present at Vote: Sheri Buretta, Deena Paramo

WHEREAS, Mary K. Hughes has served with distinction as a member of the Board of Regents of the University of Alaska from 2002 through 2017; and

WHEREAS, Mary K. Hughes was appointed to the Board of Regents by Governor Knowles in 2002, whose appointment was affirmed by Governor Murkowski in 2003, and re-appointed to an eight-year term by Governor Palin in 2009; and

WHEREAS, Mary K. Hughes is a lifelong Alaskan, born on Kodiak Island and raised in Anchorage; and

WHEREAS, Mary K. Hughes graduated cum laude from the University of Alaska in 1971 with a Bachelor of Business Administration – Management on which occasion she received the Marion Frances Boswell Memorial Award (an award presented to the most outstanding graduating senior female student at the university); continued her postgraduate studies in labor economics at Heriot-Watt University in Edinburgh, Scotland in 1971, and earned her Juris Doctorate at Willamette University College of Law in 1974; and

WHEREAS, Mary K. Hughes' dedication to the University of Alaska was evidenced prior to her tenure on the Board of Regents as she has served on the University of Alaska Foundation Board of Trustees since 1990; and

WHEREAS, Mary K. Hughes was awarded the University of Alaska Fairbanks Alumni Achievement Award for Professional Excellence in 2001; and

WHEREAS, Mary K. Hughes provided outstanding leadership to the Board of Regents serving as its Chair from 2005 to 2008, as Vice Chair from 2002 to 2005, and as Chair of the Human Resources and Planning & Development Committees; and

WHEREAS, Mary K. Hughes' commitment to higher education is further demonstrated by her selection to the Board of Directors of the Association of Governing Board of Universities and Colleges in 2013 and her service on Willamette University's Board of Trustees since 1997 on which she currently serves as a Life Trustee Emeritus member (she was Chair and Vice Chair, as well as a 19-year member, of its Law Committee and served on the College of Law Board of Visitors); and

WHEREAS, Mary K. Hughes' family's philanthropic support of the University of Alaska is evidenced through the establishment of the endowed Patricia Ann Hughes Eastaugh Memorial Teaching Scholarship, memorializing her sister and supporting students who attend the university studying to become certified teachers; and

WHEREAS, Mary K. Hughes' record of community service is exemplary, diverse, and consistent over the last 40 years and includes serving in leadership positions with the Alaska Bar Association, Alaska Bar Foundation, Alaska Airlines Community Advisory Council, Export Council of Alaska, TOTE Community Advisory Board, Anchorage Economic Development Corporation, Alaska Repertory Theatre, Sorooptimist International of Cook Inlet, Providence Alaska Foundation, Alaska Humanities Forum and many others; and

Whereas, Mary K. Hughes was named a YWCA Woman of Distinction in 1997 and is a member of the Athena Society; and

WHEREAS, Mary K. Hughes' professional career has spanned both the public and private sector, serving as a partner in the Alaskan law firm of Hughes, Thorsness, Gantz, Powell, and Brundin from 1974 to 1994, Municipal Attorney for the Municipality of Anchorage from 1995 to 2000; and Alaska State Director for U.S. Senator Lisa Murkowski from 2005 to 2008; and

WHEREAS, Mary K. Hughes leads The John C. Hughes Foundation established to support organizations dedicated to improving the quality of life for Alaskans; and

WHEREAS, Mary K. Hughes has performed her duties in her many roles with professionalism, dedication to excellence, humor, and style; and

WHEREAS, Mary K. Hughes was able to successfully interject into every Board of Regents' meeting some salient,

reminiscent or insightful comment about her experience as a student during the late 1960s at the University of Alaska and she appears to know (and may have dated or knows someone who has dated someone related to) everyone who has ever or will ever testify at a Board of Regents' meeting.

NOW, THEREFORE BE IT RESOLVED that the University of Alaska Board of Regents officially recognizes Mary K. Hughes' exceptional public service to Alaska and the University of Alaska and expresses profound thanks on behalf of the students, staff and faculty of the university for her contributions to the development and enhancement of higher education in Alaska; and

BE IT FURTHER RESOLVED that this resolution be appropriately engrossed and conveyed to Mary K. Hughes with a copy incorporated into the official minutes of the September 15-16, 2016 meeting of the Board of Regents.

13. Approval of FY16 Presidential Performance Compensation

A. Approval of FY16 Presidential Performance Compensation

PASSED

"The Board of Regents of the University of Alaska finds that in a time of unprecedented financial and organizational stress, President Johnsen has served the university in an exemplary manner. The board appreciates the long hours spent in dealing with these challenges and the leadership that he has shown in communicating and discussing with many constituencies the options and opportunities facing the whole university. The board looks forward to continued leadership, energy and enthusiasm in the next year. The Board of Regents also approves the performance compensation as indicated on the FY16 Presidential Performance Compensation Metric Outcomes document dated September 1, 2016, as required by the president's contract of employment and consistent with performance metrics agreed to and adopted in September 2015. This motion is effective September 16, 2016"

Motion by Gloria R O'Neill, second by Lisa M Parker.

Final Resolution: Motion Carries

Yea: Dale G Anderson, John Davies, Kenneth J Fisher, Jyotsna L Heckman, Mary K Hughes, Stacey Lucason, Gloria R O'Neill, Lisa M Parker, Andy Teuber

Not Present at Vote: Sheri Buretta, Deena Paramo

The Board of Regents' Ad Hoc Committee on Presidential Compensation met on August 31, 2016 to review the FY16 presidential performance metrics and to discuss presidential performance. The committee recommended that the full board discuss and adopt the statement on President Johnsen's performance and also recommended that the full board approve the performance compensation as indicated on the FY16 Presidential Performance Compensation Metric Outcomes document dated September 1, 2016.

Chair Heckman discussed presidential performance recommendations with board members.

Committee Members:

Kenneth J. Fisher, Chair

John Davies

Sheri Buretta

Jyotsna Heckman, Board Chair

14. Consent Agenda

A. Approval of Consent Agenda

PASSED

"The Board of Regents approves the consent agenda items 14.B.1-3 and item 14.C.1. as presented. This motion is effective September 16, 2016."

Motion by Kenneth J Fisher, second by Lisa M Parker.

Final Resolution: Motion Carries

Yea: Dale G Anderson, John Davies, Kenneth J Fisher, Jyotsna L Heckman, Mary K Hughes, Stacey Lucason, Gloria R O'Neill, Lisa M Parker

Not Present at Vote: Sheri Buretta, Deena Paramo, Andy Teuber

B. Academic and Student Affairs Committee - Items from September 8, 2016

1. Approval of a Bachelor of Science in Occupational Health and Safety at the University of Alaska Anchorage

PASSED

"The Board of Regents approves a Bachelor of Science in Occupational Health and Safety at the University of Alaska Anchorage. This motion is effective September 16, 2016."

2. Approval of the Deletion of the Associate of Applied Science and the Certificate in Computer Information and Office Systems at the University of Alaska Southeast

PASSED

"The Board of Regents approves the deletion of the Associate of Applied Science and the Certificate in Computer Information and Office Systems at the University of Alaska Southeast. This motion is effective September 16, 2016."

3. Approval of Revisions to Regents' Policy 10.02.040 - Academic Unit Establishment, Major Revision, and Elimination

PASSED

"The Board of Regents approves the revisions to Regents' Policy 10.02.040 - Academic Unit Establishment, Major Revision, and Elimination to rename the School of Fisheries and Ocean Sciences to the College of Fisheries and Ocean Sciences at the University of Alaska Fairbanks. This motion is effective September 16, 2016."

University of Alaska Fairbanks

~~School~~ College of Fisheries and Ocean Sciences

Kodiak Seafood and Marine Science Center (AS 16.52.010-070)

Institute of Marine Science (AS 14.40.080)

Seward Marine Center

C. Facilities and Land Management Committee - Item from September 8, 2016

1. Approval of Delegation of Authority to Approve Leases for 1835 Bragaw Street Office Building

PASSED

"The Board of Regents approves the authorization for the strategy planning and budget officer or the chief finance officer or the officer's designee to lease any and all space at the 1835 Bragaw Street office building at fair market value. This authority is in effect until revoked by the board. This motion is effective September 16, 2016. "

15. New Business and Committee Reports

A. Academic and Student Affairs Committee

In addition to action items, the committee discussed UA student fees, UA alcohol policies and the board's role in program suspension and heard reports on student government opportunities at UA, enrollment strategies, program review and accreditation, general education requirement alignment and program suspensions.

B. Audit Committee

The committee heard comments from the external auditor, received reports on quality assurance and the UA Statewide Office of Audit and Consulting Services FY16 annual report and held an executive session.

C. Facilities and Land Management Committee

In addition to the action item, the committee discussed transitional properties, indirect cost recovery, budgeting for depreciation. UAF requested postponement of the campus master plan update and the committee concurred with the recommendation to defer completion of the scheduled update by 2-3 years. The current master plan will stay in place until the Strategic Pathways process has been completed and the changes are approved, allowing UAF to fully incorporate identified changes to the UAF mission and program delivery.

The committee also received reports on deferred maintenance and renewal spending, capital project approvals delegation of authority, UAA engineering building projects, UAF combined heat and power plant, UAF high frequency active auroral research program, UAF engineering facility, UAS Auke Bay Marine Station and construction in progress.

16. Corporate Resolutions

A. Approval of Revisions to the Industrial Security Resolution

PASSED

"The Board of Regents approves the Industrial Security Resolution as revised to reflect changes to administrative staff and changes to the primary and secondary facility security officers at the University of Alaska Fairbanks and authorizes the chair and secretary of the board to sign the resolution. This motion is effective September 15, 2016."

Motion by Kenneth J Fisher, second by John Davies.

Final Resolution: Motion Carries

Yea: Dale G Anderson, Sheri Buretta, John Davies, Kenneth J Fisher, Jyotsna L Heckman, Mary K Hughes, Stacey Lucason, Gloria R O'Neill, Deena Paramo, Lisa M Parker, Andy Teuber

RATIONALE/RECOMMENDATION

The president and selected members of the university administration are routinely designated by the Board of Regents to handle any duties and responsibilities relating to classified information in connection with contracts with the Department of Defense and other federal agencies. These individuals are given an extensive security screening and are the only members of the university administration to have access to classified information.

The university has received similar security clearances since the mid-1950s. Execution of the resolution means that regents and other members of the administration will not have access to the classified information and are not in a position to affect the handling of classified information, thus do not need to be processed through security clearance procedures. The resolution is identical to resolutions previously passed except for changes to administrative staff and changes to the primary and secondary facility security officers at the University of Alaska Fairbanks.

B. Approval of Revisions to the Corporate Authority Resolution**PASSED**

"The Board of Regents approves the Corporate Authority Resolution, as revised to reflect changes to administrative staff and authorizes the chair and secretary of the board to sign the resolution. This motion is effective September 15, 2016."

Motion by John Davies, second by Gloria R O'Neill.

Final Resolution: Motion Carries

Yea: Dale G Anderson, Sheri Buretta, John Davies, Kenneth J Fisher, Jyotsna L Heckman, Mary K Hughes, Stacey Lucason, Gloria R O'Neill, Deena Paramo, Lisa M Parker, Andy Teuber

RATIONALE/RECOMMENDATION

The Board of Regents regularly passes a resolution specifying certain university officers as being authorized to execute investment and banking transactions for the University of Alaska. Because of changes to administrative staff, a current resolution is necessary in order to execute timely investment and banking transactions.

17. Future Agenda Items**A. Future Agenda Items**

Regent Paramo asked for additional information regarding the market share of individuals that have some college and how UA is working to encourage those individuals to return to college.

Regent Davies requested an update on UA lands regarding the strategy on congressional action and noted the need to conduct a campus climate survey regarding sexual assault and safety at the university for annual/biannual assessment reporting.

Regent Fisher noted the need for a possible change to UA's credit transfer policy to accommodate credit for Alaska Commission on Postsecondary Education accredited institutions; said in the context of the budget, he would like to see a financial model for one accreditation, one president, one chancellor, one provost, one dean for each school/college and one rural campus director and stated additional conversation regarding UA's alcohol policy revisions is needed.

Regent Heckman reminded the board that officer elections will take place at the November 10-11, 2016 meeting.

18. Board of Regents' Comments**A. Board of Regents' Comments**

Regent Fisher acknowledged Regent Hughes' 16 years of service to university; said he will not support a 10 percent tuition increase until all other cost containment measures have been considered.

Regent Parker said it has been a dynamic two and half days of discussion; noted that while the board may disagree on issues, there is always respect for each other and consensus is achieved; thanked Chancellor Caulfield for the hospitality; noted appreciation to Regent Hughes for her service to the university and said President Johnsen is a great leader for UA.

Regent Lucason acknowledged and expressed gratitude for the vast amount of work that staff does at the request of the board and thanked Chair Heckman for her grace while conducting the board meetings.

Regent Anderson appreciated the discussion during the joint board meeting with the Alaska State Board of Education and Early Development on September 14, 2016 and said he enjoys serving on the subcommittee; supports reducing the disparity between secondary and postsecondary education; said the culture of education needs to be defined and the importance of education must be instilled in families and students; commended Vice President White for his open mind, his objectivity and the research ability he has brought to the position and thanked Regent Hughes for her service to the university.

Regent Hughes thanked Chancellor Caulfield for the hospitality; attended the Sikuliaq reception in Seattle on August 16, 2016 and was encouraged by the amount of private funding support the research vessel is receiving; noted this meeting provided excellent time for discussion; said the future of UA is in good hands with President Johnsen; stated the board supports the president's decisions during this transitional time and stated she is feeling optimistic as UA leads in serving the state's higher education needs.

Regent Davies thanked Chancellor Caulfield for the hospitality, Regent Hughes for her service to the university during the past 16 years and President Johnsen for a great first year of leadership; reported on the August 25-26, 2016 HAARP open house and reception; said the joint meeting with the Alaska State Board of Education and Early Development on September 14, 2016 was exciting and is looking forward to the two board aligning education priorities for Alaska's students and appreciates the diversity and different opinions and philosophies shared by fellow board members.

Regent O'Neill thanked Chancellor Caulfield for the hospitality; appreciates the courage the board brings to the necessary strategic conversations and thanked President Johnsen for his outstanding work during his first year.

Chancellor Case thanked Chancellor Caulfield for the hospitality, Regent Hughes for her years of service to the university, Chair Heckman for her leadership during this meeting and General Counsel Hostina, Executive Officer Berg and Ken Jernstrom for their efforts during the meetings; noted the team effort across UA that allows the important work to be done; was pleased with the discussion during the joint board meeting with the Alaska State Board of Education and Early Development on September 14, 2016; appreciates the board's request to take a deeper look at athletic options; said UAA is entering the self-study year for Northwest Accreditation Commission purposes; noted faculty promotion and tenure recently occurred at UAA; thanked Assistant Professor Blumenstein for providing the Justice Center report and said an active athletic year is planned, Celebrity Chef Invitational is September 21, 2016, the Green and Gold Gala is October 1, 2016 and the UAA Student Health Center will celebrate its 25th anniversary on October 12, 2016.

Chancellor Thomas noted he is delighted to be back at the university and has been interim chancellor for 30 plus days; thanked Chancellor Caulfield for the hospitality, Regent Hughes for her service to the university, Regent Davies for attending the HAARP open house, reception and sharing his report with the board and Ken Jernstrom for his diligence regarding the sound issues during the meeting; said UAF hosted Sonya Sotomayor on August 14, 2016; noted Nanook volleyball played its first game on September 15, 2016; thanked the board for the wise, challenging and courageous conversations regarding Strategic Pathways (SP) noting the end result is for UA to thrive and to be sustainable; welcomed UA Foundation President and UA Chief Development Officer Foley and thanked the board for the robust discussion during the accreditation report.

Chancellor Caulfield noted appreciation to the board for coming to Southeast each year in September; shared a thank you from the student group who attended the board meeting on September 15, 2016; reminded the board about the UAS Alumni fundraising event taking place September 16, 2016; appreciated the SP conversations during this meeting noting programs at UAS that are important to the region e.g. fisheries, mining, teacher education and MPA; commended the emergency manager at UAS for recently providing training to faculty, staff and students; expressed appreciation to the board for its service and to his staff for its dedication and support of students, which creates the warm and welcoming feeling at UAS.

President Johnsen thanked Chancellor Caulfield and Keni Campbell for the hospitality and chancellors and their impressive teams for all working toward a noble goal for UA; said big issues were discussed during this meeting including SP, accreditation, the budget and succession planning; appreciates the intellectual diversity during discussions with the board and staff; thanked Regent Hughes for her service and dedication to the university and the board for the kind words regarding his service during the last year.

Regent Heckman thanked Ken Jernstrom, Executive Officer Berg and Vice Chancellor Ciri for troubleshooting during the audio difficulties; apologized to the listening audience for the audio difficulties; thanked Chancellor Caulfield for the hospitality; enjoyed the lunchtime presentation regarding PITAAS, fisheries and MPA programs; thanked Regent Hughes for her outstanding service to the university and Dana Thomas for the report on accreditation; reflected on the highlights of this meeting which include meeting President Johnsen's mom, Governor Walker addressing the board and the open and honest discussions during this meeting; welcomed UA Foundation President and UA Chief Development Officer Foley and UA Chief Human Resources Officer Hite McGee; thanked the board for a great meeting and staff for all the effort put forth to make these meetings successful.

19. Executive Session

A. Executive Session

PASSED AS AMENDED

"The Board of Regents goes into executive session to discuss matters the immediate knowledge of which could affect the reputation or character of a person or persons related to honorary degrees, meritorious service awards and Title IX, and matters the immediate knowledge of which would clearly have an adverse effect on the finances of the university related to labor negotiations. This motion is effective September 16, 2016."

Motion by Lisa M Parker, second by Kenneth J Fisher.

Final Resolution: Motion Carries

Yea: Dale G Anderson, John Davies, Kenneth J Fisher, Jyotsna L Heckman, Mary K Hughes, Stacey Lucason, Gloria R O'Neill, Lisa M Parker

Not Present at Vote: Sheri Buretta, Deena Paramo, Andy Teuber

The Board of Regents went into executive session at 3:07 p.m. and concluded an executive session at 4:39 p.m. Alaska Time in accordance with AS 44.62.310 to discuss matters the immediate knowledge of which could affect the reputation or character of a person or persons related to honorary degrees, meritorious service awards and Title IX, and matters the immediate knowledge of which would clearly have an adverse effect on the finances of the university related to labor negotiations. The session included members of the Board of Regents, President Johnsen, General Counsel Hostina, and such other university staff members as the president designated and lasted 1 hour and 32 minutes.

***A.1. Executive Session**

PASSED

"The Board of Regents goes into executive session to discuss matters the immediate knowledge of which could affect the reputation or character of a person or persons related to honorary degrees and meritorious service awards. This motion is effective September 16, 2016."

Motion by Mary K Hughes, second by John Davies.

Final Resolution: Motion Carries

Yea: Dale G Anderson, John Davies, Jyotsna L Heckman, Mary K Hughes, Stacey Lucason, Gloria R O'Neill, Lisa M Parker

Nay: Kenneth J Fisher

Not Present at Vote: Sheri Buretta, Deena Paramo, Andy Teuber

The Board of Regents went into executive session at 4:55 p.m. and concluded an executive session at 5:00 p.m. Alaska Time in accordance with AS 44.62.310 to discuss matters the immediate knowledge of which could affect the reputation or character of a person or persons related to honorary degrees and meritorious service awards. The session included members of the Board of Regents, President Johnsen, General Counsel Hostina, and such other university staff members as the president designated and lasted 5 minutes.

20. Approval Items

A. Approval of Honorary Degrees and Meritorious Service Awards for Fall 2016, Spring 2017 and Beyond

PASSED

"The Board of Regents approves the University of Alaska Anchorage nominee A for an honorary doctoral degree as proposed for the commencement exercise in fall 2016, and authorizes Chancellor Case to invite the approved nominee and announce acceptance. This motion is effective September 16, 2016."

Motion by Lisa M Parker, second by John Davies.

Final Resolution: Motion Carries

Yea: Dale G Anderson, John Davies, Kenneth J Fisher, Jyotsna L Heckman, Mary K Hughes, Stacey Lucason, Gloria R O'Neill, Lisa M Parker

Not Present at Vote: Sheri Buretta, Deena Paramo, Andy Teuber

PASSED

"The Board of Regents approves the University of Alaska Anchorage nominee B for an honorary doctoral degree as proposed for the commencement exercise in fall 2016, and authorizes Chancellor Case to invite the approved nominee and announce acceptance. This motion is effective September 16, 2016."

Motion by Lisa M Parker, second by John Davies.

Final Resolution: Motion Carries

Yea: John Davies, Jyotsna L Heckman, Mary K Hughes, Stacey Lucason, Gloria R O'Neill, Lisa M Parker

Nay: Dale G Anderson and Kenneth J Fisher

Not Present at Vote: Sheri Buretta, Deena Paramo, Andy Teuber

PASSED

"The Board of Regents approves the University of Alaska Anchorage list of nominees for honorary doctoral degrees as proposed for the commencement exercise in spring 2017, and authorizes Chancellors Case to invite the approved nominees and announce acceptance. This motion is effective September 16, 2016."

Motion by Lisa M Parker, second by John Davies.

Final Resolution: Motion Carries

Yea: Dale G Anderson, John Davies, Kenneth J Fisher, Jyotsna L Heckman, Mary K Hughes, Stacey Lucason, Gloria R O'Neill, Lisa M Parker

Not Present at Vote: Sheri Buretta, Deena Paramo, Andy Teuber

PASSED

"The Board of Regents approves the University of Alaska Anchorage list of nominees for meritorious service awards as proposed for the commencement exercise in fall 2016, and authorizes Chancellor Case to invite the approved nominees and announce acceptance. This motion is effective September 16, 2016."

Motion by Lisa M Parker, second by John Davies.

Final Resolution: Motion Carries

Yea: Dale G Anderson, John Davies, Kenneth J Fisher, Jyotsna L Heckman, Mary K Hughes, Stacey Lucason, Gloria R O'Neill, Lisa M Parker

Not Present at Vote: Sheri Buretta, Deena Paramo, Andy Teuber

PASSED

"The Board of Regents approves the University of Alaska Anchorage nominee A for a meritorious service award as proposed for the commencement exercise in spring 2017, and authorizes Chancellor Case to invite the approved nominee and announce acceptance. This motion is effective September 16, 2016."

Motion by Lisa M Parker, second by John Davies.

Final Resolution: Motion Carries

Yea: Dale G Anderson, John Davies, Kenneth J Fisher, Jyotsna L Heckman, Mary K Hughes, Stacey Lucason, Gloria R O'Neill, Lisa M Parker

Not Present at Vote: Sheri Buretta, Deena Paramo, Andy Teuber

PASSED

"The Board of Regents approves the University of Alaska Anchorage nominee B for a meritorious service award as proposed for the commencement exercise in spring 2017, and authorizes Chancellor Case to invite the approved nominee and announce acceptance. This motion is effective September 16, 2016."

Motion by Lisa M Parker, second by John Davies.

Final Resolution: Motion Carries

Yea: John Davies, Jyotsna L Heckman, Mary K Hughes, Stacey Lucason, Gloria R O'Neill, Lisa M Parker

Nay: Dale G Anderson and Kenneth J Fisher

Not Present at Vote: Sheri Buretta, Deena Paramo, Andy Teuber

PASSED

"The Board of Regents approves the University of Alaska Fairbanks nominee A for an honorary doctoral degree as proposed for the commencement exercise in spring 2017, and authorizes Chancellor Thomas to invite the approved nominee and announce acceptance. This motion is effective September 16, 2016."

Motion by Lisa M Parker, second by John Davies.

Final Resolution: Motion Carries

Yea: Dale G Anderson, John Davies, Kenneth J Fisher, Jyotsna L Heckman, Mary K Hughes, Stacey Lucason, Gloria R O'Neill, Lisa M Parker

Not Present at Vote: Sheri Buretta, Deena Paramo, Andy Teuber

FAILED

"The Board of Regents approves the University of Alaska Fairbanks nominee B for an honorary doctoral degree as proposed for the commencement exercise in spring 2017, and authorizes Chancellor Thomas to invite the approved nominee and announce acceptance. This motion is effective September 16, 2016."

Motion by Lisa M Parker, second by John Davies.

Final Resolution: Motion Fails

Yea: John Davies, Jyotsna L Heckman, Mary K Hughes, Stacey Lucason, Lisa M Parker

Nay: Dale G Anderson, Kenneth J Fisher, Gloria R O'Neill

Not Present at Vote: Sheri Buretta, Deena Paramo, Andy Teuber

PASSED

"The Board of Regents approves the University of Alaska Fairbanks nominee C for an honorary doctoral degree as proposed for the commencement exercise in spring 2017, and authorizes Chancellor Thomas to invite the approved nominee and announce acceptance. This motion is effective September 16, 2016."

Motion by Lisa M Parker, second by John Davies.

Final Resolution: Motion Carries

Yea: Dale G Anderson, John Davies, Kenneth J Fisher, Jyotsna L Heckman, Mary K Hughes, Stacey Lucason, Gloria R O'Neill, Lisa M Parker

Not Present at Vote: Sheri Buretta, Deena Paramo, Andy Teuber

PASSED

"The Board of Regents approves the University of Alaska Fairbanks nominee for a meritorious service award as proposed for the commencement exercise in spring 2017, and authorizes Chancellor Thomas to invite the approved nominee and announce acceptance. This motion is effective September 16, 2016."

Motion by Lisa M Parker, second by John Davies.

Final Resolution: Motion Carries

Yea: Dale G Anderson, John Davies, Kenneth J Fisher, Jyotsna L Heckman, Mary K Hughes, Stacey Lucason, Gloria R O'Neill, Lisa M Parker

Not Present at Vote: Sheri Buretta, Deena Paramo, Andy Teuber

PASSED

"The Board of Regents approves the University of Alaska Southeast list of nominees for honorary doctoral degrees as proposed for the commencement exercise in spring 2017, and authorizes Chancellors Caulfield to invite the approved nominees and announce acceptance. This motion is effective September 16, 2016."

Motion by Lisa M Parker, second by John Davies.

Final Resolution: Motion Carries

Yea: Dale G Anderson, John Davies, Kenneth J Fisher, Jyotsna L Heckman, Mary K Hughes, Stacey Lucason, Gloria R O'Neill, Lisa M Parker

Not Present at Vote: Sheri Buretta, Deena Paramo, Andy Teuber

PASSED

"The Board of Regents approves the University of Alaska Southeast nominee for a meritorious service award as proposed for the commencement exercise in spring 2017, and authorizes Chancellors Caulfield to invite the approved nominees and announce acceptance. This motion is effective September 16, 2016."

Motion by Lisa M Parker, second by John Davies.

Final Resolution: Motion Carries

Yea: Dale G Anderson, John Davies, Kenneth J Fisher, Jyotsna L Heckman, Mary K Hughes, Stacey Lucason, Gloria R O'Neill, Lisa M Parker

Not Present at Vote: Sheri Buretta, Deena Paramo, Andy Teuber

POLICY CITATION

Regents' Policy 10.03.020 states: "Honorary degrees may be conferred upon approval of the Board of Regents."

Regents' Policy 10.03.030 states: "Meritorious service awards may be conferred upon approval of the Board of Regents."

RATIONALE AND RECOMMENDATION

Recommendations submitted by the University of Alaska Anchorage, University of Alaska Fairbanks, and University of Alaska Southeast for recipients of honorary degrees and meritorious service awards were sent under separate cover for Board of Regents' review prior to the September 15-16, 2016 board meeting.

21. Adjourn

A. Adjourn

Chair Heckman adjourned the meeting at 4:48 p.m. on Friday, September 16, 2016.

Public Testimony from September 6, 2016

Keith Bartusch, Fairbanks resident, spoke in opposition to the three Strategic Pathways (SP) options for intercollegiate athletics and does not agree with the suggestion to replace hockey with soccer.

Jean Heusingkveld, Fairbanks resident, spoke in support of keeping the applied business and applied accounting programs within UAF Community and Technical College and in opposition to moving the programs to UAF School of Management (SOM).

Jason Gootee, Anchorage resident, noted many alumni have concerns regarding SP and single accreditation and said removing intercollegiate athletics from the college experience is not acceptable.

Mark Young, Fairbanks resident, supports a community driven education and spoke in opposition to moving the applied business and applied accounting programs from UAF Community and Technical College to UAF SOM.

Andre Layrel, Fairbanks resident, spoke in opposition to the three SP options for intercollegiate athletics and the removal of athletics at the collegiate level from UAA and UAF.

Bill Bailey, Fairbanks resident, spoke in opposition to the three SP options for intercollegiate athletics.

Katie Jordan, Juneau resident, spoke in favor of the Master of Public Administration (MPA) program offered at UAS.

Bart LeBon, Fairbanks resident, spoke in opposition to removing intercollegiate athletics from the UA experience.

Jerry and Sally, Big Lake residents, spoke in opposition to removing intercollegiate athletics from the UA experience.

Ben Roth, Fairbanks resident, spoke in opposition to removing intercollegiate athletics from the UA experience and against the three SP options for athletics.

Kerry and Charles Holman, Wasilla residents, spoke in support of UAA athletics and the reasons to keep intercollegiate athletics at both UAA and UAF.

Steve Lundgren, Fairbanks resident, spoke in support of intercollegiate athletics and UAF SOM and noted the impact both programs have on the Fairbanks community.

Lisa Hoferkamp, Juneau resident, spoke in support of UAS School of Education and thanked President Johnsen for including faculty in the SP process.

Kathy Bethard, Anchorage resident, spoke in opposition to the three SP options for intercollegiate athletics.

Matt Ostrander, Anchorage resident, spoke about methods to increase enrollment at UA and the need to assess how resident tuition is determined.

Kailyn Davis, Fairbanks resident, is opposed to paying student fees for intercollegiate athletics and said students should not pay fees for items that are not part of the university's mission.

Jeff Benowitz, Fairbanks resident, spoke in support of UA research and the amount of money that research provides to Alaska, the local community and the university.

Jackie Braden, Anchorage resident, spoke in support the UAS MPA program.

William Huston, Anchorage resident, spoke in support of the UAA hockey program; is opposed to general fund reductions to intercollegiate athletics; noted support for student athletes and is opposed to the three SP options for intercollegiate athletics.

Chuck Homan, Wasilla resident, is dissatisfied with the three SP options for intercollegiate athletics.

Dawn Rauwolf, Ketichkan resident, spoke in support of the UAS Teacher Education program and her experience with the Master of Arts in Teaching (MAT) program offered at UAS.

Diane Darnall, Fairbanks resident, spoke in support of women's intercollegiate athletics at UAF and the value and dreams it provides for students.

Beverly McKay, Anchorage resident, has supported UAA Seawolf hockey since 1980 and spoke about the value intercollegiate athletics has for Alaska and its local communities.

Ray Barnhardt, Fairbanks resident, spoke in support of teacher education and the distance delivery options the programs provides for students.

Paul Bates, Eagle River resident, spoke in support of UAA athletics and the value intercollegiate athletics provides to the local community.

Faith Kolean, Willow resident, spoke in support of continuing to offer distance delivery courses and in support of the UAF SOM and the UAS MPA program.

Scott Roselis, Fairbanks resident, spoke in opposition to the three SP options for intercollegiate athletics; stated alumni are engaged with the athletic programs and noted the impact intercollegiate athletics has on both the Anchorage and Fairbanks communities.

Tom Chard, Juneau resident, spoke in support of the UAS MPA program and noted his experience with the program and the faculty.

Robin Capp, Fairbanks resident, spoke in support of the UAS distance delivery teacher education program and her experience with the program and the faculty.

Anna Lilljedahl, Fairbanks resident, spoke in support of and the importance that research provides to the state, the community and the internships available students.

Dima Kulmanovsky, Fairbanks resident, spoke in support of the UAF hockey program and the importance athletics provides to the community and in opposition to the three SP options for intercollegiate athletics.

Heather Koponen, Fairbanks resident, spoke in support of providing more humanities and healthcare programs rather than intercollegiate athletic programs and said student fees should not support intercollegiate athletics.

Brian Holst, Juneau resident, spoke in support of fisheries, arts and teacher education at UAS including the MAT program and noted the importance of continued support for industries that grow the economy e.g. mining, fisheries and teachers.

Gail Smith, Juneau resident, is concerned with how funds are being spent at UAS; was surprised that UAS paid for students from the Lower 48 to come to UAS orientation and said the focus should be placed on attracting students within Alaska.

Jeffrey McLane, Fairbanks resident and past UAF hockey athlete, spoke in support of intercollegiate athletics at the university and in opposition to the three SP options for intercollegiate athletics.

Gregory Tadlot, Seattle resident, spoke in support of e-Learning options for students, his experience with e-Learning classes from UAF and UAS and in favor of the business school model proposed by SP.