

**Official Minutes
Board of Regents
Meeting of the Full Board
June 2-3, 2016
Anchorage, Alaska**

1. Individuals Present

Regents Present:

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

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

Others Present:

Tom Case, Chancellor, University of Alaska Anchorage
Rick Caulfield, Chancellor, University of Alaska Southeast
Mike Powers, Interim Chancellor, University of Alaska Fairbanks
Michael Hostina, General Counsel
Myron Dosch, Interim Vice President of Finance & Administration and Chief Financial Officer
Michelle Rizk, Vice President for University Relations and Chief Strategy, Planning and Budget Officer
Daniel White, Vice President for Academic Affairs and Research
Roberta Graham, Associate Vice President of Public Affairs and Federal Relations
Karl Kowalski, Chief Information Technology Officer
Brandi Berg, Executive Officer, Board of Regents
Beth Leschper, Assistant, Board of Regents

2. Opening Items

A. Call to Order

Chair Heckman called the meeting to order at 8:02 a.m. on Thursday, June 2, 2016.

Note for the record: The Alaska Native Tribal Health Consortium has been an active participant in seeking the Elmore Road Extension; therefore, Regent Teuber asked to be recused from participating in the discussion and the vote regarding the UA Capital Budget Appropriation. Chair Heckman concurred with his recusal.

B. Adoption of Agenda

PASSED AS AMENDED (amendment noted by *)

"The Board of Regents adopts the agenda as amended. This motion is effective June 2, 2016."

Motion by Dale G Anderson, second by Gloria R O'Neill.

Final Resolution: Motion Carries

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

C. Approval of Minutes - Special Meeting of March 25, 2016

Note for the record: The minutes were approved as amended to include the vote to end debate when the question was called on the motion to approve the resolution regarding Senate Bill 172.

PASSED AS AMENDED

"The Board of Regents approves the minutes of its special meeting of March 25, 2016 as amended. This motion is effective June 2, 2016."

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

Final Resolution: Motion Carries

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

D. Approval of Minutes - Regular Meeting of April 7-8, 2016

PASSED

"The Board of Regents approves the minutes of its regular meeting of April 7-8, 2016 as presented. This motion is effective June 2, 2016."

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

Final Resolution: Motion Carries

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

3. Reports

A. President's Report

President Johnsen remarked on the 2016 graduation season, the accomplishments of UA's 4600 students noting the student's achievements are a true testament to the critical role UA plays across the state; said the budget remains a challenge and pressure to reduce costs is serious while continuing to educate Alaska's students; noted UA did not receive any funding in the capital budget; thanked members of the community for support during the state's budget negotiations; stated Associate Vice President Christensen did a tremendous job in Juneau during the session and thanked him for his work on behalf of UA; shared work has begun on Strategic Pathways; said the useful information provided by the McDowell Report will be shared with the Legislature; stated active exploration of a single accreditation has begun; said Chief Human Resources Officer McGee will join UA on June 13, 2016; stated the UA College Saving plan is being nationally recognized and shared a video that highlighted the program.

B. Governance Reports

Cecile Lardon, Faculty Alliance chair, said this meeting is her last as chair; reflected on what she's learned as chair during the last year and how governance functions at UA; appreciated that UA leaders have engaged faculty, staff and students during these challenging times; said efficiency, quality and access are all important perspectives for faculty noting what students learn, how students apply what is learned, the one-on-one interactions, the research and the community service are all factors for a positive learning experience; stated each university within the UA system does serve a regional purpose with unique identities and introduced Tara Smith, the incoming chair.

Faye Gallant, Staff Alliance chair, said this meeting is her last as chair; noted an election will take place in July, during the alliance retreat, to select a new chair; stated the last few years has presented unprecedented change for most employees; noted with the uncertainty of Strategic Pathways and the single accreditation issue, both have had an effect on morale; said frequent and transparent communication as well as involving shared governance are key elements in helping faculty, staff and students understand the changes and challenges ahead; stated the alliance passed a resolution recommending the FY17 compensation increase be applied partially as a step increase and partially as a salary grid increase and noted thanks for the opportunity to speak with the board during her year as chair.

Callie Conerton, Coalition of Student Leaders vice chair, noted the coalition recently passed two resolutions 1) supporting a general education requirement (GER) to include an Alaska Native studies course and 2) in support of Title IX and included as a GER, that all degree-seeking students take a course regarding campus safety, sexual violence and violence prevention; shared information from the February 2016 Juneau fly-in, meetings with legislators and the rally held to support UA and said a new chair would be elected this fall during the coalition's September 2016 meeting.

Monique Musick, System Governance Council chair, said the council is excited about the Board of Regents' Planning and Development Committee recommendations regarding options for public testimony; said there is concern among faculty, staff and students regarding the decision to pursue a single accreditation and an appointment of a second UAF interim chancellor; said there are more questions than answers regarding all the decisions and changes at UA, which creates uncertainty and encouraged the board to seek governance's input on current issues and challenges occurring at UA.

4. Public Testimony

A. Public Testimony

Jim Merriner, community member, spoke in support of the university's concurrent enrollment policy and shared his son's experience regarding the opportunity to take classes at UA while attending high school.

Mike Hanley, Chugach School District assistant superintendent, spoke in support of the university's concurrent enrollment policy and noted the importance of bridging the gap between high school and college by providing the opportunity for students to earn college credit while attending high school.

Brian Franklin, 2012 UAA accounting graduate, spoke in support of UAA's College of Business and Public Policy (CBPP); shared his experience with programs and faculty within the CBPP and noted many businesses partner with CBPP to provide an important learning opportunity for students.

Tina Walsh-Morgan, non-traditional student, spoke in support of and her experience with UAA's College of Health and encouraged the board to engage more with the non-traditional students.

Nicki Knowlton, recent UAA graduate, spoke in support of and her experience with UAA's College of Health and shared the significant training she received at the college.

James Gilchrest, Associated Students of UAF (ASUAF) vice president, stated it is crucial that students are informed and included in the changes occurring at UA and noted a recent survey of students was conducted regarding Strategic Pathways, program review and single accreditation.

Colby Freel, ASUAF president, shared the association's survey results noting student's concerns are divided regarding SP and the program review process; however, great concern was shown for single accreditation; said there is also concern for non-traditional peers and the effect these changes will have on those students and encouraged the board to communicate openly with students as decisions are being made.

Jonathan Taylor, UAA alumni, shared his perspective on single accreditation; noted each campus has a regional perspective that is fulfilled by its location and stated the Union of Students of the University of Alaska Anchorage (USUAA) passed two resolutions of appreciation: one for Chancellor Case for his prioritization regarding campus safety and Title IX training and one for Chair Heckman honoring her for her leadership (both resolutions were presented to honorees).

Sam Erickson, USUAA president, shared concern about UA administration's priorities regarding tuition during this time of change and encouraged the board to engage students in the upcoming decisions.

Carol Forner and Matthieu Ostrander, recent UAA graduates, shared information about and the work performed at UAA's Lean Center of Excellence; stated the center has developed a robust network of trained process improvement specialists and noted the lean projects have saved over 19,900 hours of staff time.

Abel Bult-Ito, United Academics president, stated the defunding of public education is the biggest threat to education in the nation and asked the board to research the single accreditation in detail prior to making a decision.

Genevieve Mina, UAA student, shared her reasons for choosing to study biological sciences and attend UAA noting the undergraduate research opportunities were a big reason for deciding to enroll at UAA.

Joey Sweet, UAA resident advisor, thanked the board for its work to promote safety on campus regarding SB174 Guns on Campus and shared he often assists students during times of crisis noting having guns on campus could escalate certain situations.

Harry Deuber, Alaska Master Gardener's Association president, respectfully asked the board to reconsider the closure of the Anchorage Cooperative Extension Services (CES); shared the importance the program provides to the community and noted the effects the closure will have on CES employees.

Bethany Lee, UAA student, stated the UAA/APU Consortium Library and its online resources are critically important to students and said students have noticed recent reductions to staff and the available resources at the library.

Shoshanna Johnson, UAA student, shared information regarding the UAA Summer Engineering Academy, her experience with the academy and said the program is designed to encourage interest and provide exposure to science, technology, engineering, and mathematics (STEM) for elementary and high school students.

Bronson Riveria, local area high school student, shared his experience with the UAA Summer Engineering Academy and his interest in engineering.

Steve Godfrey, UAA Department of Art chair and associate professor, said he has taught at UAA for 16 years; spoke

regarding the importance of a liberal arts education; shared recent successes of the Ceramics Club and the type of workshops offered to students and noted the club fundraised \$22K over two years to create an endowed student award.

Travis Rector, UAA Department of Physics and Astronomy professor, stated the importance of STEM and other science education; noted the importance of undergraduate research focused on student interests and shared information about the UAA Planetarium.

David Bowie, UAA Department of English associate professor, stated the significance of teaching and research; shared recent research conducted by undergraduate and graduate students noting how research enriches the student's learning experience.

Nelta Edwards, UAA Department of Sociology associate professor, shared the great work taking place in the sociology department at UAA and noted student internships, research opportunities, training and mentoring provided to students within the department.

Anna Stanczyk, UAA student, spoke in support of offering a geological sciences master's program at UAA; noted the advance program would be beneficial to students conducting research and shared information about internships that are available to student studying geology.

Natalie Tyler, UAA student, shared her experience with UAA's geological sciences program and spoke in support of offering a geological sciences master's program.

Ian van Tets, UAA Department of Biological Sciences associate professor, shared information about UAA's Della Keats program; noted the program serves under-privileged high school students interested in health sciences and shared the college success rate of previous students who have completed the program.

Barbara Baker, Alaska Master Gardener's Association past president, spoke in opposition to the closure of the Anchorage CES; shared the importance the CES provides to the local community and the state of Alaska and encouraged the board to engage with members of the CES to look at strategic reorganization efforts.

Ray DePriest, community member, thanked the board for its leadership and spoke in support of the university's concurrent enrollment policy.

Jerry Covey, education consultant, provided his opinion of UA's education preparation programs; noted the need to revitalize teacher education in Alaska; stated UA's programs would be better served and better led by one school of education dean and noted partnering with Alaska's teacher loan program may entice additional interest in the teaching profession.

Florian Borowski, UAA Occupational Safety and Health Industry Advisory board member, spoke in support of offering an occupational safety and health degree at UA; noted the importance of safety training and the need for such training throughout the state and stated safety matters.

Wes Heinold, UAA Occupational Safety and Health Industry Advisory board member, thanked UAA for its engagement with industry regarding the need for an occupational safety and health degree.

Maria Williams, UAA Alaska Native Studies director, shared information about the Alaska Native Studies student success program and the different methods used to entice students to attend UA.

Jennifer Stone, UAA Department of English professor, noted the importance and the valuable information humanities classes provide to a student's learning experience and shared undergraduate research opportunities available to students.

Erin Hick, UAA Department of Physics and Astronomy assistant professor, shared information regarding the valuable resources provided by the UAA Planetarium and its important role in recruiting students and enhancing student learning opportunities.

Clayton Trotter, UAA College of Business and Public Policy law professor, noted the university should explore ways to assist Alaska Native corporations with the contaminated land issue; shared his research regarding the issue and noted ideas for creating a mapping database to track the contaminated sites.

Paul Stang, University Area Community Council president, shared concerns regarding the UAA Drive pedestrian crossing area and the dangers of the intersection; noted opposition to the Elmore Road extension and spoke in opposition to the closure of the Anchorage CES.

Joni Bruner, community member, shared her experience with the Alaska Master Gardener's program and spoke in opposition to the closure of the Anchorage CES.

Neil Koeneman, USUAA member, thanked the board for allowing public testimony; spoke about tuition increases, differential tuition and the effects tuition has on a student's ability to afford college.

Cam Tooney, community member, spoke in support of the athletic programs offered at UAA and shared his experience with the programs.

Thomas Packer, community member, spoke in support of Seawolf athletics; noted his support of the program and stated athletics provides an opportunity for the community to engage with UAA.

Michael Black, Alaska Native Tribal Health Consortium (ANTHC) rural utility services director, spoke in support of the engineering programs at UAA noting ANTHC employs 100 engineers in rural communities who graduated from UAA, 23 percent have undergraduate degrees, 34 percent have graduate degrees and said 80 percent of ANTHC staff members are currently taking classes at UAA.

Ron Burkhardtsmeier, Alaska Insulated Panels president, spoke about his partnership with UAA's College of Engineering noting it was a beneficial experience for him and the students; stated the science testing labs in the Engineering and Industry Building were perfect for assessing the insulated panels and said the results of the tests provided product creditability to businesses within the state.

Greg Michaelson, UAA College of Engineering graduate student, spoke about his water and sewer research and the opportunity to help rural communities maintain a safe and clean water supply.

Jason Gootee, UAF Alumni Association Southcentral chapter president, said alumni are involved and providing feedback regarding the UAF interim chancellor search and the single accreditation process; stated members do not want to lose the unique UAF identification that could occur with a single accreditation; said alumni are concerned about the budget cuts facing UA and encouraged the board to engage with alumni when considering budget reductions.

Josh Alvey, community member, stated concerns about the UA budget; spoke in opposition to Strategic Pathways and said single accreditation would provide fewer options for students and less autonomy for the individual universities.

Cheryl Chapman, master gardener, spoke in opposition to the closure of the Anchorage CES and shared the importance CES provides to the community.

Ashley Widmer, UAA student, spoke about her undergraduate research work, her experience at UAA and noted the diverse research opportunity available to students attending UAA.

5. Financial Briefing

A. Financial Briefing

Controller and Acting Chief Financial Officer Dosch provided a financial briefing.

6. State Relations Report and Approval of a Resolution of Appreciation

A. State Relations Report

Associate Vice President Christensen stated this is the second year that the Legislature has held special sessions extending into June; said legislators continue to work on revenue enhancing items to offset the budget; noted the Legislature approved \$335 million for UA's FY17 budget but has not yet provided the budget to the governor; said \$118 million was re-appropriated in the capital budget for the U-MED district road improvements; noted HB107 regarding regional appointments to the Board of Regents passed but has not been transmitted to the governor, SB174 guns on campus failed in the Senate Finance committee and HB322 prohibiting executive salaries above the governor's salary failed; stated it has been a difficult session for legislators and noted the success of UA's budget can be attributed to the relentless work done by board members, alumni, business partners, faculty, staff and students.

President Johnsen thanked Associate Vice President Christensen for his superb performance during the session and said his reputation has helped UA immensely.

B. Approval of Resolution of Appreciation for Chris Christensen

PASSED

"The Board of Regents approves the resolution of appreciation for Chris Christensen. This motion is effective June 3, 2016."

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

Final Resolution: Motion Carries

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

Not Present at Vote: Deena Paramo

WHEREAS, Chris Christensen has served the University of Alaska with distinction and dedication since his appointment as Associate Vice President for State Relations by former University of Alaska President Patrick Gamble in August 2011; and

WHEREAS, Chris Christensen served an important liaison role for the university, regularly communicating information about key pieces of legislation and the capital and operating budget process with a wide variety of university stakeholders; and

WHEREAS, Chris Christensen wrote regular UA Capitol Reports to inform and inspire UA supporters and advocates throughout the legislative session providing invaluable insight into the ongoing activity in Juneau during the session; and

WHEREAS, Chris Christensen's quiet manner, dark humor and straightforward speech earned him the nickname "Prince of Darkness" for starting nearly every State Relations update with a declaration of bad news to follow; and

WHEREAS, Chris Christensen tirelessly advocated for the university's interests, faithfully attending hearings, meetings and special sessions, and showing rock solid support for UA, its students, employees, programs and infrastructure; and

WHEREAS, Chris Christensen oversaw the successful passage of critical capital investments including the UAA engineering building, the partially funded UAF engineering building, the UAS freshman dorms, and the UAF Co-Gen power plant along with the most significant sustained deferred maintenance investment in UA history; and

WHEREAS, Chris Christensen has spent the past 31 years living in a motel room in the Driftwood Lodge during the legislative session; and

WHEREAS, Chris Christensen regularly prowled the vending machines in the Bragaw Office Building in search of a good meal; and

WHEREAS, Chris Christensen loves popcorn and the company of his dogs over most humans; and

WHEREAS, Chris Christensen made "Take Your Dog to Work Day" a regular event; and

WHEREAS, Chris Christensen served as deputy administrative director of the court system from 2000 until 2011 and as the court's general counsel from 1990 to 2011. In these positions, he served as the court system's liaison to the Alaska State Legislature. Prior to his time with the court system, he worked in a variety of positions with the legislature, including serving as committee counsel to the Senate Judiciary Committee and staff counsel to various leadership positions, including Senate President and Senate Finance Committee Co-Chair and House Majority Leader; and

WHEREAS, Chris Christensen received a Bachelor of Arts in Government from Cornell University in 1978 and his Juris Doctor in 1981 from the University of Texas School of Law, and has been a member of the Alaska Bar Association since 1982; and

WHEREAS, Chris Christensen moved to Alaska when he was 15 in 1971, after spending most of his childhood in Hawaii. He lived in Fairbanks from 1985 to 1987, while working for the late Don Bennett, who was Senate President at the time; and

WHEREAS, Chris Christensen can finally look forward to retirement and spending more time with his wife Blair, walking his dog Luna, enjoying his cats Merlin and Andie, and touring coastal areas in his sea kayak.

NOW, THEREFORE BE IT RESOLVED that the Board of Regents of the University of Alaska officially recognizes and thanks Chris Christensen for his service to not only the University of Alaska and its students, but to the entire state. He will be sincerely missed; and

BE IT FURTHER RESOLVED that this resolution be appropriately engrossed and conveyed to Chris Christensen with a copy incorporated into the official minutes of the June 2-3, 2016, meeting of the Board of Regents.

7. UA Budget Discussion and Approval Items

A. UA Budget Discussion

President Johnsen reviewed the current budget situation; noted UA meets Alaska's needs by providing a culture of education and broad accessibility, research relevant to Alaska and the Arctic, workforce preparation and a knowledge economy; shared the effects of the downturn in population and the reduction of high school graduates has on enrollment at UA; reviewed UA's FY11-FY17 state appropriations; suggested since the budget appropriation is \$335 million and the

budget planning was done for \$300 million, the additional \$35 million could be reallocated to UA's strategic priorities which include facilities, campus high priority programs, student success, research, K-12 partnerships, workforce development, Title IX compliance, development and forgoing a mid-year tuition increase and stated Strategic Pathways and the accreditation review will have a strategic effect on how UA will move forward in these challenging times.

The board expressed its support of the \$35 million strategic priority reallocation presented by President Johnsen.

B. Approval of FY17 Natural Resources Fund Budget

PASSED

"The Board of Regents approves the proposed FY17 Natural Resources Fund Budget as presented. This motion is effective June 02, 2016."

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

Final Resolution: Motion Carries

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

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

Natural Resources Fund Proposed FY2017 Budget/Spending Plan

	Approved FY16	Proposed FY17
University of Alaska Press	\$ 100,000	\$ 100,000
System-based scholarships	160,000	170,000
Cooperative Extension Support	400,000	400,000
Deferred Maintenance	-	269,300
Alaska International Piano E-Competition		30,000
Collaboration Classroom, College of Liberal Arts	-	23,000
Videoconferencing upgrades ANC/JNU	177,600	-
Financial Literacy	10,000	-
Researching Rhodiola Harvesting	20,000	-
Investment in Youth Leadership	15,000	-
Green Dot Violence Prevention Strategy	50,000	-
Land Management	880,000	830,000
University of Alaska Scholars Program	<u>3,975,000</u>	<u>3,975,000</u>
Total	\$ 5,787,600	\$ 5,797,300

RATIONALE

Per Regents' Policy, the Natural Resources Fund is to be used to "provide a margin of support over and above" what otherwise would be possible thru traditional state, federal and private sources, and used to provide funding to projects and programs necessary to establish or enhance the quality of the university's academic programs, research, or public service". The sources of the funds available come from the spending allowance generated by the Land Grant Endowments, currently set by the board at 4.5 percent of the average of the December 31 market value for the immediately preceding five years of the fund. Withdrawal of earnings in any fiscal year is limited to the unexpended accumulated earnings of the endowment as of the preceding December 31.

University of Alaska Press: The allocation request is based on a long-standing commitment to supplement its operations, most recently affirmed by the board in June 2015.

System-based scholarships: The allocation request represents awards offered as community goodwill, through seven organizations as well as the state's foster youth program. Consistent with the UA Scholars program, the community awards have been increased by \$125 per semester as of June 2014. The foster youth award amount covers 144 credits of tuition for 10 semesters over 6 years. The foster youth cost is variable with tuition increases.

Cooperative Extension Support: Since FY08, Cooperative Extension (CE) has used the Natural Resources Fund (NRF) to build capacity in Alaska communities. The NRF distribution pays for significant portions of salaries of employees providing educational outreach related to 4-H and natural resources. To date, in FY16, the NRF financed the majority of work done by the CE's Bethel agent, Fairbanks state 4-H program leader, Kodiak and Bristol Bay 4-H program assistants, and the

Anchorage natural resources program assistant. Approximately a third of the efforts of the eastern forester, Kenai Peninsula agriculture agent, and the Anchorage 4-H agent were covered by the NRF as well. With this funding, CE has been able to deliver youth-driven programming including healthy living, cultural appreciation and suicide prevention.

Deferred Maintenance: The FY17 allocation to deferred maintenance reflects the prioritization of the board. The president will authorize disbursement of this allocation to the highest priority deferred maintenance project(s) on UA campuses.

Alaska International Piano E-Competition: This allocation provides support to the arts for this prestigious international music event. The next competition is scheduled for 2018 in Fairbanks.

Collaboration Classroom: This allocation will provide funding to create a collaboration classroom at UAF's College of Liberal Arts. The collaboration classroom will facilitate eLearning through an upgradable state-of-the-art classroom where students can take courses from multiple physical locations. The collaborative efforts will serve as a model for other programs in moving Strategic Pathways forward.

Land Management: The allocation is based on Regents' Policy that provides a portion of the spending allowance for the management and maintenance of university land. The provision to land management has been decreased this year based on the average actual expenditures of the prior five years.

UA Scholars Program: The allocation request is based on the program being the university's largest scholarship outreach program and consists of an award of \$12,000, paid over a period of eight semesters, at \$1,500 per semester. The award is available to the top ten percent of the graduates from every high school in Alaska.

C. Approval of Partial Defeasance of Series R General Revenue Bonds for the UAS Natural Sciences Research Lab

PASSED

"The Board of Regents adopts the resolution for partial defeasance of Series R General Revenue Bonds for the UAS Natural Sciences Research Lab as presented. This motion is effective June 2, 2016."

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

Final Resolution: Motion Carries

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

POLICY CITATION

P05.04.020 Debt and Credit – Facilities and Real Property Improvements

A. All facilities and other real property debt issuances must be approved by the board.

C. Refunding or refinancing debt must be approved by the board and shall be issued only if it results in a net present value savings, eliminates restrictive covenants or provides other benefits that can be clearly demonstrated.

RATIONALE AND RECOMMENDATION

To realize debt service savings, the University of Alaska Southeast seeks to defease (pay off) \$2,275,000 principal associated with the Natural Sciences Research Lab located in Juneau, Alaska. The proposed action will save an estimated \$353,820 over the life of the debt. In addition, the operating budget will be relieved of an approximately \$222,000 payment through fiscal year 2029.

Funding for the defeasance will come from the University of Alaska Southeast's unreserved fund balance and reserves.

The University of Alaska Southeast master plan explores removing the facility from its inventory, ideally through a sale. While there are no current plans to pursue a sale, defeasing the debt now will position the university for a faster response should a sale opportunity arise.

Upon approval by the board, the defeasance would take place on or about June 23, 2016.

The Resolution follows:

**UNIVERSITY OF ALASKA BOARD OF REGENTS
RESOLUTION OF THE BOARD OF REGENTS OF THE UNIVERSITY OF ALASKA AUTHORIZING THE PARTIAL
DEFEASANCE OF CERTAIN OUTSTANDING GENERAL REVENUE REFUNDING BONDS (SERIES R) OF THE
UNIVERSITY OF ALASKA AND AUTHORIZING AND APPROVING RELATED MATTERS.**

WHEREAS, the University of Alaska (the "University") is authorized pursuant to Alaska Statutes Chapter 14.40, as

amended (the "Act") to issue revenue bonds to pay the cost of acquiring, constructing, or equipping one or more projects that the Board of Regents (the "Board") of the University determines is necessary; and

WHEREAS, the University issued its General Revenue Refunding Bonds, 2012 Series R, in the principal amount of \$32,805,000 (the "Prior Bonds") for the purpose of refunding and redeeming certain outstanding general revenue bonds of the University to achieve debt service savings; and

WHEREAS, the Prior Bonds were issued under and pursuant to, and secured by, a Trust Indenture dated as of June 1, 1992, as amended (the "Master Indenture"), and a Fifteenth Supplemental Indenture (the "Supplemental Indenture," and together with the Master Indenture, the "Indenture"); and

WHEREAS, the University has determined that it is in its best interest to defease a portion of the outstanding Prior Bonds with available funds of the University; and

WHEREAS, there has been presented to this meeting the form of an Escrow Agreement for use in connection with the defeasance of a portion of the outstanding Prior Bonds.

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

Section 1. The defeasance of \$2,275,000 principal amount of the Prior Bonds (the "Defeased Bonds") is hereby authorized and approved. Amounts sufficient to cause the defeasance of the Defeased Bonds, in addition to fees and costs incurred in connection therewith, are hereby authorized to be paid with available funds of the University.

The purposes of the defeasance is to retire all outstanding general revenue bonds, the proceeds of which were used to finance the acquisition, construction or equipping of the University of Alaska Southeast Juneau Science Building.

Section 2. The President or the President's designee, the Vice President for Finance and Administration and Chief Financial Officer, and the Controller (collectively, the "Authorized Officers") are, and each of them is, hereby authorized to cause the defeasance of the Defeased Bonds, subject to the requirements set forth in the Indenture.

Section 3. The form and content of the Escrow Agreement is in all respects hereby authorized, approved, and confirmed with such changes as the Authorized Officers consider necessary or appropriate. The Authorized Officers are, and each of them is, hereby authorized to execute the Escrow Agreement, on behalf of the University, for the use and disposition of moneys, if any, and direct, non-callable obligations of the United States of America for the purpose set forth in Section 1 above.

Section 4. The Bank of New York Mellon Trust Company, N.A., a national banking institution, is hereby authorized to serve as escrow agent pursuant to the terms of the Escrow Agreement.

Section 5. The Authorized Officers are, and each of them is, hereby authorized to execute all documents, and to take any action necessary or desirable to carry out the provisions of this Resolution and to effectuate the defeasance of the Defeased Bonds.

Section 6. The Recitals to this Resolution are hereby incorporated into this Resolution.

Section 7. This Resolution shall take effect immediately upon approval by the Board.

D. Approval of Partial Defeasance of Series O and Series R General Revenue Bonds for the UAS Administrative Services Building

PASSED

"The Board of Regents adopts the resolution for partial defeasance of Series O and Series R General Revenue Bonds for the UAS Administrative Services Building as presented. This motion is effective June 2, 2016."

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

Final Resolution: Motion Carries

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

POLICY CITATION

P05.04.020 Debt and Credit – Facilities and Real Property Improvements

A. All facilities and other real property debt issuances must be approved by the board.

C. Refunding or refinancing debt must be approved by the board and shall be issued only if it results in a net present value savings, eliminates restrictive covenants or provides other benefits that can be clearly demonstrated.

RATIONALE AND RECOMMENDATION

To realize debt service savings and comply with tax exempt bond regulations, the University of Alaska Southeast seeks to defease (pay off) \$2,295,000 principal associated with the Administrative Services Building, 11798 Glacier Highway, Juneau, Alaska. The proposed action will save an estimated \$277,484 over the life of the debt. In addition, the operating budget will be relieved of an approximately \$230,000 payment through fiscal year 2029.

The University of Alaska Southeast initially intends to lease the Administrative Services Building and may seek to sell it. Both actions necessitate the defeasance of the debt to comply with tax exempt bond regulations that limit use of the property for a non-exempt purpose.

Funding for the defeasance will come from the University of Alaska Southeast's unreserved fund balance and reserves.

Upon approval by the board, the defeasance would take place on or about June 23, 2016.

The Resolution follows:

**UNIVERSITY OF ALASKA BOARD OF REGENTS
RESOLUTION OF THE BOARD OF REGENTS OF THE UNIVERSITY OF ALASKA AUTHORIZING THE
PARTIAL DEFEASANCE OF CERTAIN OUTSTANDING GENERAL REVENUE AND REFUNDING BONDS (SERIES O
AND SERIES R) OF THE UNIVERSITY OF ALASKA AND AUTHORIZING AND APPROVING RELATED MATTERS.**

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

WHEREAS, the University issued its General Revenue Bonds, 2008 Series O, in the principal amount of \$23,795,000 (the "2008 Prior Bonds") for the purpose of financing the costs of acquiring, constructing, or equipping projects, including the University of Alaska Southeast Administrative Services Building (the "Gitkov Project");

WHEREAS, the 2008 Prior Bonds were issued under and pursuant to, and secured by, a trust indenture, dated as of June 1, 1992, as amended (the "Master Indenture"), as supplemented by a Twelfth Supplemental Indenture dated as of January 1, 2008 (the "2008 Supplemental Indenture"); and

WHEREAS, the University issued its General Revenue Refunding Bonds, 2012 Series R, in the principal amount of \$32,805,000 (the "2012 Prior Bonds") for the purpose of refunding and redeeming certain outstanding general revenue bonds of the University, including bonds of which proceeds were used to finance authorized costs of the Gitkov Project, to achieve debt service savings; and

WHEREAS, the 2012 Prior Bonds were issued under and pursuant to, and secured by, the Master Indenture, as supplemented by a Fifteenth Supplemental Indenture dated as of March 1, 2012 (the "2012 Supplemental Indenture"); and

WHEREAS, the University has determined that it is in its best interest to defease a portion of both the outstanding 2008 Prior Bonds and 2012 Prior Bonds with available funds of the University; and

WHEREAS, there has been presented to this meeting the form of an Escrow Agreement for use in connection with the defeasance of a portion of both the outstanding 2008 Prior Bonds and 2012 Prior Bonds.

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

Section 1. The defeasance of \$640,000 principal amount of the 2008 Prior Bonds and \$1,655,000 of the 2012 Prior Bonds (together, the "Defeased Bonds") is hereby authorized and approved. Amounts sufficient to cause the defeasance of the Defeased Bonds, in addition to fees and costs incurred in connection therewith, are hereby authorized to be paid with available funds of the University.

The purpose of the defeasance is to retire all outstanding general revenue bonds, issued by the University, the proceeds of which were used to finance the acquisition, construction or equipping of the Gitkov Project.

Section 2. The President or the President's designee, the Vice President for Finance and Administration and Chief Financial Officer, and the Controller (collectively, the "Authorized Officers") are, and each of them is, hereby authorized to cause the defeasance of the Defeased Bonds, subject to the requirements set forth in Master Indenture, the 2008 Supplemental Indenture and the 2012 Supplemental Indenture, as applicable.

Section 3. The form and content of the Escrow Agreement is in all respects hereby authorized, approved, and confirmed with such changes as the Authorized Officers consider necessary or appropriate. The Authorized Officers are, and each of them is, hereby authorized to execute the Escrow Agreement, on behalf of the University, for the use and disposition of

moneys, if any, and direct, non-callable obligations of the United States of America for the purpose set forth in Section 1 above.

Section 4. The Bank of New York Mellon Trust Company, N.A., a national banking institution, is hereby authorized to serve as escrow agent pursuant to the terms of the Escrow Agreement.

Section 5. The Authorized Officers are, and each of them is, hereby authorized to execute all documents, and to take any action necessary or desirable to carry out the provisions of this Resolution and to effectuate the defeasance of the Defeased Bonds.

Section 6. The Recitals to this Resolution are hereby incorporated into this Resolution.

Section 7. This Resolution shall take effect immediately upon approval by the Board.

*E. Acceptance FY16 Supplemental Appropriation and the FY17 Operating Budget Appropriation and Approval of Distribution Plan

Note for the record: Acceptance of the FY16 Supplemental Appropriation was added to the motion.

PASSED

"The Board of Regents accepts the FY16 Supplemental Appropriation and the FY17 Operating Budget Appropriation as presented. This motion is effective June 3, 2016."

PASSED

"The Board of Regents approves the FY17 Operating Budget Distribution Plan as presented. This motion is effective June 3, 2016."

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

Final Resolution: Motion Carries

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

Nay: Kenneth J Fisher

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 AND RECOMMENDATION

The second regular session of the 29th Alaska State Legislature ended on Wednesday, May 18, 2016. The operating budget bills (HB256 & HB257) and the capital budget bill (SB138) did not pass before adjournment, nor did any of the deficit reduction bills proposed by Governor Walker. Because of that, the governor called the Legislature into special session in Juneau, which began on Monday, May 23, 2016. Special sessions may last up to 30 days and are limited to specific topics, but there is no limit on the number of special sessions that can be called.

As of Tuesday, May 24, 2016, the Legislature had not passed an operating budget or a capital budget. Reference documents were hand-carried to the board's June 2-3, 2016 meeting.

F. Acceptance of the FY17 Capital Budget Appropriation and Approval of Distribution Plan

PASSED

"The Board of Regents accepts the FY17 Capital Budget Appropriation as presented. This motion is effective June 3, 2016."

PASSED

"The Board of Regents approves the FY17 Capital Budget Distribution Plan as presented. This motion is effective June 3, 2016."

Motion by Lisa M Parker, second by Stacey Lucason.

Final Resolution: Motion Carries

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

Abstain: Andy Teuber

Not Present at Vote: Deena Paramo

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As of Tuesday, May 24, 2016, the Legislature had not passed an operating budget or a capital budget. Reference documents were hand-carried to the board's June 2-3, 2016 meeting.

G. Discussion regarding FY18 Operating and Capital Budget Development Guidelines

President Johnsen and administrative staff led a discussion regarding the environment in which UA expects to build the FY18 operating and capital budgets guided by Strategic Pathways, the accreditation review, utilization of UA facilities, forecasting tuition, reducing administrative costs through outsourcing and consolidation and continued investment in the board's strategic priorities.

In the past, administration has requested the Board of Regents approve the budget request guidelines for the upcoming fiscal year as part of the planning process. However, considering the current budget uncertainties, administration will continue to discuss the budget with the board while planning for FY18.

The administration will hold the FY18 university budget request review meeting on August 23, 2016. Board members were invited to attend the meeting.

8. Strategic Pathways Discussion

A. Strategic Pathways Discussion

President Johnsen reviewed Strategic Pathways' (SP) mission, objectives, core principles, strategy, potential goals and measures and lead university options noting the framework will be used to improve UA's service to the state; said SP will be implemented in phases. Phase 1 will begin this summer noting Professional Growth Systems consultants will assist UA with the process; shared the process and timeline for Phase 1 noting faculty, staff, students and the university community will have opportunities to participate in the process; said UA is actively exploring the benefits and risks of single accreditation, led by Dana Thomas, as part of the SP process; reviewed the accreditation timeline and said a mid-stream report to the board regarding SP and single accreditation will occur in July 2016 with additional information to follow during the September 15-16, 2016 board meeting.

The board expressed its continued support of strategic priorities in the areas of deferred maintenance, teacher education, research, engineering, workforce development (e.g. healthcare and maritime), partnerships with industry, eLearning, taking a bold look at organizational structure on how to grow UA's programs and the benefits of one or three universities.

9. Shaping Alaska's Future Progress Report

A. Progress Report on Shaping Alaska's Future Theme 1: Student Achievement and Attainment

Vice President White presented a progress report on Shaping Alaska's Future Theme 1: Student Achievement and Attainment.

10. McDowell Report

A. Economic Impacts & Public Perceptions

Economic Impacts & Public Perceptions:

Using private funds, the University of Alaska contracted with McDowell Group to conduct a statewide public opinion survey on the role and value of the university. McDowell Group surveyors contacted more than 900 randomly selected Alaska residents by telephone (mobile and landline). Respondents were asked a broad range of questions including the importance of the university to the state, qualities the university represents and the respondent's assessments of the university's emphasis on key areas for growth. Additionally, the research firm estimated the direct and indirect economic impacts generated from university employment and expenditures on goods and services (estimated spending by university students and out-of-state visitors is also included in the analysis). Data was provided by the university for the analysis.

Susan Bell, McDowell Group principal, highlighted key findings from both studies.

11. Approval Items

A. Approval of Revisions to the 2017 Board of Regents' Meeting Schedule

PASSED

"The Board of Regents approves the revised meeting schedule for 2017. This motion is effective June 3, 2016."

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

Final Resolution: Motion Carries

Yea: Dale G Anderson, Sheri Buretta, Jyotsna L Heckman, Stacey Lucason, Gloria R O'Neill, Lisa M Parker, Andy Teuber

Abstain: Kenneth J Fisher, Mary K Hughes

Not Present at Vote: John Davies, Deena Paramo

To reduce costs, Chair Heckman and President Johnsen recommended combining the February and April 2017 meetings and the November and December 2017 meetings.

	<u>2017</u>	
Retreat	January 19-20, 2017	Anchorage
Regular Meeting	February 16-17, 2017	Anchorage
Regular Meeting	April 6-7, 2017	Fairbanks
Regular Meeting	March 2-3, 2017	Anchorage
Regular Meeting	June 1-2, 2017	Fairbanks
Regular Meeting	September 14-15, 2017	Juneau
Meeting re: Budget	November 1, 2017	Anchorage
Annual Meeting	December 7-8, 2017	Fairbanks
Budget and Annual Meeting	November 9-10, 2017	Anchorage

B. Approval of FY17 Student Government Budgets

PASSED

"The Board of Regents approves the student government budgets as presented. This motion is effective June 3, 2016."

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

Final Resolution: Motion Carries

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

Nay: Kenneth J Fisher

Not Present at Vote: Deena Paramo

POLICY CITATION

Regents' Policy 09.07.050.G. - Student Government, states: "The university may collect a mandatory student government fee to support student government, but may not require a student to be a member of any student government or participate in student government activities. The amount and allocation of the student government fee must be specified in the proposed annual budget. The annual budget of each student government organization must be reviewed and approved by the board."

RATIONALE AND RECOMMENDATION

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

The UAF Kuskokwim student government is currently disbanded. The fund balance will remain until the Kuskokwim student government is reestablished, at which time the budget approval will be presented to the board.

12. First Review of Regents' Policy Chapter 05.06 - Procurement and Supply Management

A. First Review of Proposed Revisions to Regents' Policy Chapter 05.06- Procurement and Supply Management

RATIONALE

The board's procurement policies have not been updated for a number of years and are out of date in many areas. In response to a legislative audit, the administration agreed to update the policy to incorporate certain procurement preferences for agricultural and fisheries products. Rather than merely adding those provisions to an outdated policy, the administration chose to review all of the procurement policies and submit one update for review of the board. Some of the policies have been superseded or expanded by statutory revisions or related changes to state procurement regulations. A listing of the significant changes and a redline version of the proposed changes were included in the attachment.

Associate Vice President Lynch was available to answer questions from members of the board regarding the policy revisions.

13. Campus Presentation

A. Alaska Native Science & Engineering Program (ANSEP): Eliminating Remediation

Vice Provost Schroeder, UAA ANSEP, provided information regarding a proposed acceleration high school.

14. Reports

A. Title IX Compliance Scorecards

President Johnsen and Chancellors Case, Powers and Caulfield reviewed the Title IX Compliance Scorecards and provided an update on Title IX issues.

B. UA Foundation Report

UA Foundation Interim President and Associate Vice President for Development Riebe reported on UA Foundation activities including the untapped potential in attracting and retaining students, meeting the needs of Alaska and engaging more Alaskans to invest in UA; thanked President Johnsen, the Board of Regents and the UA Foundation Board of Trustees (BOT) for its development efforts to invest in a systemwide campaign; said some donors have expressed concerns regarding Strategic Pathways; noted BOT is focused on outreach to current and new donors and relationship development within its spheres of influence and shared some historical facts noting in 1980 the foundation managed under \$1 million and today it manages \$300 million.

15. Planning and Development Committee

A. Discussion Regarding Board Governance

Regent Parker reported the board's self-assessment was complete and will be discussed in executive session during this meeting on June 3, 2016 and noted she is working with administration regarding succession planning for the university system.

16. Consent Agenda

A. Approval of Consent Agenda

PASSED AS AMENDED (amendment noted by *)

"The Board of Regents approves the consent agenda items 17.B.1-6. and 17.C.1-3. as amended. This motion is effective June 3, 2016."

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

Final Resolution: Motion Carries

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

Not Present at Vote: Deena Paramo

B. Academic and Student Affairs Committee - Items from May 26, 2016

1. Approval of the Deletion of a Master's of Electrical Engineering at the University of Alaska Fairbanks

PASSED

"The Board of Regents approves the deletion of a Master's of Electrical Engineering at the University of Alaska Fairbanks. This motion is effective June 3, 2016."

2. Approval of the Deletion of a Bachelor of Arts in Russian Studies at the University of Alaska Fairbanks

PASSED

"The Board of Regents approves the deletion of a Bachelor of Arts in Russian Studies at the University of Alaska Fairbanks. This motion is effective June 3, 2016."

3. Approval of the Deletion of a Bachelor of Arts in Theatre at the University of Alaska FairbanksPASSED

"The Board of Regents approves the deletion of a Bachelor of Arts in Theatre at the University of Alaska Fairbanks. This motion is effective June 3, 2016."

~~*4. Approval of a Master's of Marine Science at the University of Alaska Fairbanks (Postponed in committee to a future meeting)~~

5. Approval of a Resolution of Support for the Alaska Postsecondary Access and Completion NetworkPASSED

"The Board of Regents approves the resolution of support for the Alaska Postsecondary Access & Completion Network and the statewide postsecondary attainment goal of "65 by 2025". This motion is effective June 3, 2016."

Resolution of Support for
the Alaska Postsecondary Access & Completion Network and
the statewide postsecondary attainment goal of "65 by 2025"

WHEREAS, Alaska has long been ranked as one of the lowest performing states in postsecondary access and completion and currently, only 37 percent of Alaska's working-age adults hold a college degree, and 13 percent hold certificates (50 percent combined credentialed workers); and

WHEREAS, Alaska is one of a few states in which 18- to 34-year olds have lower attainment rates than its 35- to 64-year olds; and, at 30 percent, has among the highest rates of adults with some college credit, but no degree; and

WHEREAS, Alaska's Department of Labor and Workforce Development projects that by 2020 roughly 65 percent of Alaska's fastest-growing, high-wage jobs will require some postsecondary credential; and

WHEREAS, Alaskan stakeholders committed to improving Alaska's overall postsecondary attainment rates, and closing attainment gaps, include Alaska's secondary school districts, Native corporations and Tribal organizations, elected officials, Alaska Commission on Postsecondary Education, the University of Alaska, and the Alaska Department of Labor and Workforce Development; and

WHEREAS, these and other stakeholders are focused on related work within their own organizations and also seeking increased coordinated and unified effort through membership and participation in the Alaska Postsecondary Access and Completion Network (the Network); and

WHEREAS, The Network will develop, support, and assess initiatives that strengthen postsecondary expectations, preparation, financing, and support services with a goal to increase the percentage of all Alaskans who complete postsecondary education, particularly earning credentials relevant to a robust Alaskan economy; and

WHEREAS, The Network has set an attainment goal for Alaska – "65 by 2025" – highlighting the imperative to increase the percent of working-age adults holding a high-value certificate, college degree, or other industry-recognized credential from 50 to 65 percent by 2025, particularly gaining credentials aligned to Alaska's workforce needs.

NOW, THEREFORE BE IT RESOLVED that the University of Alaska Board of Regents commends the work and mission of the Alaska Postsecondary Access & Completion Network and commits to ongoing collaboration; and

BE IT FURTHER RESOLVED that the University of Alaska Board of Regents endorses the "65 by 2025" postsecondary attainment goal and intends to actively engage as a Network member organization working to achieve "65 by 2025"; and

BE IT FURTHER RESOLVED that this resolution be incorporated into the official minutes of the June 2-3, 2016, meeting of the University of Alaska Board of Regents.

6. Approval of Revisions to Regents' Policy 10.05.015 - Concurrent EnrollmentPASSED

"The Board of Regents approves revisions to Regents' Policy 10.05.015 – Concurrent Enrollment as presented. This motion is effective June 3, 2016."

CURRENT LANGUAGE with TRACK CHANGES FOR PROPOSED REVISIONS

P10.05.015. Concurrent Enrollment.

Concurrent enrollment refers to enrollment at the university by a student who is simultaneously enrolled in a pre-postsecondary institution (or homeschool) for which the student may receive credit at both institutions. The university encourages ~~appropriate~~ concurrent enrollment. ~~and will establish standards and expectations for the university system in university regulation.~~ No additional restrictions on concurrent enrollment beyond those applicable to all students, or to avoid violations of law or ensure informed consent by a parent or legal guardian (including financial obligations), shall be allowed.

PROPOSED FINAL LANGUAGE

P10.05.015. Concurrent Enrollment.

Concurrent enrollment refers to enrollment at the university by a student who is simultaneously enrolled in a pre-postsecondary institution (or homeschool) for which the student may receive credit at both institutions. The university encourages concurrent enrollment. No additional restrictions on concurrent enrollment beyond those applicable to all students, or to avoid violations of law or ensure informed consent by a parent or legal guardian (including financial obligations), shall be allowed.

C. Facilites and Land Management Committee - Items from May 26, 2016

1. Schematic Design Approval for the University of Alaska Southeast Ketchikan Regional Maritime and Career CenterPASSED

"The Board of Regents approves the schematic design approval request for the University of Alaska Southeast Ketchikan Regional Maritime and Career Center 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 \$ 5,758,000. This motion is effective June 3, 2016."

2. Approval of a Resolution to Apply for Acquisition of the Auke Bay Marine StationPASSED

"The Board of Regents approves the University of Alaska Southeast request to pass a resolution authorizing the president, at his discretion based upon a thorough analysis of the property and acquisition requirements, to proceed with applying for the acquisition of the Auke Bay Marine Station, Juneau, Alaska, in accordance with a property acquisition plan. This motion is effective June 3, 2016."

3. Approval of the 2016 Blank Inlet Parcel Timber Development PlanPASSED

"The Board of Regents approves the 2016 Blank Inlet Parcel Timber Development Plan and authorizes the university administration to proceed with the negotiated timber sale as set forth in the timber development and disposal plans. This motion is effective June 3, 2016."

17. New Business and Committee Reports

A. Academic and Student Affairs Committee

In addition to action items, the committee discussed UA alcohol policies and college readiness, heard reports on enrollment trends and program suspensions. The approval of a master's of marine science at UAF was postponed to a future meeting.

B. Audit Committee

1. Approval of the FY17 Annual Audit PlanPASSED

"The Board of Regents' Audit Committee approves the annual audit plan for fiscal year 2017 as presented. This motion is effective June 2, 2016."

2. Committee Report

In addition to the action item, the committee heard comments from the external auditor and received an audit status report and a semi-annual update on the Education Trust of Alaska.

C. Planning and Development Committee

Regent Parker reported on the May 24, 2016 special committee meeting noting the committee's recommendation to hold public testimony prior to the full board meetings.

*** 1. Approval of Revisions to the Board of Regents' Public Testimony Process**

PASSED

"The Board of Regents approves holding public testimony during an afternoon audio session prior to the regularly scheduled board meetings. This motion is effective June 3, 2016."

Motion by Mary K Hughes, second by Stacey Lucason.

Final Resolution: Motion Carries

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

Not Present at Vote: Deena Paramo

It was decided that effective September 2016, public testimony would commence via statewide audio conference on the Monday or Tuesday afternoon, from 4:00 p.m. to 6:00 p.m., during the week of the board's committee meetings. During the first evening of the full board meeting a public gathering will be held, from 5:30 p.m. to 7:00 p.m., for local community members to engage with board members. Public testimony previously held during the full board meeting will be removed from the agenda beginning with the September 15-16, 2016 meeting.

D. Facilities and Land Management Committee

In addition to action items, the committee discussed UA facilities maintenance strategies and received reports on deferred maintenance and renewal spending, deferred maintenance and renewal distribution reallocation, capital project approvals delegation of authority, UAA Beatrice McDonald Hall renewal final project report, UAA engineering and industry building, UAA northern access to the UMED district, UAA residential campus revitalization, UAF combined heat and power plant, UAF engineering facility, UAF high frequency active auroral research program and construction in progress.

18. Future Agenda Items

A. Future Agenda Items

Regent Lucason requested information regarding student government fees and student engagement with governance. Regents O'Neill and Hughes requested information regarding enrollment trends as it relates to Alaska's population and the cost of attendance. Regent Davies requested additional information regarding the Title IX climate survey being utilized at UA. Regents Anderson, Davies, and Parker are interested in further discussions regarding the ANSEP accelerated high school concept.

19. 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 the university land grant and matters the immediate knowledge of which could affect the reputation or character of a person or persons related to the interim UAF Chancellor search and to board self-assessment. This motion is effective June 3, 2016."

Motion by Mary K Hughes, second by John Davies.

Final Resolution: Motion Carries

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

Not Present at Vote: Deena Paramo, Andy Teuber

The Board of Regents went into executive session at 3:35 p.m. and concluded an executive session at 4:45 p.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 the university land grant and matters the immediate knowledge of which could affect the reputation or character of a person or persons related to the interim UAF Chancellor search and to board self-assessment. 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 1 hour and 10 minutes.

20. Board of Regents' Comments

A. Board of Regents' Comments

Regent Anderson noted an incredible amount of data was heard during this meeting; enjoyed Vice President White's Shaping Alaska's Future presentation on student achievement and attainment and the McDowell Report regarding economic impacts and public perception; stated students are UA's customers and input needs to be sought regarding the student's expectations for their learning opportunity; appreciated Vice Provost Schroeder's passion during his presentation on expanding education to rural students and thanked Chancellor Case for the hospitality.

Regent Hughes thanked Chancellor Case for the hospitality; appreciated the board's thoughtful consideration of the action items during this meeting; said under President Johnsen's leadership the university and the board will do great things; noted the national education system is failing K-12 through postsecondary students and stated President Johnsen's passion for UA needs to be duplicated statewide.

Regent Davies thanked Chancellor Case for the hospitality and administrative staff for preparing meeting material; noted appreciation to President Johnsen and his staff for providing additional budget documents on very short notice; is grateful for the additional \$35 million provided from the Legislature and the additional support the money can provide for Strategic Pathways and said he is pleased with the administration's continued assessment of the university system priorities.

Regent Teuber noted appreciation to President Johnsen and his staff for providing additional budget documents on such short notice.

Regent O'Neill thanked Chancellor Case for the hospitality; is grateful for President Johnsen's vision, leadership, thoughtfulness and strategic conversations during the last year; said the board is focused on the right issues and leading UA in the right direction; enjoyed Vice President White's Shaping Alaska's Future presentation on student achievement and attainment and is looking forward to how UA's story will unfold and be told through the framework of Strategic Pathways.

Regent Fisher noted appreciation for President Johnsen's vision regarding change and is looking forward to the changes created by Strategic Pathways.

Regent Parker thanked Chancellor Case for the hospitality, Vice Presidents White and Rizk for the additional work on the budget documents; recognized UAA Director and Professor of Economics Gunnar Knapp for his work regarding Alaska's economy, Kenai Peninsula College Anthropology Professor Alan Boraas for his work on an 1800s historical archeology site north of Nikiski, Alaska and Chancellor Powers for his work as UAF interim chancellor during the last year; said she attended commencements in Dillingham, Kotzebue, Nome and Valdez noting the overwhelming community support for the university in each of those areas and is thankful for the community's support of UA.

Regent Buretta thanked Chair Heckman for her leadership and time management during this meeting; is inspired by the human spirit when faced with challenges; said there is hope and courage in the challenges ahead and is confident there are ways to make Alaska a stronger state with the assistance of the university.

Regent Lucason recognized the tremendous amount of work prepared by staff for this meeting; is grateful for the board committee chair's work; thanked the board for taking time to review and prepare for this meeting; asked the board and administration to reflect on the important items presented during this meeting; said to be bold and thoughtful regarding the challenges ahead and to be unafraid to ask the difficult questions.

Chancellor Powers said this meeting was very good and full of information and data; noted the importance and direct impact the Arctic Science Summit Week, held in March 2016, had on UAF and the Fairbanks community thanking Vice Chancellor for Research Hinzman for his efforts in organizing the international event; highlighted faculty, staff and student accomplishments at UAF; reflected on his time serving UA as a regent and a chancellor; thanked board members for the opportunity to work with them and for them; said UAF's administrative team, faculty and staff is committed and hardworking; is honored to have worked with Presidents Gamble and Johnsen and stated it was a gift to move from regent to chancellor and to serve UA.

Chancellor Caulfield thanked Chancellor Case for the hospitality; noted appreciation to Chancellor Powers for his great work as a regent, an interim chancellor and as the CEO of Fairbanks Memorial Hospital in his efforts to assist and support nursing programs at UA; announced Dr. Karen Carey will join UAS as provost on June 27, 2016; provided a special note of appreciation to Interim Provost Schulte for accepting the interim position; said UAS is focusing on recruitment, retention and marketing; noted the partnership with UAF regarding fisheries and is excited about the important changes ahead for UA.

Chancellor Case thanked Chancellor Powers for his service noting it has been a pleasure to work together; applauded Chair Heckman's crowd control and leadership during this meeting; highlighted faculty, staff and student accomplishments at

UAA; is grateful for the efforts of the Ken Jernstrom, Beth Lespher and Executive Officer Berg during this meeting; noted the UAA Justice Center's research on sexual assault and said it has been a pleasure to host the board in Anchorage.

President Johnsen thanked Chancellor Case and Beth Lespher for the hospitality and for their assistance during this meeting; noted appreciation to the board for its support of UA; asked for patience from faculty, staff and students regarding the difficult decisions ahead for UA; thanked Chancellor Powers for his service, leadership, calm presence, work on the Title IX issues and his commitment to create a safe environment at UAF; encouraged the board and administration, in light of the busy summer ahead, to take time to enjoy Alaska's beauty and thanked Chair Heckman for a successful meeting.

Regent Heckman thanked Chancellor Case and his staff for the hospitality; noted appreciation to Ken Jernstrom, Executive Officer Berg and administrative staff for organizing this meeting; is grateful to Chancellor Powers for taking the UAF interim chancellor position which required him to step down from his position as a regent; is thankful for Chancellor Powers' bold and courageous leadership efforts regarding Title IX; enjoyed Vice President White's Shaping Alaska's Future presentation on student achievement and attainment noting the enrollment data is sobering and a big issue for the board; would like to focus on the enrollment issue during the board's retreat in January 2017; said challenging times are ahead as UA moves forward with Strategic Pathways; stated appreciation to the individuals that take time to come and speak to the board noting the changes to public testimony and the addition of public forums beginning in September 2016; thanked USUAA for the resolution of appreciation and thanked all in attendance for the work during this meeting.

21. Adjourn

A. Adjourn

Chair Heckman adjourned the meeting at 4:45 p.m. on Friday, June 3, 2016.