Official Minutes

**Board of Regents**

**Meeting of the Full Board**

June 2-3, 2011

Fairbanks, Alaska

**Regents Present:**

Fuller Cowell, Chair

Patricia Jacobson, Vice Chair

Robert Martin, Jr., Secretary

Kirk Wickersham, Treasurer

Timothy C. Brady

Mari Freitag

Jyotsna Heckman

Mary K. Hughes

Carl Marrs

Michael Powers

Patrick K. Gamble, Chief Executive Officer and President, University of Alaska

**Regents Absent:**

Kenneth Fisher

**Others Present:**

John Pugh, Chancellor, University of Alaska Southeast

Brian D. Rogers, Chancellor, University of Alaska Fairbanks

Tom Case, Chancellor, University of Alaska Anchorage

Roger Brunner, General Counsel

Daniel Julius, Vice President for Academic Affairs

Wendy Redman, Executive Vice President

Joseph Trubacz, Vice President for Finance and Administration

Karl Kowalski, Chief Information Technology Officer

Beth Behner, Chief Human Resources Officer

Kit Duke, Associate Vice President, Facilities

Saichi Oba, Associate Vice President, Student Services and Enrollment Management

Michelle Rizk, Associate Vice President, Budget

Kate Ripley, Director, Public Affairs

Jeannie D. Phillips, Executive Officer, Board of Regents

Brandi Berg, Assistant to the Executive Officer, Board of Regents

Chair Cowell welcomed Regent Mari Freitag to the Board of Regents. The board then met with U.S. Senator Mark Begich.

**I.** **Call to Order**

 Chair Cowell called the meeting to order at 8:50 a.m. on Thursday, June 2, 2011.

**II. Adoption of Agenda**

Regent Wickersham moved, seconded by Regent Hughes, and passed withRegents Brady, Freitag, Heckman, Hughes, Jacobson, Marrs, Martin, Powers, Wickersham, and Cowell voting in favor that:

 **PASSED AS AMENDED (amendments noted by \*)**

**"The Board of Regents adopts the agenda as presented.**

**I. Call to Order**

II. Adoption of Agenda

III. Approval of Minutes

**IV. Executive Session**

V. Public Testimony

**VI. Governance Report**

**VII. President’s Report**

**VIII. Legislative Update**

**IX. Acceptance of FY12 Operating Budget Appropriation and Approval of Distribution Plan**

**X. Acceptance of FY12 Capital Budget Appropriation and Approval of Distribution Plan**

**XI. Approval of FY12 Natural Resources Fund Spending Plan**

**XII. Approval of FY12 Student Government Budgets**

**XIII. Electronic Board Meeting Proposal Presentation**

**XIV. Human Resources Items**

**A. Acceptance of Bargaining Unit Agreement between the University of Alaska and the University of Alaska Federation of Teachers**

**B. Acceptance of Bargaining Unit Agreement between the University of Alaska and United Academics**

**XV. Approval of Revision to Industrial Security Resolution**

**XVI. Approval of Revision to University of Alaska Southeast Mission Statement**

**XVII. Consent Agenda**

**A. Academic and Student Affairs Committee**

**1. Approval of Graduate Certificate in Children’s Mental Health at the University of Alaska Anchorage**

**2. Approval of Graduate Certificate in Career and Technical Education at the University of Alaska Anchorage**

**3. Approval of Revision of Associate of Applied Science in Telecommunications, Electronics, and Computer Technology at the University of Alaska Anchorage to an Associate of Applied Science in Computer and Networking Technology and Deletion of Certificate in Telecommunications and Electronic Systems**

**4. Approval of Reorganization of Health Programs at the University of Alaska Anchorage**

**B. Facilities and Land Management Committee**

**~~\*1. Formal Project Approval for the Kenai Peninsula College Student Housing Complex~~ (moved to New Business)**

**~~\*2. Formal Project Approval for the University of Alaska Anchorage Seawolf Sports Arena~~ (moved to New Business)**

**3. Schematic Design Approval for the University of Alaska Anchorage Science Building Renovation Phase 3**

**4. Formal Project Approval for the University of Alaska Fairbanks Atkinson Heat and Power Plant Renewal**

**5. Schematic Design Approval for the University of Alaska Fairbanks Critical Electrical Distribution Renewal Phase 1C**

**~~\*6. Formal Project Approval for the University of Alaska Southeast Banfield Hall Addition~~ (moved to New Business)**

**7. Formal Project Approval for the University of Alaska Fairbanks Campus-Wide Student Housing and Dining Facility Addition**

**XVIII. New Business and Committee Reports**

**A. Academic and Student Affairs Committee**

**B. Audit Committee**

**C. Facilities and Land Management Committee**

**\*1. Formal Project Approval for the Kenai Peninsula College Student Housing Complex (moved from Consent Agenda)**

**\*2. Formal Project Approval for the University of Alaska Anchorage Seawolf Sports Arena (moved from Consent Agenda)**

**\*3. Formal Project Approval for the University of Alaska Southeast Banfield Hall Addition (moved from Consent Agenda)**

**4. Committee Report**

**XIX. Presentation on Research Discoveries at the University of Alaska Fairbanks**

**XX. 2011 Commencement Reports**

XXI. Alaska Commission on Postsecondary Education Report

**XXII. UA Foundation Report**

**XXIII. UA Athletics Report**

XXIV. Future Agenda Items

**XXV. Board of Regents' Comments**

XXVI. Adjourn

 **This motion is effective June 2, 2011."**

**III. Approval of Minutes**

Regent Marrs moved, seconded by Regent Heckman, with Regents Brady, Freitag, Heckman, Hughes, Jacobson, Marrs, Martin, Powers, Wickersham, and Cowell voting in favor that:

**PASSED AS AMENDED**

**"The Board of Regents approves the minutes of its regular meeting of April 7-8, 2011 as amended. This motion is effective June 2, 2011."**

**IV. Executive Session**

*For the record: Regent Marrs and Chancellor Rogers declared a conflict of interest on the broadband issue which was upheld by Chair Cowell. They did not participate and were not present for that item.*

Regent Hughes moved, seconded by Regent Powers, and passed with Regents Brady, Freitag, Heckman, Hughes, Jacobson, Marrs, Martin, Powers, Wickersham, and Cowell voting in favor that:

## PASSED

**"The Board of Regents goes into executive session at 8:50 a.m. Alaska Time in accordance with the provisions of AS 44.62.310 to discuss matters the immediate knowledge of which would have an adverse effect on the finances of the university related to:**

*●* **Litigation**

**● Labor**

**● Broadband**

**and matters that would affect the character or reputation of a person or persons related to presidential assessment. The session will include members of the Board of Regents, President Gamble, General Counsel Brunner, and such other university staff members as the president may designate and will last approximately 45 minutes. This motion is effective June 2, 2011.”**

The Board of Regents recessed an executive session at 9:45 a.m. Alaska Time in accordance with AS 44.62.310 discussing matters the immediate knowledge of which would have an adverse effect on the finances of the university and would affect the reputation or character of a person or persons. The session included members of the Board of Regents, President Gamble, General Counsel Brunner, and other university staff members designated by the president and lasted approximately 45 minutes.

The Board of Regents resumed its executive session at 1:45 p.m. and recessed the executive session at 3:10 p.m.

The Board of Regents resumed its executive session at 9:13 a.m. on Friday, June 3, 2011 and ended the executive session at 10:00 a.m.

**V. Public Testimony**

The Board of Regents acknowledged the gift from ACS and thanked Anand Vatapalli for the generosity of ACS in assisting the University of Alaska in providing a disaster recovery facility in Hillsboro, Oregon.

Representative Stoltze spoke regarding the legislative session, his support of the UAA Sports Arena project, and disappointed with the lack of support expressed by several members of the Board of Regents.

Abel Bult-Ito expressed his concerns regarding a student issue.

Qwynten Richards spoke of her negative experience as a UAF student.

Shirley Moses advocated for Ms. Richards in her appeal against the University of Alaska Fairbanks.

Hannah Graff, 4-H member and UAF student, spoke in support of the 4-H program at the University of Alaska Fairbanks.

Michaella Rice, 4-H member and Lathrop High School student, talked about her experiences in 4-H and support of 4-H in the Cooperative Extension Service.

Kluane and Chord Tozier, 4-H members, spoke of their experiences in 4-H and support of 4-H in the Cooperative Extension Service.

Ryan Buchholdt, USUAA student body president, spoke of his experiences in student government, and thanked the board for the open dialog regarding tuition decisions.

Don Winchester, Anchorage resident, spoke in support of the Seawolf Sports Arena.

Steve Nerland, Anchorage resident, spoke in support of funding for the Great Alaska Shootout.

Carl Shepro, United Academics outgoing chair, encouraged the board to approve the new union contract for United Academics.

Derek Miller, president of the UAF Alumni Association and former student regent, reported on UAF Alumni Association activities including outgoing and incoming members, legislative advocacy trip this spring and its emphasis on deferred maintenance; upcoming events including July 23 Golden Days parade, August Tanana Valley State Fair and August 13 trip to Seattle Mariners baseball game, fall meeting in September, and legislative advocacy next spring. He also reported that the Association is currently reviewing its Strategic Plan.

**VI. Governance Report**

John Dehn introduced Dan Monteith as new Faculty Alliance Chair.

Dan Monteith, Faculty Alliance Chair, thanked the board for allowing governance to speak to the board, his honor to serve the fine faculty of the University of Alaska; and reported on Faculty Alliance issues including the Academic Master Plan, and work on the Strategic Plan.

Maria Russell, Staff Alliance Chair, reported on issues of concern for staff including employee education benefits and asked that staff alliance be involved in revisions to this plan; staff development events; health care concerns; and thanked the board for involved staff in issues of importance to the University of Alaska.

Peter Finn, Coalition of Student Leaders speaker, congratulated Mari Freitag on her appointment as student regent; reported that a new speaker will be elected this weekend and asked that regents come to the Coalition’s meeting; and thanked the board for its support of students.

**VII. President's Report**

President Gamble presented the “Make Students Count” awards and reported on items of interest including continuation of visits to each UA campus; progress on the strategic plan; work on alignment of the Alaska Performance Scholarship and the UA Scholars Program; process for evaluation of Statewide Executives; request from Carol Comeau and Anchorage School Board to meet with the Board of Regents; and his emphasis on risk management.

“Make Students Count” awardees are Maria Bonifacio from the University of Alaska Anchorage, Jerry Phillips from the University of Alaska Fairbanks, Beatrice Franklin from the University of Alaska Southeast, and Cathy Ewing from Statewide Administration.

Regent Cowell announced that he has appointed Regent Martin, Regent Hughes and himself to a Presidential Assessment sub-committee.

**VIII. Legislative Update**

President Gamble and Michelle Rizk, associate vice president for Budget, provided an update regarding the recently concluded legislative session.

**IX. Acceptance of FY12 Operating Budget Appropriation and Approval of Distribution Plan** Reference Bound Separately

Regent Jacobson moved, seconded by Regent Martin, and passed with Regents Brady, Freitag, Heckman, Hughes, Jacobson, Marrs, Martin, Powers, Wickersham, and Cowell voting in favor that:

**PASSED**

**“The Board of Regents accepts the FY12 Operating Budget Appropriation as presented. This motion is effective June 2, 2011.”**

Regent Hughes moved, seconded by Regent Powers, and passed with Regents Brady, Freitag, Heckman, Hughes, Jacobson, Marrs, Martin, Powers, Wickersham, and Cowell voting in favor that:

**PASSED**

**“The Board of Regents approves the FY12 Operating Budget Distribution Plan as presented. This motion is effective June 2, 2011.”**

POLICY CITATION

Regents' Policy 05.01.04 – Acceptance of State Appropriations states, "The board must accept state appropriations to the university before any expenditure may be made against the appropriation."

RATIONALE/RECOMMENDATION

Associate Vice President Rizk discussed the legislative appropriations and propose an operating budget distribution plan for board approval. Governor Parnell is expected to sign the state’s operating, and mental health budget bills into law without any vetoes of University of Alaska programs or projects. Below are a system budget summary and distribution plan considerations. The operating and capital distribution reference documents accompanying this agenda is a standalone publication titled “Proposed FY12 Operating and Capital Budget Distribution Plans.”

The Governor’s FY12 proposed budget supported a single appropriation for UA; however, since FY09 the legislature adopted seven separate appropriations for UA. Prior to FY09, UA had operated under a single appropriation for more than 15 years.

As with FY11, the legislature has included intent language regarding a suggested ratio that is aimed at setting next year’s general fund appropriation at 125 percent of university generated revenues (not including federal receipts). The state-funded portion of UA’s budget has increased as a percentage of the total budget from 40.5 percent in FY05 to 46.2 percent in FY10. The intent language is meant to reinforce the need for reversing this trend.

UA’s final operating budget state appropriation is expected to be increased by $10.6 million (3.1%). Approximately 79% of UA’s fixed cost increases were covered ($8.2 million of $10.3 million, excluding utilities). For FY12, the university will receive base funds of $1.5 million that replaces a portion of the one-time utility funding that UA had received in the past through the “fuel trigger.” The legislature has been gradually transferring one-time funding for utility cost increases to base funding. The University expects to continue to receive additional one-time funding to cover utility cost increases through the “fuel trigger” (a chart can be found on page 18 of the reference).

The legislature reduced the state appropriation for compensation by $1.3 million by shifting the funding request from general fund to university receipts. This 14.2 percent general fund reduction has been proportionally distributed to the campuses.

From the $10.6 million increase, $1.6 million is directed to the Board’s priority program requests for: student success initiatives ($392.4); high demand jobs in health ($511.1); enhancing competitive research ($250.0); and continued funding for UAA’s Integrated Science building positions, and UAF’s summer bridge programs ($464.2 funded one-time in FY11). Below are the highlights of the program investments. A complete listing of programs receiving state funds and program narratives begins on page 9 of the reference.

Student Success Initiatives: Programs will offer students support to increase student enrollment and completion in the Teacher Education Program at UAS and expand essential online programs and courses for students. UAS has a strong Information Technology Department whose experts assist in the use of instructional technology in both local and distance classes across the University of Alaska. One-time funding was received to support honors programs at UAA and UAF, which will enable them to recruit and support these exceptional students.

High Demand Jobs in Health: Funding investments in Health/Bio-Medical continues to be a priority for UA. Continued investment in this area will keep up with the State’s need for trained professional providers.

Enhancing Competitive Research: The Alaska Center for Energy and Power (ACEP) is seeking grants and gifts to hire additional faculty research leaders to accelerate development of new research programs that could lead to affordable energy solutions for Alaskan communities and businesses.

UA’s state appropriations, including general funds, workforce development funds, and mental health trust general funds, total $351.7 million, up from $341.1 million in FY11. This amount includes an additional $168.7 thousand in TVEP funding. UA’s total budget for FY12 is $889.1 million compared to $850.4 million in FY11, an increase of 4.6%.

The full operating distribution plan reference document contains the following sections:

Section 1: The FY12 Proposed Distribution Plan including the impact on priority programs, MAU, and campus budgets.

Section 2: UA’s budget trend, funding sources, and significant budget changes.

**X. Acceptance of FY12 Capital Budget Appropriation and Approval of Distribution Plan** Reference Bound Separately

Regent Marrs moved, seconded by Regent Heckman, and passed with Regents Brady, Freitag, Heckman, Hughes, Jacobson, Marrs, Martin, Powers, Wickersham, and Cowell voting in favor that:

**PASSED**

**“The Board of Regents accepts the FY12 Capital Budget Appropriation as presented. This motion is effective June 2, 2011.”**

Regent Powers moved, seconded by Regent Marrs, and passed with Regents Brady, Freitag, Heckman, Hughes, Jacobson, Marrs, Martin, Powers, Wickersham, and Cowell voting in favor that:

**PASSED**

**“The Board of Regents approves the FY12 Capital Budget Distribution Plan as presented. This motion is effective June 2, 2011.”**

POLICY CITATION

Regents' Policy 05.01.04 – Acceptance of State Appropriations states, "The board must accept state appropriations to the university before any expenditure may be made against the appropriation."

RATIONAL/RECOMMENDATION

Associate Vice President Rizk and Chief Facilities Officer Duke presented a summary of the FY12 capital budget appropriation and discuss capital funding distribution implications.

The university’s capital budget request totaled $212.5 million with $82.5 million requested from state funding and $130 million in receipt authority. UA received state funding of $82.2 million and $130 million in receipt authority. A comparison of the UA Capital Budget Request and the Final Legislation can be found on page 21 of the reference.

The amount of $37.5 million in state funds fully supports the request by the Board of Regents’ for the number one priority of maintaining existing facilities. The priority order of projects was included in the FY12 request (Redbook), and the projects or portions of projects receiving funding will address the current critical needs.

The FY12 capital budget includes authority for a $100 million UA bond issuance to fast-track a portion of the most urgent deferred maintenance projects. The MAUs are updating a prioritized list of deferred maintenance projects and a timeline for when they expect the projects to begin. The list of actual projects will be presented to the board in the fall. There will likely be a number of debt issuances, and the timing of each debt issue will depend on the cash outflow needs of the projects considered.

The $2 million in state funds for annual renewal and repurposing (R&R) will be distributed based on MAU scheduled facility maintenance plans.

New Construction (New Starts) and New Construction Planning funding requests were not included in the FY12 budget request. However, two facilities projects that were previously started with GO Bond funds are in the FY12 appropriation: the UAA Community Sports Arena for $34 million and the Kenai Peninsula College Student Housing for $1.8 million. One new facilities project, the UAS Banfield Hall Dormitory Addition for $4 million, received state appropriations as well.

Other projects also funded with state funds include: the Juneau Campus Mining Workforce for $204 thousand, the University Honors College Student Support (UAA) for $200 thousand, and the UAA Shootout Partnership for $2.5 million. This last item is the only item not found on any UA planning or budget document.

The board is asked to accept the capital appropriation and approve the distribution as presented. The Board of Regents’ number one priority, “Deferred Maintenance and Renewal and Repurposing” distribution amounts are based on a formulaic approach using the adjusted value of the facility multiplied by the weighted average age of the facility. The distribution follows the project descriptions in the capital section. The project budget is derived from the MAU’s estimated funding distribution to address the most critical portions of the priority DM and R&R projects. The priority DM and R&R project descriptions begin on page 25 of the capital section. As the exact project scope and costs are known, project approval will be obtained from the appropriate authority in accordance with the Board of Regents’ Policy. If a subsequent transfer of funding between projects or to a new project is requested, the Chief Finance Officer shall determine the level of approval required, based on the size and nature of the transfer.

**XI. Approval of FY12 Natural Resources Fund Spending Plan**

Regent Marrs moved, seconded by Regent Heckman, and passed with Regents Brady, Freitag, Heckman, Hughes, Jacobson, Marrs, Martin, Powers, Wickersham, and Cowell voting in favor that:

**PASSED**

**“The Board of Regents approves the proposed FY12 Natural Resources Fund Budget as presented. This motion is effective June 2, 2011.”**

POLICY CITATION

Regents’ Policy 05.07.010 – Land-Grant Endowment, provides that the university president will present an annual budget to the board for approval.

RECOMMENDATION



The proposed FY12 budget or expenditure plan for the Land-Grant Endowment spending allowance distribution provides for the funding of ongoing commitments to the UA Press of $80,000 and System-based Scholarships of $220,000. In addition, the expenditure plan includes a continued commitment to fund $400,000 of incremental support for the Cooperative Extension Program. The remainder of the distributions will be used to fund the Land Management Office costs of $1,050,000 and the UA Scholars Program at $3,920,700.

RATIONALE

The Natural Resources Fund was established to facilitate the distribution of the annual spending allowance from the university’s Land-Grant Endowment Funds. In addition to a few ongoing commitments and special projects, in recent years the fund has been nearly fully dedicated to funding the UA Scholars Program, which is the university’s single largest enrollment management effort. The spending allowance is based on 4.5 percent of a 5-year moving average of the December 31 fund values.

**XII. Approval of FY12 Student Government Budgets** Reference 5

Regent Marrs moved, seconded by Regent Martin, and passed with Regents Brady, Freitag, Heckman, Hughes, Jacobson, Marrs, Martin, Powers, Wickersham, and Cowell voting in favor that:

**PASSED**

**"The Board of Regents approves the student government fees and budgets as presented, and authorizes the vice president for finance and administration to review, modify, and approve fees and budgets and approve requests for increased expenditure authority for all student government organizations as deliberated by student governance and determined by the vice president for finance and administration to be appropriate. This motion is effective June 2, 2011."**

POLICY CITATION

Regents’ Policy 09.07.050 requires student government organizations to submit annual budgets, including the amount of any mandatory student government fees, to the Board of Regents for approval.

RATIONALE/RECOMMENDATION

All student government activity fees are the same as last year.

**XIII. Electronic Board Meeting Proposal Presentation**

 Karl Kowalski, chief information technology officer, and Jeannie Phillips, executive officer of Board of Regents, demonstrated technology that may be used by board members in lieu of hard-copy agenda notebooks.

CITO Kowalski also demonstrated an Alertus system suggested for use at University of Alaska campuses to alert campus faculty, staff and students regarding emergencies.

**XIV. Human Resources Items**

A. Acceptance of Bargaining Unit Agreement between the University of Alaska and the University of Alaska Federation of Teachers Reference 6

Regent Hughes moved, seconded by Regent Marrs, and passed with Regents Brady, Freitag, Heckman, Hughes, Jacobson, Marrs, Martin, Powers, Wickersham, and Cowell voting in favor that:

**PASSED**

**"The Board of Regents accepts the collective bargaining agreement (CBA) between the University of Alaska and the University of Alaska Federation of Teachers for the term of January 1, 2011 through December 31, 2013. This motion is effective June 3, 2011."**

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(a)(2) provides:

The Board of Regents shall . . . fix the compensation of the president of the university, all heads of departments, professors, teachers, instructors, and other officers; . . .

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 University of Alaska Federation of Teachers. The members of the union ratified the contract on May 2, 2011. Chief Human Resources Officer Beth E. Behner will summarize the 3-year agreement. An executive summary of the contract is included.

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.

B. Acceptance of Bargaining Unit Agreement between the University of Alaska and United Academics Reference 7

Regent Martin moved, seconded by Regent Powers, and passed with Regents Brady, Freitag, Heckman, Hughes, Jacobson, Marrs, Martin, Powers, Wickersham, and Cowell voting in favor that:

**PASSED**

**"The Board of Regents accepts the collective bargaining agreement (CBA) between the University of Alaska and United Academics for the term of January 1, 2011 through December 31, 2013. This motion is effective June 3, 2011."**

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(a)(2) provides:

The Board of Regents shall . . . fix the compensation of the president of the university, all heads of departments, professors, teachers, instructors, and other officers; . . .

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 United Academics. The members ratified this contract on April 16, 2011. Chief Human Resources Officer Beth E. Behner will summarize the 3-year agreement. An executive summary of the contract is included.

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.

**XV. Approval of Revision to Industrial Security Resolution**

Regent Marrs moved, seconded by Regent Brady and passed with Regents Brady, Freitag, Heckman, Hughes, Jacobson, Marrs, Martin, Powers, Wickersham, and Cowell voting in favor that:

PASSED AS AMENDED

"The Board of Regents approves the Industrial Security Resolution as revised to reflect changes in members of the Board of Regents and to add Chancellor Case as a member of the Managerial Group, and authorizes the Chair and Secretary of the Board of Regents to sign the resolution. This motion is effective June 3, 2011."

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 administration, including the Board of Regents, to have access to classified information.

The university has received similar security clearances since the mid-1950s. Execution of the resolution allows regents and other members of the administration to be exempted from security clearance procedures.

XVI. Approval of Revision to University of Alaska Southeast Mission Statement

 Reference 8

Regent Martin moved, seconded by Regent Jacobson, and passed with Regents Brady, Freitag, Heckman, Hughes, Jacobson, Marrs, Martin, Powers, Wickersham, and Cowell voting in favor that:

 PASSED

 “The Board of Regents approves revisions to Regents’ Policy 01.01.040 – University of Alaska Southeast Mission Statement. This motion is effective June 3, 2011.”

President Gamble supports the proposed revision to the University of Alaska Southeast mission statement:

“The mission of the University of Alaska Southeast is student learning enhanced by faculty scholarship, undergraduate research and creative activities, community engagement, and the cultures and environment of Southeast Alaska.”

The rationale and recommendation for this revision were included in Reference 8.

**XVII. Consent Agenda**

Regent Marrs moved, seconded by Regent Martin, and passed with Regents Brady, Freitag, Heckman, Hughes, Jacobson, Marrs, Martin, Powers, Wickersham, and Cowell voting in favor that:

**PASSED AS AMENDED**

**“The Board of Regents approves the consent agenda as amended. This motion is effective June 3, 2011.”**

A. Academic and Student Affairs Committee

1. Approval of Graduate Certificate in Children’s Mental Health at the University of Alaska Anchorage Reference 9

 PASSED

 "The Board of Regents approves the Graduate Certificate in Children’s Mental Health at the University of Alaska Anchorage. This motion is effective June 3, 2011."

2. Approval of Graduate Certificate in Career and Technical Education at the University of Alaska Anchorage Reference 10

 PASSED

 "The Board of Regents approves the Graduate Certificate in Career and Technical Education at the University of Alaska Anchorage. This motion is effective June 3, 2011."

3. Approval of Revision of Associate of Applied Science in Telecommunications, Electronics, and Computer Technology at the University of Alaska Anchorage to an Associate of Applied Science in Computer and Networking Technology and Deletion of the Certificate in Telecommunications and Electronics System Reference 11

 PASSED

 "The Board of Regents approves the revision of the Associate of Applied Science in Telecommunication, Electronics, and Computer Technology to an Associate of Applied Science in Computer and Networking Technology and the deletion of the Certificate in Telecommunications and Electronics Systems at the University of Alaska Anchorage. This motion is effective June 3, 2011."

4. Approval of Reorganization of the Health Programs at the University of Alaska Anchorage Reference 12

 PASSED

 “The Board of Regents approves the reorganization of Health Programs at the University of Alaska Anchorage as follows:

1. College of Health and Social Welfare will be renamed College of Health

2. WWAMI will move from College of Arts and Sciences to College of Health and be renamed WWAMI School of Medical Education.

3. Division of Allied Health will be moved from the College of Career and Technical Education to the College of Health and will be renamed the School of Allied Health.

 The Board of Regents revises Regents’ Policy 10.02.040.D and directs President Gamble to revise University Regulation 10.20.040 to reflect the revisions stated above. This motion is effective June 3, 2011.”

B. Facilities and Land Management Committee

~~1. Formal Project Approval for the Kenai Peninsula College Student Housing Complex~~ Reference 3

*Moved to New Business Item XVIII.C.1.*

~~2. Formal Project Approval for the University of Alaska Anchorage Seawolf Sports Arena~~ Reference 4

*Moved to New Business Item XVIII.C.2.*

3. Schematic Design Approval for the University of Alaska Anchorage Science Building Renovation Phase 3 Reference 13

PASSED

“The Board of Regents approves the Schematic Design Approval and Total Project Cost increase from $11,400,000 to $13,045,600 for the University of Alaska Anchorage Science Building Renovation, Phase 3.  This project as presented is in compliance with the campus master plan, and authorizes the university administration to complete construction bid documents to bid and award a contract within the approved budget, and to proceed to completion of project construction not to exceed a phase cost of $5,300,000 for Phase 3, and a revised cumulative Total Project Cost of $13,045,600 for all three phases.  This motion is effective June 3, 2011.”

4. Formal Project Approval for the University of Alaska Fairbanks Atkinson Heat and Power Plant Renewal Reference 14

PASSED

“The Board of Regents approves the Formal Project Approval request for the University of Alaska Fairbanks Atkinson Heat and Power Plant Renewal project as presented in compliance with the campus master plan, and authorizes the university administration to proceed through Schematic Design not to exceed a total project cost of $40,400,000. This motion is effective June 3, 2011.”

5. Schematic Design Approval for the University of Alaska Fairbanks Critical Electrical Distribution Renewal Phase 1C Reference 15

PASSED

“The Board of Regents approves the Schematic Design Approval request for the University of Alaska Fairbanks Critical Electrical Distribution Renewal Phase 1C as presented in compliance with the campus master plan, and authorizes the university administration to complete construction bid documents to bid and award a contract within the approved budget, and to proceed to completion of project construction not to exceed a Total Project Cost of $13,500,000. This motion is effective June 3, 2011.”

~~6. Formal Project Approval for the University of Alaska Southeast Banfield Hall Addition~~ Reference 16

*Moved to New Business Item XVIII.C.3.*

7. Formal Project Approval for the University of Alaska Fairbanks Campus-Wide Student Housing and Dining Facility Addition Reference 17

PASSED

“The Board of Regents approves the Formal Project Approval request for the University of Alaska Fairbanks Campus-Wide Student Housing and Dining Facility Addition as presented in compliance with the campus master plan, and authorizes the university administration to advertise a public private partnership request for proposals and proceed through the pre-development stage at a cost not to exceed $850,000. This motion is effective June 3, 2011.”

**XVIII. New Business and Committee Reports**

A. Academic and Student Affairs Committee

In addition to action items, the committee heard reports on outstanding initiatives, on MAU program review procedures, on the joint clinical community Ph.D. in Psychology, on Alaska Performance Scholarship, and on academic affairs issues including working relationships with governance.

Future agenda items included an update on the teacher preparation plan for September, a report on health programs, a priority list of projects to formalize a process for review, and a report on how often programs are advanced and proposed compared to peer institutions.

B. Audit Committee

1. Approval of the FY2012 Annual Audit Plan Reference 19

The Audit Committee approved the following motion:

**PASSED**

**“The Board of Regents’ Audit Committee approves the annual audit plan for fiscal year 2012 as presented. This motion is effective June 3, 2011.”**

2. Committee Report

 In addition to the action item, External Auditor Daniel Rozema reported on the upcoming audit and Director Pittman reviewed the internal audit status report.

C. Facilities and Land Management Committee

1. Formal Project Approval for the Kenai Peninsula College Student Housing Complex Reference 3

Regent Marrs moved, seconded by Regent Martin, and passed as amended with Regents Brady, Freitag, Heckman, Hughes, Jacobson, Marrs, Martin, Powers, Wickersham, and Cowell voting in favor that:

**PASSED AS AMENDED**

**“The Board of Regents approves the Formal Project Approval request for the University of Alaska Kenai Peninsula College Student Housing Complex as presented in compliance with the approved campus master plan, and authorizes the university administration to proceed through Schematic Design not to exceed a total project cost of $17,800,000. This motion is effective June 3, 2011.”**

2. Formal Project Approval for the University of Alaska Anchorage Seawolf Sports Arena Reference 4

Regent Wickersham moved to amend the motion. The amendment failed due to lack of a second.

Regent Marrs moved, seconded by Regent Hughes, and passed with Regents Brady, Freitag, Heckman, Hughes, Jacobson, Marrs, Martin, Powers, and Cowell voting in favor and Regent Wickersham voting in opposition that:

**PASSED AS AMENDED**

**“The Board of Regents approves the amendment to the Formal Project Approval request for the University of Alaska Anchorage Seawolf Sports Arena as presented in compliance with the approved campus master plan, and authorizes the university administration to proceed with development of the arena project through Schematic Design not to exceed a total project cost up to $109,000,000. This motion is effective June 3, 2011.”**

3. Formal Project Approval for the University of Alaska Southeast Banfield Hall Addition Reference 16

Regent Marrs moved, seconded by Regent Brady, and passed as amended with Regents Brady, Freitag, Heckman, Hughes, Jacobson, Marrs, Martin, Powers, Wickersham, and Cowell voting in favor that:

**PASSED AS AMENDED**

**“The Board of Regents approves the Formal Project Approval request for the University of Alaska Southeast Banfield Hall Addition as presented in compliance with the campus master plan, and authorizes the university administration to proceed through Schematic Design not to exceed a total project cost of $8,750,000. This motion is effective June 3, 2011.”**

4. Committee Report

In addition to action items, the Facilities and Land Management Committee heard reports on the R/V Sikuliaq, UAA/UAF Engineering facilities, UAF utility systems and construction in progress.

Regent Marrs asked board members their opinion of President Gamble’s proposed Academic, Budget and Project Planning Process. There was consensus that this process should go forward.

Regent Marrs asked that Chancellor Rogers talk about the Atkinson Power Plant’s future. Chancellor Rogers reported on the need to upgrade/replace the power plant in the near future.

IT security issues were discussed and the board affirmed its belief that the right things are being done to correct deficiencies given the available resources and complexities involved, its support of the CITO in this effort; and offered support and assistance to complete this effort.

**XIX. Presentation on Research Discoveries at the University of Alaska Fairbanks**

 Representatives from the University of Alaska Fairbanks presented information regarding research discoveries made by University of Alaska Fairbanks faculty and staff.

Presenters included Larry Hinzman, executive director of the International Arctic Research Center; Ben Potter, associate professor of Anthropology; and Cathy Cahill, professor of Chemistry.

**XX. 2011 Commencement Reports**

Regents reported on the commencement exercises they attended in Spring 2011.

**XXI. Alaska Commission on Postsecondary Education Report**

 No report.

**XXII. UA Foundation Report**

 Carla Beam, President, UA Foundation Board of Trustees, gave the following report:

I will start by sharing news some or all of you may have heard.

Our Foundation president Mary Rutherford will be leaving us for an executive level development position at Boise State University. My first reaction to the news was not something I’ll repeat at a public meeting that is being recorded. Seriously, it’s an incredible tribute to the caliber of Mary’s work that she has been tapped for such an opportunity elsewhere.

I start with this news because I believe it is relevant to what else I’d like to share in terms of Foundation Board activities. Mary is leaving us at the end of July. While we hate to see her go, she is leaving us in a very strong position and a forward moving direction.

At the end of March, the University Foundation board held a full-day retreat, facilitated by Curt Simic, president emeritus of the Indiana University Foundation and a recognized national leader in fundraising for higher education, foundation management, and foundation/institution relations. In addition to his work in Indiana, he has worked with Yale, UC Berkeley, and the Universities of Tennessee, Alabama and Oregon.

As you might imagine, it’s not easy to get on the calendar of someone with Mr. Simic’s credentials. But Mary Rutherford had been a graduate student of his and it was his respect for her and the ongoing relationship she built with him after graduating that helped us land him.

Mr. Simic helped to guide our board, representatives of the system, and campus leadership and advancement staff through a fruitful conversation, during which we were able to clarify next steps to move the Foundation forward in its strategic planning so that we will be well-positioned to assist the University with the goals it establishes now and in the future.

During the course of the day, we learned about the 6,000 prospects in our data base who have the capacity to give at the $50,000 level or above. Recognizing this huge untapped potential and the need to proceed in a thoughtful, informed and coordinated manner, we ended the day agreeing that our starting point is to have the foundation and campus staff develop an integrated advancement plan. They are working on that now.

We know that this plan will give us the information we need to clarify roles and responsibilities between campuses and the foundation and to identify gaps in resources. This will enable good decision-making on how best to use the resources we have and to identify and initiate efforts to fill major gaps so we can tap the potential that exists.

I believe our Foundation board left this retreat with a considerable enthusiasm and a renewed commitment to taking a major step forward in supporting the important work of the University.

**XXIII. UA Athletics Report**

 No report.

**XXIV. Future Agenda Items**

Regent Heckman asked for a grievance report.

Regent Martin requested that regular reports be given regarding the status of the UAF Power Plant.

**XXV. Board of Regents' Comments**

Regent Heckman spoke of her enjoyment of the Poker Flat tour and her hope that the wonderful stories of UA are told to Alaska citizens; and thanked the researchers for the wonderful presentations on research discoveries.

Regent Martin welcomed Regent Freitag to the Board of Regents; gave his best wishes to Mary Rutherford and Wendy Redman as they leave the university; thanked Chancellor Rogers for the hospitality, the weather, and the wood smoke; and thanked Regent Wickersham for his efforts to make the UAA Sports Arena a better project.

Regent Jacobson welcomed Regent Freitag; thanked UAF for the tour of Poker Flat; thanked UAF campus and the wonderful presenters and for the reception; and thanked the staff for putting the meeting together; and gave her best wishes to those leaving the university.

Regent Powers spoke of his appreciation for the great presentations given during the meeting; and thanked Wendy Redman and Mary Rutherford for their service.

Regent Freitag expressed her enjoyment in joining the Board of Regents and spoke of her appreciation for the support given her by board members and staff.

Regent Hughes welcomed Regent Freitag to the Board of Regents and complimented Chair Cowell and President Gamble for the agenda preparation and timing of the meeting.

Regent Wickersham expressed his appreciation for the great service of Wendy Redman and Mary Rutherford; and his dismay over the UAA Sports Arena decision along with his appreciation for being part of the process.

Chancellor Rogers complimented the UAF staff for the excellent presentations; and stated that he will deeply miss Wendy Redman.

Chancellor Case felt this was a very valuable three days; reported that UAA will be introducing a naming plan for buildings on the UAA campus; and expressed his deep appreciation for what UA does for its students.

Chancellor Pugh thanked Chancellor Rogers for the wonderful hospitality of UAF; spoke of his wonder in the diversity and depth of university activities all over the state; and thanked Wendy Redman and Mary Rutherford for their service to the University of Alaska.

Vice President Redman commented on her 41 years at the University of Alaska and the worthwhile work done at this institution.

President Gamble thanked Wendy Redman for her service to the University of Alaska and assistance to him during his first year of president; and thanked the board for their good debate on the hard decisions made during the meeting.

Regent Cowell thanked Wendy Redman for her amazing service; thanked UAF for the great tour of Poker Flat and for their hospitality and the reception; thanked Regent Jacobson for chairing the meeting during his illness; and thanked the board for their attention during this meeting.

**XXVI. Adjourn**

Chair Cowell adjourned the meeting at 2:15 p.m. on Friday, June 3, 2011.