

**Official Minutes  
Board of Regents  
Meeting of Full Board  
November 9-10, 2017  
Anchorage, Alaska**

## **1. Individuals Present**

### Regents Present:

Gloria O'Neill, Chair  
John Davies, Vice Chair  
Lisa Parker, Secretary  
Deena Bishop, Treasurer  
Dale Anderson  
Sheri Buretta  
Mary K. Hughes  
Karen Perdue  
Joey Sweet  
Andy Teuber

### Regents Absent:

Jyotsna Heckman

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

### Others Present:

Rick Caulfield, Chancellor, University of Alaska Southeast  
Sam Gingerich, Interim Chancellor, University of Alaska Anchorage  
Daniel M. White, 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 Officer  
Robertta Graham, Associate Vice President of Public Affairs and Federal Relations  
Karl Kowalski, Chief Information Technology Officer  
Keli Hite McGee, Chief Human Resources Officer  
Brandi Berg, Executive Officer, Board of Regents  
Beth Leschper, Assistant, Board of Regents

## **2. Opening Items**

### **A. Call to Order**

Chair O'Neill called the meeting to order at 9:00 a.m. on Thursday, November 9, 2017.

### **B. Adoption of Agenda**

*Note for the record: Regent Teuber reminded the board he has interests in Alaska Native Tribal Health Consortium, Alaska Native Medical Center and Alaska Pacific University noting these entities have a variety of agreements with the university. General Counsel Hostina stated this reminder is consistent with Regent Teuber's disclosures at the September 14-15, 2017 meeting of the board and items on this agenda do not preclude him from participating.*

*Regent O'Neill declared she has children attending the university. General Counsel Hostina stated as previously noted there is no indication her children would be differentially affected by the approval of the tuition motion; therefore, she could participate.*

*Regent Sweet is a student at the university. Because the tuition rate motion is a university-wide issue that equally affects all students, General Counsel Hostina stated that any benefits to Regent Sweet were indirect, had no differential effect, not substantial and material as prohibited by the Ethics Act; therefore, he could participate.*

### **PASSED**

**"The Board of Regents adopts the agenda as presented. This motion is effective November 9, 2017."**

Motion by Mary K Hughes, second by Lisa M Parker.

Final Resolution: Motion Carries

Voting in favor: Dale G Anderson, Deena Bishop, Sheri Buretta, John Davies, Mary K Hughes, Gloria R O'Neill, Lisa M Parker, Karen Perdue, Stephen 'Joey' Sweet, Andy Teuber

### C. Approval of Minutes - Regular Meeting of September 14-15, 2017

#### **PASSED**

**"The Board of Regents approves the minutes of its regular meeting of September 14-15, 2017 as presented. This motion is effective November 9, 2017."**

Motion by Andy Teuber, second by John Davies.

Final Resolution: Motion Carries

Voting in favor: Dale G Anderson, Deena Bishop, Sheri Buretta, John Davies, Mary K Hughes, Gloria R O'Neill, Lisa M Parker, Karen Perdue, Stephen 'Joey' Sweet, Andy Teuber

### D. Approval of Minutes - Special Meeting of October 24, 2017

#### **PASSED**

**"The Board of Regents approves the minutes of its special meeting of October 24, 2017 as presented. This motion is effective November 9, 2017."**

Motion by John Davies, second by Lisa M Parker.

Final Resolution: Motion Carries

Voting in favor: Dale G Anderson, Deena Bishop, Sheri Buretta, John Davies, Mary K Hughes, Gloria R O'Neill, Lisa M Parker, Stephen 'Joey' Sweet, Andy Teuber

Abstain: Karen Perdue

### E. Approval of Revisions to Minutes - Regular Meeting of November 10-11, 2016

#### **PASSED**

**"The Board of Regents approves revisions to item 7.B. of the minutes of its regular meeting of November 10-11, 2016 as presented. This motion is effective November 9, 2017."**

Motion by John Davies, second by Lisa M Parker.

Final Resolution: Motion Carries

Voting in favor: Dale G Anderson, Deena Bishop, Sheri Buretta, John Davies, Mary K Hughes, Gloria R O'Neill, Lisa M Parker, Stephen 'Joey' Sweet, Andy Teuber

Abstain: Karen Perdue

## **3. Reports**

### A. President's Report

President Johnsen shared information regarding the launch of UA's new enrollment marketing campaign "Start Here" on social media, radio and television stating the website has already received 713 hits; said preparation and work on the FY19 budget and legislative session is progressing; thanked Regent Sweet for attending the UAA budget work session; is thankful for the students, faculty and staff working alongside administration and dedicated to the success of UA regarding the strategy for the budget planning process; is bothered that the FY19 budget request does not include a compensation increase for faculty and staff, noting because of the high value placed on faculty and staff, UA's human resources department is conducting a salary and benefits analysis which will provide results in spring 2018 and decisions in summer 2018; attended the UA Scholars events recognizing the 2017 recipients; met with student groups across UA to discuss the proposed five percent tuition increase and the tuition discounting efforts for workforce development programs noting appreciation for the student's engagement regarding the discussions; said Strategic Pathways (SP) is at the end of the decision process and is in implementation mode noting 22 academic and administrative areas were reviewed; stated statewide councils are working to accomplish the SP goals; said the Alaska College of Education (AKCOE) executive dean position is currently being advertised; noted he and Chancellor Caulfield co-presented in September 2017 at the Alaska Association of School Administrators Conference regarding the progress of AKCOE, invited school administrators' ideas to advance the goal of 90 percent Alaska teacher hire and how UA and administrators could partner in the process; said thus far 79 percent of students, 83 percent of faculty and 92 percent of staff have completed Title IX training; stated he will meet with the federal delegation on November 14, 2017 to reengage on the UA land-grant issue; briefed the board on the early stages of the UAA chancellor, the AKCOE executive dean and the statewide vice president for academic and student affairs searches noting confidence that strong leaders will be attracted to the positions and thanked board

members for reaching out to the governor, Title IX staff for their leadership and continued work regarding safety issues at all UA campuses and to the staff for their work to prepare for this meeting.

## B. Governance Reports

Lisa Hoferkamp, Faculty Alliance chair, stated the alliance remains committed to maximizing the role of shared governance regarding university decisions that affect academic programs; said faculty bring a broad-range of expertise, a comprehensive view of academia, is deeply committed to the university and its move in a positive direction; stated the alliance continues to embrace the opportunity to discuss meaningful efforts toward shared governance with the board; said she recently met with President Johnsen to discuss non-teaching days across the UA system, faculty representation on newly formed statewide councils and implementation of the UA Student Success Collaborative; noted concern regarding the utility and cost-efficiency of dissolving the UAA and UAF Schools of Education; said progress is being made across UA to align general education course numbers and descriptions; stated the alliance is working with administration regarding establishing a concurrent enrollment regulation and expressed concern regarding the lack of faculty and staff compensation in the university's FY19 budget.

Kara Axx, Staff Alliance chair, thanked the board for providing the opportunity for governance groups to participate in the board's discussions during its meetings; thanked President Johnsen for acknowledging that the FY19 budget request does not include a compensation increase for faculty and staff and is looking forward to the results of the salary and benefits analysis; expressed appreciation for the changes to the annual leave policy; noted ongoing discussions with Labor and Employee Relations Director Bacon to investigate options and the process regarding staff unionization efforts; stated staff participated in the Strategic Pathways 3 feedback sessions and is excited that the process is moving forward; said the alliance is seeking information from Benefits Director Van Flein regarding adding staff to the Optional Retirement Plan; noted concern regarding the affect to staff benefits if the full-time work week is cut to 37.5 hours; said the alliance is working with CHRO Hite McGee regarding staff leadership and succession development opportunities and said the System Governance Council recently elected her as its chair and that the council is working to define its role.

Nathan Grilley, Coalition of Student Leaders vice chair, thanked President Johnsen for hosting the discussion sessions and involving students regarding the proposed tuition increase; said the annual officer elections were conducted during the coalition's fall summit; noted the legislative fly-in is confirmed for March 17-20, 2018 and stated the coalition will continue to be engaged in issues that affect students including Title IX and advocacy.

## **4. Financial Briefing**

### A. Financial Briefing

Chief Finance Officer Dosch provided a financial briefing.

## **5. New Business and Committee Reports**

### A. Academic and Student Affairs Committee

In addition to the action item, the committee heard reports on process improvements for online student services and UA program suspensions.

### B. Ad Hoc Committee on Presidential Performance

The committee met on September 25, 2017 to approve and recommend that the full board approve the FY18 Presidential Performance Compensation Criteria.

### C. Audit Committee

In addition to action items, the committee received a report from the external auditor, reviewed the FY17 UA Foundation Consolidated Endowment Fund Financial Statements, heard an audit status report and held an executive session.

### D. Facilities and Land Management Committee

In addition to the action item, the committee discussed educational and investment land classifications; received an update on the Haines timber sale and heard reports on the facilities and land management annual report, deferred maintenance and renewal spending, capital project approvals-delegation of authority, UAF combined heat and power plant, UAF engineering facility, UAF high frequency auroral research project, UAS Auke Bay Marine Station and construction in progress.

Karl Kowalski, chief information technology officer, provided an update on the cybersecurity tabletop exercise and next steps, security updates, external IT review, Banner 9 and prospects for rural connectivity. 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.

## **6. Consent Agenda**

### **A. Approval of Consent Agenda**

#### **PASSED**

**"The Board of Regents approves the consent agenda item 6.B.1., items 6.C.1-3 and item 6.D.1. as presented. This motion is effective November 9, 2017."**

Motion by Lisa M Parker, second by Deena Bishop.

Final Resolution: Motion Carries

Voting in favor: Dale G Anderson, Deena Bishop, Sheri Buretta, John Davies, Gloria R O'Neill, Lisa M Parker, Karen Perdue, Stephen 'Joey' Sweet, Andy Teuber

Not Present at Vote: Mary K Hughes

### **B. Academic and Student Affairs Committee - Item from November 2, 2017**

#### **1. Approval of Revisions to Regents' Policy 05.12.020 – Definitions**

##### **PASSED**

"The Board of Regents approves revisions to Regents' Policy 05.12.020 – Definitions as presented. This motion is effective November 9, 2017.

#### **P05.12.020. Definitions.**

T. "statement of need" means a concise summary of the compelling facts derived from the mission area analysis document; is submitted to **the Statewide** Academic Council as appropriate and to the Academic and Student Affairs Committee of the board as required. The statement of need is a component of the program resource planning process;

### **C. Audit Committee - Items from November 3, 2017**

#### **1. Approval of Recommendation Regarding Selection of External Auditors**

##### **PASSED**

"The Board of Regents selects the audit firm recommended by the audit proposal evaluation committee. This motion is effective November 9, 2017."

#### **2. Adoption of the FY17 Audited University of Alaska Financial Statements**

##### **PASSED**

"The Board of Regents adopts the audited financial statements of the University of Alaska for the year ended June 30, 2017 as presented. This motion is effective November 9, 2017."

#### **3. Adoption of the FY17 Audited Financial Statements for the Education Trust of Alaska**

##### **PASSED**

"The Board of Regents adopts the audited financial statements of the Education Trust of Alaska for the year ended June 30, 2017 as presented. This motion is effective November 9, 2017."

### **D. Facilities and Land Management Committee - Item from November 2, 2017**

#### **1. Approval of Sale of the University of Alaska Anchorage 7th & A Street Property**

##### **PASSED**

"The Board of Regents approves the sale of the University of Alaska Anchorage (UAA) 7th & A Street property on the terms and conditions presented. Pursuant to Regents' Policy 05.07.010.B., the Board of Regents approves the deposit of the net proceeds of the sale with UAA to address projects on the deferred maintenance list on the University of Alaska Anchorage campus. This motion is effective November 9, 2017."

## **7. UA Budget Discussion and Approval Items**

### **A. UA Budget Discussion**

President Johnsen conveyed the budget process and context including UA's situation, the national numbers, program and workforce reductions and recent budget and enrollment trends; reviewed UA's guiding principles; provided an overview of UA's 2025 goals and measures which include contributing to Alaska's economic development, providing Alaska's skilled workforce, growing UA's world class research, increasing degree attainment and operating more cost effectively; shared the FY19 budget proposal and strategic investments including expenditures and revenues; reviewed the FY19 goals, strategies and resources for each of the five budget categories and shared the communication and advocacy strategies.

### **B. FY19 Operating Budget Request**

#### **PASSED**

**"The Board of Regents approves the FY19 operating budget request in accordance with the plan as presented. This motion is effective November 9, 2017."**

Motion by John Davies, second by Deena Bishop.

Final Resolution: Motion Carries

Voting in favor: Dale G Anderson, Deena Bishop, Sheri Buretta, John Davies, Mary K Hughes, Gloria R O'Neill, Lisa M Parker, Karen Perdue, Stephen 'Joey' Sweet, Andy Teuber

#### **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 AND RECOMMENDATION**

President Johnsen and Vice President of University Relations Rizk led a discussion on UA's Proposed FY19 Operating Budget. The operating budget discussion during this meeting will provide the board with the context and guiding principles for the proposed FY19 operating budget.

### **C. FY19 Capital Budget Request and 10-Year Capital Improvement Plan**

#### **PASSED**

**"The Board of Regents approves the FY19 capital budget request in accordance with the plan as presented. This motion is effective November 9, 2017."**

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

Final Resolution: Motion Carries

Voting in favor: Dale G Anderson, Deena Bishop, Sheri Buretta, John Davies, Mary K Hughes, Gloria R O'Neill, Lisa M Parker, Karen Perdue, Stephen 'Joey' Sweet, Andy Teuber

#### **PASSED**

**"The Board of Regents approves the 10-Year Capital Improvement Plan for FY19-FY28 as presented. This motion is effective November 9, 2017."**

Motion by John Davies, second by Lisa M Parker.

Final Resolution: Motion Carries

Voting in favor: Dale G Anderson, Deena Bishop, Sheri Buretta, John Davies, Mary K Hughes, Gloria R O'Neill, Lisa M Parker, Karen Perdue, Stephen 'Joey' Sweet, Andy Teuber

#### **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 AND RECOMMENDATION**

President Johnsen and Vice President of University Relations Rizk led a discussion on UA's Proposed FY19 Capital Budget and 10-year Capital Improvement Plan. The capital budget presents the top priority projects for FY19 and an objective look at the short-, mid-, and long-term capital investment goals of the university.

### **D. Approval of Tuition Rates for Academic Years 2019 and 2020**

**PASSED**

**"The Board of Regents approves tuition rates for Academic Year 2019 and 2020 as presented. This motion is effective November 9, 2017."**

Motion by Dale G Anderson, second by Deena Bishop.

Final Resolution: Motion Carries

Voting in favor: Dale G Anderson, Deena Bishop, Sheri Buretta, John Davies, Mary K Hughes, Gloria R O'Neill, Karen Perdue, Stephen 'Joey' Sweet, Andy Teuber

Voting in opposition: Lisa M Parker

President Johnsen led a discussion on the proposed tuition rate increases for AY2019 and AY2020.

**POLICY CITATION**

Regents' Policy 05.10.010 states, "Recognizing that state general fund support is not sufficient to pay the full cost of education and that students have a responsibility to contribute to the cost of their higher education, tuition and student fees will be established to the extent practicable in accordance with the following objectives: (1) to provide for essential support to the university's instructional programs; (2) to make higher education accessible to Alaskans who have the interest, dedication, and ability to learn; and (3) to maintain tuition and student fees at levels which are competitive with similarly situated programs of other western states. Tuition revenues will be used primarily to maintain and expand the educational opportunities provided to students, to preserve and improve the quality of existing programs and support services, to respond to enrollment trends, and to implement new programs."

**RATIONALE/RECOMMENDATION**

During the month of October 2017, President Johnsen attended listening sessions at the universities to hear directly from students about the University of Alaska's (UA) planned tuition increases. He also solicited student input via an online feedback form. The discussions and communications were forthright and insightful.

As shared on more than one occasion, this level of increase keeps UA's tuition below the average published in-state tuition and fee prices at public master's and public doctoral universities, thus ensuring affordability and access for UA's students.<sup>1</sup> It is also aligned with UA's record over the last several years of meeting budget reductions much more through cost reduction than tuition increases.

Alaska continues to face severe economic challenges, which negatively impact the University of Alaska's budget. As a result of declining state investment in the university, UA must continue to reduce costs and increase revenues, including tuition, if UA is to maintain and continuously enhance its high quality in teaching, service, and research.

Last year, with the prospect of an even greater reduction to UA's general fund allocation, President Johnsen was prepared to request that the Board of Regents amend the AY2018 tuition rates to commence in spring 2018. That increase would have been on top of a tuition increase that had already been implemented that fall. However, with an allocation of just over \$317 million and after consulting with the chancellors, President Johnsen decided not to pursue the mid-year tuition increase.

Looking ahead at the possibility that state support may not improve in the coming years, in order to provide a top-quality education to our students, the president proposed an increase in tuition for AY2019 and AY2020. The proposal is to increase tuition by five percent per year. Pursuant to the board's directive that all lower division be the same across the UA system, tuition at Kodiak College and Prince William Sound College will increase by 10 percent in AY2019 and 9.5 percent in AY2020 in order to reach parity with UA's other community campuses across the state.

While university tuition is low compared to its peers and to other universities in the western states, President Johnsen recognized that UA's tuition for certain career and technical education (CTE) programs is high. This imbalance contributes to UA's low college-going rate in Alaska. To provide some relief to students in selected CTE programs, grow enrollment, increase completion, and meet the state's workforce needs, the president will seek an additional \$1.0M in state support to be used toward a 25 percent reduction in tuition rates in eligible programs. This tuition discount would be provided in CTE programs that include, for now, all occupational endorsements and undergraduate certificates. This plan is not without some risk. If the state does not provide the requested funds the university will need to reallocate resources to meet this commitment.

The following table provides already approved AY2018 and proposed rates of tuition for AY2019 and AY2020.

	<i>Approved</i>	<i>Proposed</i>	
	AY2018 (Fall 2017 and Spring 2018)	AY2019 (Fall 2018 and Spring 2019)	AY2020 (Fall 2019 and Spring 2020)
	Tuition Rates increase of +5% for all rates	Tuition Rates increase of 10% for	Tuition Rates increase of 9.5% for

		<b>KOC and PWSC and 5% for all others</b>	<b>KOC and PWSC and 5% for all others</b>
Lower Division:			
<i>PWSC</i>	185*	<b>204*</b>	
<i>Kodiak</i>	185*	<b>204*</b>	<b>223*</b>
<i>All Others</i>	202	<b>212</b>	
Upper Division	244	<b>256</b>	<b>269</b>
Graduate	466	<b>489</b>	<b>513</b>
Non Resident Surcharge	513	<b>539</b>	<b>566</b>

\*Prince William Sound College (PWSC) and Kodiak College (KOC) will move to the same lower division tuition rate as all other UA campuses within two academic years.

<sup>1</sup> Trends in College Pricing 2016, College Board

## **8. Strategic Pathways Discussion**

### **A. Strategic Pathways Discussion**

President Johnsen explained the Strategic Pathways process as organizing the system to maximize value to students and the State of Alaska by being cost effective, providing quality programs, services and access while positively impacting Alaska's communities and achieving long-term fiscal sustainability; noted decisions have been made either by management or the board and implementation is in progress in all seven areas of Phase 1 which include engineering, teacher education, management, information technology, athletics, research administration and procurement; said options were discussed with stakeholders and campus communities, recommendations were shared with the board during its June 1-2, 2017 meeting and implementation is in progress in all eight areas of Phase 2 which include community campuses, e-Learning, fisheries, health, human resources, student services, institutional research and university relations; stated options for the Phase 3 focus areas which include arts and humanities, social and natural sciences, mine training, finance, land management, risk management and facilities were shared with the board during its June 1-2, 2017 meeting noting his initial thoughts were provided to the board during its September 14-15, 2017 meeting and the recommendations for Phase 3 were provided during this meeting. The board discussed and concurred with the president's Phase 3 recommendations.

## **9. Annual Report**

### **A. Risk Services Annual Report**

Chief Risk Officer Edwards reviewed the 2017 annual report.

## **10. Title IX Compliance Update and Review of Title IX Scorecards**

### **A. Title IX Compliance Update and Review of Title IX Scorecards**

Chief Title IX Officer Gower noted the Statewide Title IX Taskforce continues to meet monthly; said 22,000 UA faculty, staff and students have completed required Title IX training; said a response from the Office of Civil Rights regarding UA's revised policies and procedures is still pending and could be as late as January 2018; noted work on the December deadlines is progressing and a climate survey has been distributed to the university community.

Associate General Counsel O'Brien stated the U.S. Department of Education's withdrawal of the "Dear Colleague" letter in October 2017 does not negate UA's voluntary resolution agreement (VRA) noting all VRAs in effect will remain in full effect.

Chancellors Caulfield, Gingerich and White reviewed the Title IX Compliance Scorecards.

## **11. Approval Items**

### **A. Approval of Revisions to Regents' Policy 04.06.120 – Annual Leave**

**PASSED**

**"The Board of Regents approves revisions to Regents' Policy 04.06.120 – Annual Leave as presented. This motion is effective November 9, 2017."**

Motion by Mary K Hughes, second by Deena Bishop.

Final Resolution: Motion Carries

Voting in favor: Dale G Anderson, Deena Bishop, Sheri Burette, John Davies, Mary K Hughes, Gloria R O'Neill, Lisa M Parker, Karen Perdue, Stephen 'Joey' Sweet, Andy Teuber

**RATIONALE AND RECOMMENDATION**

Statewide Human Resources (HR), in consultation with the campus HR offices, recommended changing the date of the cap for annual leave hours to match the fiscal year tracking period for leave accrual. The proposed change in the cap date will make it easier for employees to understand how much leave they will potentially lose at the end of the tracking period (June 30) and how many hours they will have available for the start of the new fiscal year (July 1).

An added benefit for process improvement is that university HR offices will be able to implement the cap in the Banner database system automatically instead of using the very manual process that is currently used.

Chief Human Resources Officer Hite McGee answered questions from members of the board.

**CURRENT LANGUAGE with TRACK CHANGES FOR PROPOSED REVISION****P04.06.120. Annual Leave.**

A. Annual leave is accrued at a rate specified in this subsection for all eligible exempt and nonexempt full-time employees except faculty with less than a 12-month contract. All eligible part-time employees will accrue annual leave on an hours-paid basis. The accrual rates are:

1. 5.54 hours per 80 paid hour pay period during the first 5 years;
2. 6.46 hours per 80 paid hour pay period during 6-10 years;
3. 7.38 hours per 80 paid hour pay period over 10 years.

B. Annual leave accrued, but not used, will accrue to a maximum of not more than 240 hours. Unused leave in excess of the maximum at the close of business ~~January 31~~ June 30 will be forfeited.

**PROPOSED FINAL LANGUAGE****P04.06.120. Annual Leave.**

A. Annual leave is accrued at a rate specified in this subsection for all eligible exempt and nonexempt full-time employees except faculty with less than a 12-month contract. All eligible part-time employees will accrue annual leave on an hours-paid basis. The accrual rates are:

1. 5.54 hours per 80 paid hour pay period during the first 5 years;
2. 6.46 hours per 80 paid hour pay period during 6-10 years;
3. 7.38 hours per 80 paid hour pay period over 10 years.

B. Annual leave accrued, but not used, will accrue to a maximum of not more than 240 hours. Unused leave in excess of the maximum at the close of business June 30 will be forfeited.

**B. Approval of FY18 Presidential Performance Compensation Criteria and Metrics****PASSED**

**"The Board of Regents approves the FY18 Presidential Performance Compensation Criteria and Metrics as presented with an amendment. This motion is effective November 9, 2017."**

Motion by Mary K Hughes, second by Deena Bishop.

Final Resolution: Motion Carries

Voting in favor: Dale G Anderson, Deena Bishop, Sheri Burette, John Davies, Mary K Hughes, Gloria R O'Neill, Lisa M Parker, Karen Perdue, Stephen 'Joey' Sweet, Andy Teuber

*Note for the record: An amendment was made to qualitative goal #1 substituting "90% of mandatory faculty, staff and student training requirements will be met" with "Implement mandatory faculty, staff and student training requirements."*



Board members reviewed and discussed the FY18 Presidential Performance Compensation Criteria and Metrics.

The Ad Hoc Committee on Presidential Performance met on September 25, 2017 and recommended that the Board of Regents approve the FY18 Presidential Performance Compensation Criteria.

## C. Approval of an Extension to President Johnsen's Employment Contract

### **PASSED**

**"The Board of Regents approves the First Amendment to President Johnsen's 2015 employment contract as presented. This motion is effective November 9, 2017."**

Motion by John Davies, second by Mary K Hughes.

Final Resolution: Motion Carries

Voting in favor: Dale G Anderson, Deena Bishop, Sheri Buretta, John Davies, Mary K Hughes, Gloria R O'Neill, Lisa M Parker, Karen Perdue, Stephen 'Joey' Sweet, Andy Teuber

During the September 14-15, 2017 meeting of the full board, members discussed President Johnsen's performance and employment contract. Regent Hughes requested that the board consider an extension of the 2015 contract during its November 9-10, 2017 meeting.

The First Amendment:

- Extends the current contract by two years, providing a five-year nominal term (the president has recently completed two years of the original contract);
- Provides for an annual one-year extension, maintaining a rolling 5-year term, unless either party provides notice that an extension is not desired;
- Makes no change in salary but provides for re-negotiation of salary prior to the beginning of the extension period.

## **12. Approval of Resolution of Appreciation**

### A. Approval of Resolution of Appreciation for James F. Lynch

#### **PASSED**

**"The Board of Regents approves the resolution of appreciation for James F. Lynch. This motion is effective November 9, 2017."**

Motion by Deena Bishop, second by John Davies.

Final Resolution: Motion Carries

Voting in favor: Dale G Anderson, Deena Bishop, Sheri Buretta, John Davies, Mary K Hughes, Gloria R O'Neill, Lisa M Parker, Karen Perdue, Stephen 'Joey' Sweet, Andy Teuber

WHEREAS, James F. Lynch has served the University of Alaska with distinction for more than 39 years in various capacities including as adjunct faculty in the University of Alaska Fairbanks School of Management and at statewide as the Director of Internal Audit, Chief Procurement Officer, Controller, Vice President for Finance, and Chief Treasury Officer; and

WHEREAS, James F. Lynch has also served, with unassuming competence and tireless energy, as Assistant Treasurer and Treasurer of the University of Alaska Foundation since 1984; and

WHEREAS, James F. Lynch assisted in the creation and drafting of the Internal Revenues Service's section 529, which paved the way for the establishment of College Savings Programs throughout the United States; and

WHEREAS, James F. Lynch designed, implemented, and has overseen the management and investment of the \$8 Billion Alaska College Savings Program at the University of Alaska as well as serving as its chief administrator ever since its authorization by the Alaska Legislature in 1990; and

WHEREAS, James F. Lynch is a founding member of the national College Savings Plan Network and has been recognized by that organization with the Lifetime Achievement Award in 2014, the Chairman's Achievement Award in 1998, 2008, and 2017, and with the Network's Distinguished Service Award in 2000; and

WHEREAS, James F. Lynch has provided valuable public service to the Fairbanks community by serving as a founding member, in 1987, of the Investment Advisory Commission for the Fairbanks North Star Borough, to oversee and guide the investment of borough funds; and

WHEREAS, James F. Lynch has extended his expertise to the non-profit community of Fairbanks by volunteering his service to the Midnight Sun Boy Scout Council and the Catholic Archdiocese of Fairbanks; and

WHEREAS, James F. Lynch was instrumental in the drafting and passage of the Alaska Uniform Prudent Management of Institutional Funds Act in 2010, a state law that affects more than \$300 Million in assets of the university and the UA Foundation and as well as the assets of all other institutional funds in Alaska; and

WHEREAS, James F. Lynch has been recognized by the Board of Trustees of the University of Alaska Foundation with the Edith R. Bullock Award for Excellence in 2005 in recognition of his contributions to the university and the foundation, by the University Statewide Administration for outstanding service to the university in 1995, and by the Fairbanks Chamber of Commerce with the Family Friendly Workplace Award in 2016.

NOW, THEREFORE BE IT RESOLVED that the Board of Regents of the University of Alaska officially recognizes James F. Lynch for his exceptional service to the University of Alaska, the University of Alaska Foundation, and the State of Alaska, and expresses profound thanks for his service; and

BE IT FURTHER RESOLVED that this resolution be appropriately engrossed and conveyed to James F. Lynch, with a copy incorporated into the official minutes of the November 9-10, 2017 meeting of the Board of Regents.

### **13. Government Relations Report**

#### **A. Government Relations Report**

Associate Vice President Baker provided an update on federal issues affecting UA; noted he and President Johnsen will be in Washington D.C. on November 14, 2017 meeting with the federal delegation to re-engage on the UA land-grant deficit issue; stated the Alaska Legislature is 18 days into its special session noting completion of the criminal justice reform and the wage tax initiative; said the governor’s budget announcement in December 2017 will be critical for UA and noted other priorities will be to protect the higher education funds associated with the Alaska Education Grant, the Alaska Performance Scholarship and the higher education tax credit.

### **14. Planning and Development Committee**

#### **A. Discussion Regarding Board Governance**

Regent Hughes stated the purpose of holding public testimony outside of the main meeting is to offer two full consecutive hours for public comment and the gatherings are set aside to allow more time for the public to interact in-person with the board; noted statistics regarding the testimony and gatherings will continue to be compiled and analyzed with a report back to the board in June 2018 regarding any revisions to the formats.

#### **B. Approval of the 2018 and 2019 Board of Regents' Meeting Schedules**

##### **PASSED**

**"The Board of Regents approves revisions to the 2018 meeting schedule and approves the 2019 meeting schedule. This motion is effective November 9, 2017."**

Motion by Mary K Hughes, second by John Davies.

Final Resolution: Motion Carries

Voting in favor: Dale G Anderson, Deena Bishop, Sheri Buretta, John Davies, Mary K Hughes, Gloria R O'Neill, Lisa M Parker, Karen Perdue, Stephen 'Joey' Sweet, Andy Teuber

##### **2018**

Regular Meeting	January 19, 2018	Anchorage
Regular Meeting	March 1-2, 2018	Fairbanks
Retreat/Regular Meeting	May 31 - June 1, 2018	Anchorage
Regular Meeting	September 13-14, 2018	Juneau
Budget/Annual Meeting	November 8-9, 2018	Fairbanks

##### **2019**

Regular Meeting	January 17-18, 2019	Anchorage
Regular Meeting	February 28 - March 1, 2019	Anchorage
Retreat/Regular Meeting	June 6-7, 2019	Fairbanks
Regular Meeting	September 12-13, 2019	Juneau

## C. UA Development and UA Foundation Reports

Karina Waller, Ted Stevens Foundation executive director and 1993 Senator Ted Stevens intern, stated the most important part of Ted Stevens' legacy is training the next generation of leaders; noted excitement about reinvigorating the relationship and the opportunity to partner with UA through the legislative intern program; stated nothing is more important than engaging Alaska's students in the political process and thanked UA Foundation President Behlke Foley for her effort in establishing the renewed relationship with the Ted Stevens Foundation.

UA Foundation President Behlke Foley thanked Ms. Waller and the Ted Stevens Foundation noting the partnership stretches across UA and fosters an environment of collaboration; stated the partnership with the Ted Stevens Foundation is at the very heart of the work UA does in conjunction with the UA Foundation; shared the UA Foundation board's effort regarding its work on the Memorandum of Understanding, Consolidated Endowment Fund Investment Policy, Consolidated Endowment Agreement and Consolidated Endowment Addendum 2 between the University of Alaska and the University of Alaska Foundation and reviewed the report on fundraising.

## D. Approval of Revised Memorandum of Understanding, Consolidated Endowment Fund Investment Policy, Consolidated Endowment Agreement and Consolidated Endowment Addendum 2 between the University of Alaska and the University of Alaska Foundation

### **PASSED**

**"The Board of Regents approves modifications to the Memorandum of Understanding, Consolidated Endowment Fund Investment Policy, Consolidated Endowment Fund Agreement and Consolidated Endowment Fund Addendum 2 between the University of Alaska and the University of Alaska Foundation, as approved by the UA Foundation Board of Trustees on October 12, 2017 and authorizes the use of the updated Consolidated Endowment Fund Investment Policy to manage and invest Consolidated Endowment Fund Assets. This motion is effective November 10, 2017."**

Motion by John Davies, second by Mary K Hughes.

Final Resolution: Motion Carries

Voting in favor: Dale G Anderson, Deena Bishop, Sheri Buretta, John Davies, Mary K Hughes, Gloria R O'Neill, Lisa M Parker, Karen Perdue, Stephen 'Joey' Sweet, Andy Teuber

The mission of the University of Alaska Foundation is to seek, secure and steward philanthropic support to build excellence at the University of Alaska.

### RATIONALE AND RECOMMENDATION

UA Foundation President Behlke Foley led a discussion on the process the UA Foundation has undertaken to update and restructure its governance documents. A recent restructuring of the UA Foundation Bylaws and other governing documents necessitates corresponding changes to the documents being presented for approval.

## **15. Approval of Revisions to Bylaws of the Board of Regents**

### A. Approval of Revisions to Bylaws of the Board of Regents

### **PASSED**

**"The Board of Regents approves revisions to BL06.D., BL07.G.3., BL08.E.2., BL09., BL14., and BL19.B. as presented with an amendment. This motion is effective November 9, 2017."**

Motion by Dale G Anderson, second by Mary K Hughes.

Final Resolution: Motion Carries

Voting in favor: Dale G Anderson, Deena Bishop, Sheri Buretta, John Davies, Mary K Hughes, Gloria R O'Neill, Lisa M Parker, Karen Perdue, Stephen 'Joey' Sweet

Not Present at Vote: Andy Teuber

*Note for the record: An amendment was made to BL14. Board Policies. to add "unless specifically provided otherwise" to the second sentence, which reads, Policy changes affecting university obligations to third parties shall have prospective effect unless specifically provided otherwise.*

### RECOMMENDATION

Pursuant to Board of Regents' Bylaw 19.C. Amendment and Review of Bylaws, every five years, the university administration will report to the board on the status of the bylaws, making such recommendations as to revisions,

additions and/or deletions as appear appropriate.

University administration, including general counsel, has reviewed Bylaws of the Board of Regents and suggest revisions to BL06.D., BL07.G.3., BL08.E.2., BL09., BL14., and BL19.B. as noted in the attached redline mark-up document. A first reading of the revisions occurred during the board's September 14-15, 2017 meeting.

General Counsel Hostina answered questions from members of the board.

## **16. Election of Board of Regents' Officers**

### A. Chair

#### **PASSED BY ACCLAMATION**

**"The Board of Regents elects Gloria O'Neill as chair of the Board of Regents. This motion is effective November 9, 2017."**

### B. Vice Chair

#### **PASSED BY ACCLAMATION**

**"The Board of Regents elects John Davies as vice chair of the Board of Regents. This motion is effective November 9, 2017."**

### C. Secretary

#### **PASSED BY ACCLAMATION**

**"The Board of Regents elects Lisa Parker as secretary of the Board of Regents. This motion is effective November 9, 2017."**

### D. Treasurer

#### **PASSED BY ACCLAMATION**

**"The Board of Regents elects Deena Bishop as treasurer of the Board of Regents. This motion is effective November 9, 2017."**

## **17. 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 authorizes the chair and secretary of the board to sign the resolution. This motion is effective November 9, 2017."**

Motion by Mary K Hughes, second by Lisa M Parker.

Final Resolution: Motion Carries

Voting in favor: Dale G Anderson, Deena Bishop, Sheri Buretta, John Davies, Mary K Hughes, Gloria R O'Neill, Lisa M Parker, Karen Perdue, Stephen 'Joey' Sweet

Not Present at Vote: 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 the officers of the board and changes to administrative staff.

### 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 November 9, 2017."**

Motion by Mary K Hughes, second by Lisa M Parker.

Final Resolution: Motion Carries

Voting in favor: Dale G Anderson, Deena Bishop, Sheri Buretta, John Davies, Mary K Hughes, Gloria R O'Neill, Lisa M Parker, Karen Perdue, Stephen 'Joey' Sweet

Not Present at Vote: 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 officers of the board and administrative staff a current resolution is necessary in order to execute timely investment and banking transactions.

**18. Future Agenda Items****A. Future Agenda Items**

Regent Sweet requested that administration review options regarding increasing salary for UA student employees, making available a cross-listing of classes within different disciplines and that students would be included on academic and administrative recruitment committees.

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

Regent Davies noted appreciation for all the work spearheaded and carried out by the chancellors, staff, faculty and students regarding the Strategic Pathways process; noted the budget process and priorities have been a challenge to everyone involved; said with the enormous amount of news around the issue of sexual assault and harassment what better place than the university to change the culture of society and stated recent news underscores the work UA is doing on the issue of sexual assault and harassment.

Regent Buretta noted appreciation for being able to participate via audio on Thursday, November 9, 2017 because the tuition and the budget decisions were very important; noted the board has a strong vision for the future and by making the difficult decisions now it is paving the way for a better state and university; said young people face so many challenges and need to feel safe and encouraged young people to talk to adults and UA administration about the challenges they face.

Regent Anderson said he struggled once again with the tuition increase decision; noted concern that faculty and staff are not receiving a compensation increase as part of the FY19 budget proposal; thanked the faculty and staff for its loyalty and sacrifices to UA; is very interested in focusing on UA's goals and developing the advocacy piece to tell UA's story and is looking forward to the January 2018 meeting.

Regent Perdue said she also feels responsible for the tuition increase decision; reflected on the steep decline of both revenue and enrollment noting UAF's 2017 commencement reminded her that the ceremony said it all, its students in an automotive program to students obtaining PhDs that indicate there is great work going on at UA; stated because the board meetings are visible in public it is necessary to continue with the public gatherings and thanked Chancellor Gingerich for the student success highlight during the Thursday, November 9, 2017 evening gathering.

Regent Sweet is very excited to see all the progress on Title IX; is looking forward to the Coalition of Student Leaders advocacy trip to Juneau in March 2018; stated support for the strategic investment fund particularly for student scholarships; noted if there is a silver lining in the tuition increase it would be that it is known two years in advance so that students can plan accordingly and said how the increase is communicated to students is very important.

Regent Parker concurred with Regent Davies noting the Title IX issue is not only a UA issue but also a national and international issue; said work still needs to be done to make people aware even though a tremendous amount has been accomplished at UA since April 2015; stated Senator Stevens was a master at collaborative partnerships and perhaps UA can reflect on how he was a statesman and leader by incorporating that element into the legislative internship program; found the UAA Performance Report to be extremely valuable noting that if UAF and UAS are not doing the same, the same template should be used; likes the radio ads highlighting UA as one university; thanked staff for all that they do and wished everyone Happy Holidays.

Regent Bishop said she often relies on guidance and is impressed with the responses of UA's people and thanked UA administration for its work.

Regent Hughes said she chairs the UA Foundation committee on membership noting recruitment is underway, the individuals contacted support UA and understand the importance of education in Alaska; stated she is hopeful that the governor will step forward and help UA during the upcoming session in support of education in Alaska; said because the president and the chair have given the board the opportunity to contact the governor she encouraged members to do so and thanked Chancellor Gingerich for the wonderful hospitality.

Chancellor Caulfield expressed gratitude to the Ted Stevens Foundation for supporting the legislative internship program; recognized the importance of honoring Veteran's Day; noted the steering committee continues its efforts regarding the Alaska College of Education and the recruitment of an executive dean and stated appreciation for the work being done by faculty across the system to coordinate and align teacher preparation.

Chancellor Gingerich invited board members to the 40th and final Great Alaska Shootout held in Anchorage on November 21-25, 2017; highlighted Seawolf athletic accomplishments; noted the recent dedication of the Weidner Center for Real Estate Management and the recent naming of the Vernon Smith Economic Science Laboratory and thanked the board for its effort and its leadership during this challenging time.

Chancellor White thanked the board, Chief Title IX Officer Gower, Associate General Counsel O'Brien and campus Title IX staff for the continued work on Title IX and diversity issues; noted enrollment and research continues to be top priority; said the ribbon cutting for the new engineering facility is December 8, 2017; noted the Blue and Gold Gala, which last year raised over \$100,000 for scholarships, will be held on February 9, 2018 and thanked the board for its service.

President Johnsen thanked the entire UA team noting it takes the engagement of faculty and staff, teaching and supporting students, from Kotzebue to Ketchikan and all places in between to make UA successful; stated appreciation for the student leadership and engagement particularly on tuition; thanked the board for its support of Strategic Pathways; said this is a challenging time which is a perfect time for UA to continue to lead and demonstrate its value to the state; thanked the board for its trust, confidence and support and is looking forward to the board's January 2018 meeting.

Chair O'Neill said she senses that UA is starting to make its way through this challenging time witnessed by the fact the UA has done a lot to develop a strategic budgeting process; noted the effort of key leadership committees working together to ensure UA has the right strategies in place; is confident that continued open communication, active listening and building on the value of people will contribute to UA's success; is excited to have President Johnsen guiding UA with his experience, leadership and passion and thanked Chancellor Gingerich for the hospitality and Chancellor Caulfield for recognizing Veteran's Day.

## **20. Executive Session**

### **A. Executive Session**

#### **PASSED**

**"The Board of Regents goes into executive session to discuss matters the immediate knowledge of which would clearly have an adverse effect on the finances of the university related to collective bargaining. This motion is effective November 10, 2017."**

Motion by John Davies, second by Lisa M Parker.

Final Resolution: Motion Carries

Voting in favor: Dale G Anderson, Deena Bishop, Sheri Buretta, John Davies, Mary K Hughes, Gloria R O'Neill, Lisa M Parker, Karen Perdue, Stephen 'Joey' Sweet, Andy Teuber

The Board of Regents went into executive session at 10:27 a.m. and concluded an executive session at 10:49 a.m. Alaska Time in accordance with AS 44.62.310. to discuss matters the immediate knowledge of which would clearly have an adverse effect on the finances of the university related to collective bargaining. 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 approximately 22 minutes.

## **21. Adjourn**

### **A. Adjourn**

Chair O'Neill adjourned the meeting at 10:51 a.m. on Friday, November 10, 2017.

## **22. Public Testimony from October 30, 2017**

Ryan Hill, Anchorage resident and UAA Staff Council member, provided an update on the council's initiatives including the staff morale survey which received a 50 percent response rate; stated support for adding staff and faculty positions as members of the Board of Regents; said the council is interested in an increased focused effort by UAA to provide professional development opportunities for staff and noted the council recently passed a resolution, submitted it to the Staff Alliance, regarding changing the work week definition of full-time employment from 40 to 37.5 hours.

Crystal Enkvist, Anchorage resident and UAA Alumni Association board member, provided an update on the alumni association's activities noting the recent homecoming breakfast honoring distinguished alumni; said 60 percent of the breakfast attendees made a gift to UA; thanked President Johnsen for the \$5000 matching gift and shared the importance regarding the tradition to honor new graduates.

Ruby Soboloff, Anchorage resident, mentioned she is a Finish College Alaska program recipient who saw the advertisement on Facebook and said the support from the program's administrators has been very helpful regarding her degree completion.

Caleb Berry, United Students of the University of Alaska Anchorage (USUAA) senator, said students support the tuition increase; however, the endorsement is for a 2.5 percent increase.

Genie Kitayama, Haines resident, noted concerns with the feasibility study, access and zoning regarding the Chilkat Peninsula timber harvest.

Teresa Wrobel, Anchorage resident, noted concern regarding the high turnover rate, use of different degree completion programs and the varying knowledge among the advisors within UAA's academic advising department.

Sean Topkok, Fairbanks resident and UAF School of Education professor, said the reorganization of the college marginalizes UAA and UAF; stated morale at UAF is down and asked the board to consider the ramification of the marginalization and the effects on student completion rates.

Mark Masteller, Bristol Bay campus professor, spoke of the importance regarding renewable energy opportunities; said it is necessary for UA to expand programs for such opportunities and suggested a general education requirement regarding energy literacy.

Emily Abel, Kodiak College (KoC) Student Government secretary, stated concern regarding the 10 percent tuition increase, noted the tuition increase could create adverse access for students and asked the board to reconsider the increase for KoC.

Alec Burris, USUAA president, noted UAA student government does not support the 5 percent tuition increase due to the hardship it would create for students and said USUAA supports a 2.5 percent tuition increase.

Robin O'Donoghue, UAA student, shared his experience with the Haven training noting hands-on and interactive training sessions could have provided better participation from students; asked the board to continue to actively address campus safety issues and encouraged the board to include diversity as part of the next safety training.

Jack Walsh, Craig resident and school superintendent, thanked UA's efforts to support K12 and the individuals in the profession; stated the importance of supporting Alaska residents with their degree completion and keeping those residents teaching in Alaska's schools.

Luke Bunsing, KoC student, stated student access at the Kodiak campus is not the same as it is at the UAA campus and would appreciate the board reconsidering the tuition increase.

Matthew Garcia, KoC student, stated disappointment regarding the tuition increase; noted Kodiak does not provide on-campus housing, a gym or a health center like UAA and said he may be forced to attend a less expensive college elsewhere.

Kahryn Buchanan, KoC Student Government president, shared the student's perspective regarding paying for services that are not offered in Kodiak including extended library hours, a health center or athletics and urged the board to reconsider the 10 percent tuition increase and the impact on students at KoC.

Alex Jorgensen, USUAA member, said he reluctantly supports the tuition increase; stated concrete examples have not been provided that offer information regarding how the tuition increase will or will not impact students and stated support for a 2.5 percent tuition increase.

Lindsey Lybarger, KoC Student Government member, stated opposition to the proposed 10 percent tuition increase for KoC.

Abel Bult-Ito, United Academics president and UAF professor, noted opposition to the Alaska College of Education decision and having a "super" dean in Juneau; said enrollment in education programs was down 20 percent; asked the board to reconsider the one "super" dean and two directors of education positions at the campuses; said to fix the mistake and return to the original organization with deans at each of UA's accredited universities.

Linda Himelbloom, Kodiak resident, stated opposition to the 10 percent tuition increase for KoC and noted the impact the increase will have on students.

Jason Therer, Anchorage resident and UAA student, encouraged the board to continue to provide transparency regarding the budget planning process and requested the board email the student body listserv when budget documents and other agenda items are available.

Alexandra McLearn, Anchorage resident and USUAA delegate, stated concern about the tuition increase; noted the increase will likely decrease enrollment; said if enrollment decreases it will likely jeopardize programs and noted regarding tuition UA needs to remain competitive with other Western Interstate Commission for Higher Education schools.