

Official Minutes
Board of Regents
Meeting of the Full Board
November 5, 2014
Fairbanks, Alaska

Regents Present:

Patricia Jacobson, Chair
Kenneth Fisher, Secretary
Michael Powers, Treasurer
Dale Anderson
Timothy Brady
Fuller A. Cowell, attended via audio
Courtney Enright
Mary K. Hughes, attended via audio
Gloria O'Neill
Kirk Wickersham

Regents Absent

Jyotsna Heckman, Vice Chair

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

Others Present:

Tom Case, Chancellor, University of Alaska Anchorage
John Pugh, Chancellor, University of Alaska Southeast
Brian Rogers, Chancellor, University of Alaska Fairbanks
Michael Hostina, General Counsel
Carla Beam, Vice President for University Relations
Ashok Roy, Vice President of Finance & Administration and Chief Financial Officer
Dana L. Thomas, Vice President for Academic Affairs
Kit Duke, Chief Facilities Officer & AVP for Facilities and Land Management
Karl Kowalski, Chief Information Technology Officer
Erik Seastedt, Chief Human Resources Officer
Michelle Rizk, Associate Vice President, Budget
Kate Ripley, Director, Public Affairs
Brandi Berg, Executive Officer, Board of Regents
Barbara Nilsen, Assistant, Board of Regents

I. Call to Order

Chair Jacobson called the meeting to order at 9:01 a.m. on Wednesday, November 5, 2014.

II. Adoption of Agenda

Regent O'Neill moved, seconded by Regent Fisher and passed with Regents Anderson, Brady, Cowell, Enright, Fisher, Hughes, O'Neill, Powers, Wickersham and Jacobson voting in favor that:

PASSED AS AMENDED (amendment noted by *)
“The Board of Regents adopts the agenda as presented.

- I. Call to Order**
- II. Adoption of Agenda**
- III. Governance Report**
- IV. Public Testimony**
- *IV.A. Executive Session (added)**
- V. Budget Presentation**
- VI. Executive Session**
- VII. Approval of the University of Alaska FY16 Operating Budget Request**
- VIII. Approval of the University of Alaska FY16 Capital Budget Request**
- IX. Approval of the University of Alaska 10-Year Capital Improvement Plan FY16-FY25**
- X. First Reading of Regents' Policy 04.07.115 – Employee Furlough**
- XI. Approval of Revision to the January 2015 Meeting Dates**
- XII. Approval of Revision to the June 2015 Meeting Dates**
- XIII. Board of Regents' Comments**
- XIV. Adjourn**

This motion is effective November 5, 2014.”

III. Governance Report

David Valentine, Faculty Alliance chair, provided an update regarding the progress of the general education working groups; noted a working group to examine the common calendar has been created, is meeting and has a timeline in place; said the English work group is in need of a leader and said issues being addressed by the alliance include proposed revisions to the student code of conduct, adoption of a common set of minimum baccalaureate admission standards, a broader alignment of general education requirements, providing feedback to Regents' Policy and University Regulation proposals and engaging faculty support for the tobacco-free, smoke-free policy.

Monique Musick, Staff Alliance chair, stated she meets regularly with the president to discuss staff concerns and appreciates the openness of those meetings; noted items the alliance is working on include assisting with the draft language for the proposed furlough regulations, providing technical advice for the creation of the common calendar and developing a statement of UA core values; said a new feedback form has been created for

staff to provide suggestions, successes, complaints and concerns noting comments will be evaluated and directed to the appropriate department for response and shared a recent success by the UA College Savings department for partnering with Design Alaska to offer their staff a pre-tax payroll contribution to UA's 529 Plan.

Chris Terry, Coalition of Student Leaders chair, noted the coalition is working on resolutions to address the tobacco-free policy regarding providing designated smoking areas on campuses, the alignment of the common calendar amongst the campuses, requesting Title IX training for students and the concerns of mandatory Title IX reporting and noted a poll is being prepared to gather feedback regarding the need for gender neutral restrooms and an appropriate title for the restrooms.

IV. Public Testimony

Mindona Grunin, UAF student, spoke in support of the philosophy program at UAF and noted her personal experience with the program.

Ryan Pullias, UAF student, spoke in support of the philosophy program at UAF; stated the importance the program has on building communication skills and noted his personal experience with the program.

Ted Roach, UAF student, spoke in support of the philosophy program at UAF; stated the program provides an opportunity for individuals to learn critical thinking skills and noted his personal experience with the program.

Jon Quinones, UAF student, spoke in support of the philosophy program at UAF; stated the program is the keeper of critical thinker and noted his personal experience with the program.

Abel Bult-Ito, Alaska Statewide High School Science Symposium (ASHSSS) director, stated the ASHSSS program is part of the UAF School of Natural Sciences and Mathematic; noted a recent grant for \$11,000 was received to benefit the symposium and said approximately 1500 students have participated in the science symposium during the past 30 years.

Jarred MacArthur, alumni, spoke about the homeland security and emergency management program; noted he received his bachelor's degree in emergency management during spring 2014 commencement and spoke in support of the emergency management program at UAF.

Chris Morack, alumni, spoke in support of the UAF School of Management and the business programs offered at UAF.

Valerie Gifford, UAF School of Education assistant professor, spoke in support of the clinical and community psychology Ph.D. program at UAF.

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Jon Dehn, Volcanic Ash Detection, Avoidance and Preparedness for Transportation (V-ADAPT) president and UAF Geophysical Institute research associate professor, shared information about V-ADAPT which includes online services geared toward the airline industry and others who need to detect and track volcanic activity; presented a handheld infrared camera that is used to monitor emissions; noted research efforts can bring income to the university and encouraged the board to continue to support research at UAF.

Ernie Misewicz, Fairbanks Fire Department assistant fire chief and UAF Fire Science graduate, spoke in support of the fire science program; stated a need for an indoor training facility and requested continued funding from the board for the emergency management programs at UA.

Jarrold Decker, Watershed Charter School head teacher, spoke in support of the UAF School of Education; mentioned the important role interns provide to the charter school and requested the board continue to support UAF's School of Education.

Dean Gustafson, alumni, spoke in support of a smoke-free campus environment and the need for a smoke-free policy at UA.

Shalonda Riley, student, spoke in support of a smoke-free campus environment, said there is a need for students to have a healthy environment in which to learn and noted research indicates having a policy against smoking does prevent youth from using tobacco.

Inna Rivkin, UAF Psychology associate professor, spoke in support of a smoke-free policy at UA and the need for a healthy work environment.

Luke Hopkins, Fairbanks North Star Borough mayor, spoke about partnerships the Fairbanks community has with UA noting the fire training center; said the Alaska Center for Energy and Power is partnering with the borough, the school district and local utility companies regarding a \$5M energy proposal; spoke in support of creating an unmanned aerial systems center of excellence to promote business and economic development opportunities and asked the board to consider continued funding to promote such business opportunities and partnerships.

Octavia Harris, American Lung Association health education manager, spoke in support of a smoke-free campus; noted effects secondhand smoke has on individuals and shared statistics associated with smoking.

Colynn Isaacson, graduate student, spoke in support of the UAF School of Education and her experience with the program.

Ben LaRue, Siemens manager and UAF College of Engineering and Mines (CEM) Advisory Council member, noted the importance of maintaining a strong engineering program at UAF; thanked the board for their support of the engineering programs across UA; said there is a continued demand by industry for engineers throughout the state and spoke in support of the Alaska Center for Energy and Power.

MacKenzie Demmert, student, spoke in support of the film program at UAF and her experience with the program.

Eric Hill, Kinross Fort Knox vice president and general manager, spoke in support of UAF's budget request for research to open up Alaska's rare earth element development and noted Fort Knox seeks to hire the qualified students that graduate from UAF's CEM programs.

Mathew Carrick, Associated Students of the University of Alaska Fairbanks member, read and presented a resolution of appreciation to Vice President Thomas and thanked him for his service to UAF.

Nancy E. Winford, alumni, spoke in support of the UAF School of Education and shared her experience with the programs as a student and a professional educator in Fairbanks.

Bob Hadaway, Fairbanks North Star Borough School District special education director, spoke in support of the UAF School of Education and noted his concern regarding the shortage of special education teachers in the state.

Morgan Simpson, Sindy Mendez, Kaz Alvarex and Dawn Cogan, UAF School of Education elementary education interns, spoke in support of the education programs at UAF; shared their experiences with the education program and noted the importance of their roles as interns in local public schools.

Laurie Leonard, Fairbanks North Star Borough School District retired teacher, spoke in support of the UAF School of Education and her experience with interns from the education program.

Ryan Tilbury and Gina Hrinko, Yukon Koyukuk School District (YKSD) employees, spoke in support of the UAF School of Education; shared that 26 percent of teachers with the YKSD in remote villages are from UAF's program and asked the board to continue to support the education program at UAF.

Amanda Grimes, Pre-veterinary Medicine Club president, spoke in support of the veterinary medicine program at UAF; shared her experience with the program; noted appreciation for being able to stay in Alaska to study veterinary medicine and earn her degree from UAF.

Brian Clemenz, UAF College of Engineering and Mines Advisory Board chair and CH2MHill vice president, spoke in support of completing the new engineering building on the UAF campus, noted support for the Alaska Center for Energy and Power; stated support for UAF's budget request for research to open up Alaska's rare earth element development and said more engineers are needed by industry within the state.

Kavelina Torres, UAF student, spoke in support of the UAF Film Studies program and shared her experience with the program.

Doug Johnson, Ocean Renewable Power Company (ORPC) development director and UAF alumni, spoke in support of the Alaska Center for Energy and Powers and ORPC's partnership with the center.

Michael Angaiak, UAF alumni and Fairbanks North Star Borough School District principal, spoke in support of the UAF School of Education and his experience with the program.

***IV.A. Executive Session**

Regent Enright moved, seconded by Regent Fisher and passed with Regents Anderson, Brady, Cowell, Enright, Fisher, Hughes, O'Neill, Powers, Wickersham and Jacobson voting in favor that:

PASSED

"The Board of Regents goes into executive session to discuss matters that by law are required to be confidential related to legal advice regarding NCAA Athletics. This motion is effective November 5, 2014."

The Board of Regents went into executive session at 10:16 a.m. and concluded an executive session at 10:38 a.m. Alaska Time in accordance with AS 44.62.310 to discuss matters that by law are required to be confidential related to legal advice regarding NCAA Athletics. The session included members of the Board of Regents, President Gamble, General Counsel Hostina, and such other university staff members as the president may designate and lasted approximately 20 minutes.

V. Budget Presentation

Addendums 1, 2, 3

University administration presented an overview of the budget planning efforts for the FY16 operating and capital budgets, which included a systemwide summary and Summit Team collaborative actions.

VI. Executive Session

Regent Cowell moved, seconded by Regent Fisher and passed with Regents Anderson, Brady, Cowell, Enright, Fisher, Hughes, O'Neill, Powers, Wickersham and Jacobson voting in favor that:

PASSED

"The Board of Regents goes into executive session to discuss matters the immediate knowledge of which could have an adverse effect on the finances of the university related to budgetary issues. This motion is effective November 5, 2014."

The Board of Regents went into an executive session at 2:20 p.m. and concluded an executive session at 3:18 p.m. Alaska Time in accordance with AS 44.62.310 to discuss matters the immediate knowledge of which could have an adverse effect on the finances of the university related to budgetary issues. The session included members of the Board of Regents, President Gamble, General Counsel Hostina, and such other university staff members as the president may designate and lasted approximately 1 hour.

VII. Approval of the University of Alaska FY16 Operating Budget Request Reference 1

Regent O'Neill moved, seconded by Regent Enright and passed with Regents Brady, Cowell, Enright, Hughes, O'Neill, Powers and Jacobson voting in favor and Regents Anderson, Fisher and Wickersham voting in opposition that:

PASSED

"The Board of Regents approves the FY16 operating budget request in accordance with the plan as presented. This motion is effective November 5, 2014."

POLICY CITATION

Regents' Policy 05.01.01.A. – Budget Policy, states: "The budget of the university represents an annual operating plan stated in fiscal terms. All budgetary requests shall be adopted by the board prior to submittal to the Office of the Governor or the legislature."

RATIONALE/RECOMMENDATION

Associate Vice President Rizk provided an in-depth review of UA's FY16 Operating Budget Request. Reference 1 provides details for the proposed FY16 Operating Budget Request.

VIII. Approval of the University of Alaska FY16 Capital Budget Request Reference 2

Regent Enright moved, seconded by Regent Powers to approve the main motion as stated.

Regent Fisher moved to amend, seconded by Regent Anderson to "include \$1.25M for the planning phase of UAF CTC Fire and Emergency Services Training and Education Facility" the amendment was approved with Regents Anderson, Cowell, Enright, Fisher, O'Neill, Powers and Wickersham voting in favor and Regents Brady and Jacobson voting in opposition.

The motion as amended was approved with Regents Anderson, Brady, Cowell, Enright, Fisher, O'Neill, Powers, Wickersham and Jacobson voting in favor that:

PASSED AS AMENDED

“The Board of Regents approves the FY16 capital budget request in accordance with the plan as amended to include \$1.25M for the planning phase of UAF CTC Fire and Emergency Services Training and Education Facility. This motion is effective November 5, 2014.”

POLICY CITATION

Regents' Policy 05.01.010.A. – Budget Policy, states: "The budget of the university represents an annual operating plan stated in fiscal terms. All budgetary requests shall be adopted by the board prior to submittal to the Office of the Governor or the legislature."

RATIONALE/RECOMMENDATION

Associate Vice Presidents Rizk and Duke provided an in-depth review of UA's FY16 Capital Budget Request. Reference 2 provides details of the proposed FY16 capital budget request.

IX. Approval of the University of Alaska 10-Year Capital Improvement Plan FY16-FY25 Reference 2

Regent Fisher moved, seconded by Regent Brady and passed with Regents Anderson, Brady, Cowell, Enright, Fisher, O'Neill, Powers, Wickersham and Jacobson voting in favor:

PASSED AS AMENDED

“The Board of Regents approves the 10-Year Capital Improvement Plan for FY16-FY25 as amended to include \$1.25M for the planning phase of UAF CTC Fire and Emergency Services Training and Education Facility in FY16. This motion is effective November 5, 2014.”

POLICY CITATION

Regents' Policy 05.12.032 - Budget Policy, states:

A. “Annually, within the capital budget process, each MAU will prepare and update a 6-year capital plan proposal. The MAU 6-year capital plan proposals, which are developed based upon approved strategic, academic and other planning assumptions, will be consolidated into a systemwide 6-year capital plan in accordance with guidelines approved by the board and procedures established by the chief finance officer. The systemwide 6-year capital plan will be presented to regents' committees responsible for facilities and budgeting for review and comment prior to submission to the full board for approval. Once the 6-year capital plan is approved, the MAU 6-year capital plans shall consist of those projects in the sequence and with the funding sources as identified in the board-approved 6-year capital plan.

B. The 6-year capital plans shall be reviewed and updated each year as part of the capital budget submission process. Year one of the approved systemwide 6-year capital plan, exclusive of any operating leases and other property or facilities funded from current operating funds, shall become the university's capital budget request for the next capital appropriation cycle.

C. Each MAU shall include as part of its budget submittal such information regarding reportable leased facilities as may be requested by the chief finance officer.”

RATIONALE AND RECOMMENDATION

The scope of the 6-year capital plan was extended to include a 10-year period in order to display additional information that is congruent with the 10-year fiscal plan submitted to the State of Alaska.

Associate Vice Presidents Rizk and Duke presented, reviewed, and discussed the proposed 10-year capital improvement plan which demonstrates that the deferred maintenance (DM) and renewal & repurposing is, and will continue to be, the highest priority until the backlog of DM is reduced to a reasonable level. Reference 2 provides details of the proposed 10-year capital improvement plan.

X. First Reading of Regents' Policy 04.07.115 – Employee Furlough Addendum 4

Chief Human Resources Officer Seastedt discussed and answered questions regarding the new proposed policy. Addendum 4 includes a list of potential furlough options and information regarding the proposed regulations that will coincide with the proposed policy which reads:

P04.07.115 – Employee Furlough

- A. To address budgetary shortfalls in any unit of the university, employees may be subject to furlough via temporary unpaid leaves of absence or via prospective, temporary reductions in pay and equivalent work hours.
- B. Furloughs shall be implemented in accordance with regulations and plans approved by the president pursuant to this policy, provided however that employees shall receive written notice of furlough as provided by regulation.
- C. Furlough plans may be implemented notwithstanding any other regents' policy, university regulation or university or campus practice or procedure and are subject to appeal processes only as may be provided in regulations adopted pursuant to this policy.

This policy would be effective January 1, 2015.

XI. Approval of Revision to the January 2015 Meeting Dates

Regent Enright moved, seconded by Regent Fisher and passed with Regents Anderson, Brady, Enright, Fisher, Powers, Wickersham and Jacobson voting in favor:

PASSED

“The Board of Regents approves revising the January 2015 meeting dates to January 22-23, 2015. This motion is effective November 5, 2014.”

RATIONALE AND RECOMMENDATION

To maintain consistency with other board meeting days, it was suggested that the January 2015 retreat be changed to a Thursday and Friday schedule. This change required revising the dates to January 22-23, 2015 in Anchorage.

XII. Approval of Revision to the June 2015 Meeting Dates

Regent Enright moved, seconded by Regent Fisher and passed with Regents Anderson, Brady, Enright, Fisher, Powers, Wickersham and Jacobson voting in favor:

PASSED

“The Board of Regents approves revising the June 2015 meeting dates to June 3-5, 2015. This motion is effective November 5, 2014.”

RATIONALE AND RECOMMENDATION

A joint meeting with the State Board of Education has been proposed for June 3, 2015. It was suggested that an additional day be added to the June 2015 meeting, revising the meeting dates to June 3-5, 2015 in Fairbanks.

XIII. Board of Regents’ Comments

Regent Wickersham stated this was a great meeting; said he expects as the university moves forward in the budget process there will be other mid to long-term issues that arise; noted he was privileged to attend the Alaska Retirement Management Board conference as a member of UA Foundation Investment Committee and stated appreciation for the effort by administration in preparing for this meeting.

Regent Powers appreciated the dialogue and process at this meeting and noted in the current budget environment and the tougher times ahead it will be necessary to continue with the prioritization efforts.

Regent Enright stated appreciation for the meeting being held in Fairbanks; noted appreciation for the administration’s effort in organizing the meeting; stated discussions during the meeting were robust; said she was impressed with the information presented and stated during the Coalition of Student Leaders retreat held in the Butrovich Building on Saturday, October 11, 2014, she observed dedicated university staff members working in the building.

Regent Anderson thanked President Gamble, Associate Vice President Rizk and the chancellors for their work on the budget; noted clarity was provided; stated he looks forward to modernizing the university's budget process; said a thorough discussion on long-term planning is needed; noted appreciation for effort by staff in preparing for the meeting and stated the first ever, best ever document was really informative.

Regent Jacobson offered best wishes to Public Affairs Director Ripley in her new position at UAF as the director of alumni relations and executive director of the UAF Alumni Association; stated a great job by administration in preparing the additional budget information for the meeting; thanked Chancellor Rogers for hosting the meeting; noted appreciation for the meeting logistics organized by Ken Jernstrom, Barbara Nilsen and Executive Officer Berg and wished everyone safe travels home.

President Gamble thanked Chancellor Rogers for hosting the meeting; noted the lunches served by catering were excellent; stated it is clear to administration that the January retreat will need to be a strategic discussion about risk, value and opportunities in terms of where UA is going in future years; encouraged board members to contact him if additional questions arise regarding the material covered during the meeting; talked about board conversations versus board expectations and how those expectations are tasked to staff; thanked the board for supporting the budget and noted appreciation for the board's compliments to staff regarding the preparation for the meeting.

Chancellor Pugh thanked Chancellor Rogers and his staff for hosting the meeting; gave kudos to Chancellor Rogers for the public testimony turnout on issues of importance to UAF; thanked the board for the good dialogue, clarification provided during the meeting and for the board's noted appreciation of staff in preparation of material for the meeting.

Chancellor Case echoed Chancellor Pugh's comments; noted how valuable he finds the Summit Team and the progress being made on systemwide issues; stated appreciation for the dialogue during the meeting; noted appreciation for the tremendous work by staff and in particular Associate Vice President Rizk in preparation for this meeting; stated *US News & World Report* ranked UAA one of the best universities in the West number 68 out of 1421 other institutions in the region and stated safety is important at UAA noting between FY11-FY14 injuries report are down 57 percent.

Chancellor Rogers stated a tremendous amount of Arctic activity has taken place in the past week: workshops on oil and gas, fisheries, methane, research and unmanned aerial vehicles; said Dartmouth College and the University of Alaska Fairbanks will be partners in leading a new 18 month Fulbright Arctic Initiative; noted a recent ribbon-cutting event at the UAS Iceland unmanned aircraft system office in Iceland, a collaboration with UAF, Reykjavik University and UAS Iceland; said UAF Arctic Day will be held on Thursday, November 13, 2014; stated his appreciation for the opportunity to work with Chancellor Pugh in a variety of rolls over the past 30 years noting his remarkable career and how UAS has grown and flourished under Chancellor Pugh's leadership.

XIV. Adjourn

Chair Jacobson adjourned the meeting at 4:55 p.m. on Wednesday, November 5, 2014.