

Agenda
Board of Regents
Annual Meeting of the Full Board
December 12-13, 2013
Butrovich Building, Room 109
University of Alaska Fairbanks
Fairbanks, Alaska

Times for meetings are subject to modifications within the December 12-13, 2013 time frame.

Thursday, December 12, 2013

I. Call to Order *[Scheduled for 8:00 a.m.]*

II. Adoption of Agenda

MOTION

“The Board of Regents adopts the agenda as presented.

- I. Call to Order**
- II. Adoption of Agenda**
- III. Approval of Minutes**
- IV. President’s Report**
- V. Governance Report**
- VI. Public Testimony**
- VII. Electronic Agenda Demonstration**
- VIII. Approval of an Amended and Restated Consolidated Endowment Fund Investment Policy**
- IX. Presentation on Academic Freedom**
- X. Planning and Development Committee**
 - A. Discussion Regarding Board Governance and Shaping Alaska’s Future**
 - B. Federal and State Relations Reports**
- XI. Human Resources Report**
- XII. Presentation on Change and Transformation at the University of Alaska Fairbanks**
- XIII. Approval of the 2015 Meeting Schedule**
- XIV. Review of the Risk Services Annual Report**
- XV. Alaska Commission on Postsecondary Education Report**
- XVI. UA Athletics Report**
- XVII. Presentation on Alaska International Piano e-Competition**
- XVIII. Consent Agenda**
 - A. Academic and Student Affairs Committee**
 - 1. Approval of Revisions to Regents’ Policy 10.02.040 Related to Renaming the University of Alaska Anchorage School of Engineering to the University of Alaska Anchorage College of Engineering**

2. **Approval of Revisions to Regents' Policy 10.02.040 Related to University of Alaska Fairbanks' Realignment of the Arctic Region Supercomputing Center**
 3. **Approval of Revisions to Regents' Policy 10.02.060 - PWSCC Change Related to the Northwest Commission on Colleges and Universities Accreditation Standards and Eligibility Requirements**
 4. **Approval of a Graduate Certificate in Science Teaching and Outreach at the University of Alaska Fairbanks**
 5. **Approval of a Master of Education in Science Education, K-8 at the University of Alaska Southeast**
- B. Audit Committee**
1. **Adoption of the FY13 Audited University of Alaska Financial Statements**
 2. **Adoption of the FY13 Audited Education Trust of Alaska Financial Statements**
- C. Facilities and Land Management Committee**
1. **Formal Project Approval of the University of Alaska Anchorage Wells Fargo Sport Center Near Term Renewal and Repurposing**
 2. **Schematic Design Approval for the University of Alaska Anchorage Consortium Library Old Core Mechanical Upgrades Project, Phase 1**
 3. **Project Change Request for the University of Alaska Anchorage Kenai Peninsula College Career and Technical Education Center**
 4. **Formal Project Approval for the University of Alaska Fairbanks Heat and Power Plant Major Upgrade**
 5. **Formal Project Approval for the University of Alaska Southeast Technical Education Center Renewal**
- XIX. New Business and Committee Reports**
- A. Academic and Student Affairs Committee**
 - B. Audit Committee**
 - C. Facilities and Land Management Committee**
- XX. Election of Board of Regents' Officers**
- XXI. Approval of Revisions to the Industrial Security Resolution**
- XXII. Approval of Revisions to the Corporate Authority Resolution**
- XXIII. Executive Session**
- XXIV. Future Agenda Items**
- XXV. Board of Regents' Comments**
- XXVI. Adjourn**

This motion is effective December 12, 2013.”

III. Approval of Minutes

MOTION

"The Board of Regents approves the minutes of its regular meeting of September 26-27, 2013 as presented. This motion is effective December 12, 2013."

MOTION

"The Board of Regents approves the minutes of its regular meeting of November 6, 2013 as presented. This motion is effective December 12, 2013."

IV. President's Report

President Gamble will update the board on issues of importance.

V. Governance Report

[Scheduled for 8:15 a.m.]

Representatives from the Faculty Alliance, Staff Alliance, Coalition of Student Leaders and System Governance Council will report on issues of importance to the faculty, staff and students at the University of Alaska. Representatives are:

Carey Brown, Staff Alliance Chair

Robert Boeckmann, Faculty Alliance Chair

Shauna Thornton, Coalition of Student Leaders Speaker

Joe Hayes, System Governance Council Chair

VI. Public Testimony

[Scheduled for 8:30 a.m.]

Public testimony will be heard at approximately 8:30 a.m. Comments are limited to three minutes per individual. Written comments are accepted and will be distributed to the Board of Regents and President Gamble by the Board of Regents' Officer *following* the meeting. The chair will determine when public testimony is closed.

VII. Electronic Agenda Demonstration

[Scheduled for 9:30 a.m.]

Executive Officer Berg will review the navigation and annotation features within the electronic agenda using both an iPad and a laptop.

VIII. Approval of an Amended and Restated Consolidated Endowment Fund Investment Policy

References 1, 2 & 3

The president recommends that:

MOTION

"The Board of Regents approves the Consolidated Endowment Fund Investment Policy as presented. This motion is effective December 12, 2013."

CONSOLIDATED ENDOWMENT FUND INVESTMENT POLICY CITATION

IX. Delegation and Assignment of Duties and Authority

1. **Responsibilities of the Boards:**
 - a. Maintaining the overall stewardship of the Fund in accordance with the Consolidated Endowment Fund Agreement, AS 13.65.010 – 13.65.095 and AS 37.10.071, as they may be amended or restated from time to time;
 - b. Adopting the policies needed for the prudent investment and administration of the Fund;
 - c. Delegating and assigning duties and authority to the Committee and the Treasurer;
 - d. Reviewing the performance of the Fund and activities of the Committee on a regular basis.

(Note: Boards mean the Board of Regents and the Board of Trustees collectively. Committee means the Investment Committee.)

RATIONAL AND RECOMMENDATION

The Consolidated Endowment Fund (Fund) was established in 1997 to facilitate the investment of the University's Land Grant Endowment Trust Fund and its companion Inflation Proofing Fund as well as the Foundation's Pooled Endowment Funds. The funds were consolidated to minimize the cost of administration, allow for better diversification of the investments, increase access to top managers, and improve the potential for enhanced returns. The university and the foundation entered into a Consolidated Endowment Fund Agreement that defined a structure that would be used to manage the funds and adopted a Consolidated Endowment Fund Investment Policy that defined how the Fund would be invested. The intent was that each entity would have an undivided interest in the assets of the Fund based on the units assigned to each institution for its respective investment.

The Fund is managed by a very talented and highly respected Investment Committee consisting of Eric Wohlforth, Chair, Jo Michalski, Board of Trustees Chair, Bob Mitchell, Mike Burns, Gary Dalton, Kirk Wickersham, Leo Bustad, Nancy Blunck, Winthrop Gruening, and Carla Beam. Tammi Weaver serves as chief investment officer and actively supports the committee in its efforts to manage the Fund.

Over the years, the Fund has become a highly diversified, sophisticated investment vehicle with more than 30 investment managers and more than 70 investments with total assets of approximately \$300 million. However, in recent years, it became necessary to increase the risk in the portfolio to improve the potential of meeting spending obligations associated with donors' expectations. This increased risk combined with an increased number of managers and investments has made it challenging for staff to keep up with the level of due diligence required by the Investment Committee and accounting standards. To address the issue, the committee decided to outsource many of the investment management activities to a professional investment manager. The planned outcome is improved due diligence for the Fund and increased potential for higher

returns. The Board of Trustees and the Board of Regents have been updated on the status of this transition on several occasions.

The staff and committee actively participated in the search and selection of a high quality investment services provider and engaged Cambridge Associates. Effective July 1, 2013, the assets of the Consolidated Endowment Fund were transferred to a single investor limited partnership under the management of Cambridge. The resulting changes in the investment processes now require modifications to the investment policy. Revisions were developed by the committee and staff with input from Regents Fuller Cowell and Jo Heckman.

Although there has been extensive rewording of the policy, the significant responsibilities in the original policy have been accounted for in the revised policy and basic operating controls have not changed. The committee is responsible for making or approving the major decisions and the treasurer and staff are responsible for implementing those decisions.

Reference 1 is a clean copy of the revised draft of the Consolidated Endowment Fund Investment Policy. Reference 2 is a Sectional Summary of Revisions to the Policy and for those interested in the detail changes Reference 3 is a redline version identifying changes since the policy was last modified. At its October 30, 2013 meeting, the Investment Committee approved a motion recommending that the Board of Trustees and the Board of Regents approve the proposed policy as presented in Reference 1. This policy is scheduled to be considered and approved by the Board of Trustees at its December 11, 2013 meeting. If for any reason the Board of Trustees requests a change to the policy, the revision or issue will be discussed during this presentation. Eric Wohlforth, committee chair and trustee, Tammi Weaver, chief investment officer and Jim Lynch, associate vice president for finance will be present to answer any questions members of the Board of Regents may have regarding the policy or the Fund.

IX. Presentation on Academic Freedom Addendums 1, 1A, 1B, 1C, 1D & 1E

Vice President Thomas, General Counsel Hostina and Faculty Alliance Chair Boeckmann will provide a presentation on academic freedom.

X. Planning and Development Committee *[Scheduled for 10:15 a.m.]*

A. Discussion Regarding Board Governance and Shaping Alaska's Future

Regent Hughes will lead a discussion on board governance and Shaping Alaska's Future.

B. Federal and State Relations Reports

Vice President Beam and Associate Vice President Christensen will update the board on federal and state relations issues at the University of Alaska.

XI. Human Resources Report

Chief Human Resources Officer Seastedt will update the board regarding human resources issues including information regarding the employee education benefit at the University of Alaska.

XII. Presentation on Change and Transformation at the University of Alaska Fairbanks

[Scheduled for 11:30 a.m.]

Faculty and staff will give presentations on how change and transformation is occurring at the University of Alaska Fairbanks. Presentations include:

Marketing and Communications Strategic Communications Team, presented by Michelle Renfrew, Marketing and Communications director;

Capitalizing on Research Strength, presented by Daniel M. White, associate vice chancellor for research;

Comprehensive Advising, presented by Alex Fitts, vice provost, accreditation liaison officer and dean of general studies;

Geographic Information Network of Alaska (GINA), presented by Tom Heinrichs, GINA director;

Department of Recreation, Adventure and Wellness (DRAW), presented by Mark Oldmixon, DRAW director, and Ali Knabe, DRAW executive officer.

The PowerPoint slides can be found at the following link. Please note the file is 15.2 MB.

https://dl.dropboxusercontent.com/u/7287576/UAF_BOR_presentation_19Nov2013Final.pptx

XIII. Approval of 2015 Meeting Schedule

[Scheduled for 12:30 p.m.]

MOTION

“The Board of Regents approves the meeting schedule for 2015. This motion is effective December 12, 2013.”

	<u>2014</u>	
Retreat	January 22-23, 2014	Anchorage
Regular Meeting	February 20-21, 2014	Fairbanks
Regular Meeting	April 3-4, 2014	Kodiak
Regular Meeting	June 5-6, 2014	Anchorage
Regular Meeting	September 18-19, 2014	Juneau
Meeting re: Budget	November 5, 2014	Fairbanks
Annual Meeting	December 11-12, 2014	Anchorage

	<u>2015</u>	
Retreat	January 21-22, 2015	Anchorage
Regular Meeting	February 19-20, 2015	Anchorage
Regular Meeting	April 9-10, 2015	Bethel
Regular Meeting	June 4-5, 2015	Fairbanks
Regular Meeting	September 17-18, 2015	Juneau
Meeting re: Budget	November 4, 2015	Anchorage
Annual Meeting	December 10-11, 2015	Fairbanks

XIV. Review of the Risk Services Annual Report Addendum 2

Chief Risk Officer Spink will provide an overview of the annual report.

XV. Alaska Commission on Postsecondary Education Report

A report will be given by members representing the Board of Regents on the Alaska Commission on Postsecondary Education.

XVI. UA Athletics Report

A report will be given by Regent Enright, the Board of Regents' representative for UA Athletics.

Friday, December 13, 2013

V. Public Testimony (cont'd) *[Scheduled for 9:30 a.m.]*

Public testimony will be heard at approximately 9:30 a.m. Comments are limited to three minutes per individual. Written comments are accepted and will be distributed to the Board of Regents and President Gamble by the Board of Regents' Officer *following* the meeting. The chair will determine when public testimony is closed.

XVII. Presentation on Alaska International Piano e-Competition *[Scheduled for 10:30 a.m.]*
 Addendum 3

Eduard Zilberkant, President's Professor of Piano, music director and conductor of the Fairbanks Symphony and Arctic Chamber Orchestras, will present information regarding the upcoming Alaska International Piano e-Competition to be held in the Davis Concert Hall at the University of Alaska Fairbanks on June 28 – July 12, 2014.

XVIII. Consent Agenda

MOTION

“The Board of Regents approves the consent agenda as presented. This motion is effective December 13, 2013.”

A. Academic and Student Affairs Committee

1. Approval of Revisions to Regents’ Policy 10.02.040 Related to Renaming the University of Alaska Anchorage School of Engineering to the University of Alaska Anchorage College of Engineering

MOTION

“The Board of Regents approves a revision to Regents’ Policy 10.02.040 related to renaming the University of Alaska Anchorage School of Engineering to the University of Alaska Anchorage College of Engineering. This motion is effective December 13, 2013.”

2. Approval of Revisions to Regents’ Policy 10.02.040 Related to University of Alaska Fairbanks’ Realignment of the Arctic Region Supercomputing Center Reference 4

MOTION

“The Board of Regents approves a revision to Regents’ Policy 10.02.040 related to University of Alaska Fairbanks’ realignment of the Arctic Region Supercomputing Center. This motion is effective December 13, 2013.”

3. Approval of Revisions to Regents’ Policy 10.02.060 - PWSCC Change Related to the Northwest Commission on Colleges and Universities Accreditation Standards and Eligibility Requirements Reference 5

MOTION

“The Board of Regents approves a revision to Regents’ Policy 10.02.060 - PWSCC change related to the Northwest Commission on Colleges and Universities accreditation standards and eligibility requirements. This motion is effective December 13, 2013.”

4. Approval of a Graduate Certificate in Science Teaching and Outreach at the University of Alaska Fairbanks Reference 6

MOTION

“The Board of Regents approves a Graduate Certificate in Science Teaching and Outreach at the University of Alaska Fairbanks. This motion is effective December 13, 2013.”

5. Approval of a Master of Education Science Education, K-8 at the University of Alaska Southeast Reference 7

MOTION

“The Board of Regents approves a Master of Education in Science Education, K-8 at the University of Alaska Southeast. This motion is effective December 13, 2013.”

B. Audit Committee

1. Adoption of the FY13 Audited University of Alaska Financial Statements Addendum 25

MOTION

“The Board of Regents adopts the audited financial statements of the University of Alaska for the year ended June 30, 2013 as presented. This motion is effective December 13, 2013.”

2. Adoption of the FY13 Audited Education Trust of Alaska Financial Statements Addendum 26

MOTION

“The Board of Regents adopts the audited financial statements of the Education Trust of Alaska for the year ended June 30, 2013 as presented. This motion is effective December 13, 2013.”

C. Facilities and Land Management Committee

1. Formal Project Approval for the University of Alaska Anchorage Wells Fargo Sports Center Near Term Renewal and Repurposing Reference 8

MOTION

“The Board of Regents approves the formal project approval request for the University of Alaska Anchorage Wells Fargo Sports Center Near Term Renewal and Repurposing as presented in compliance with the approved campus master plan, and authorizes the university administration to proceed through schematic design not to exceed a total project cost of \$10,000,000. This motion is effective December 13, 2013.”

2. Schematic Design Approval for the University of Alaska Anchorage Consortium Library Old Core Mechanical Upgrades Project, Phase 1

Reference 9

MOTION

“The Board of Regents approves the schematic design approval request for the University of Alaska Anchorage Consortium Library Old Core Mechanical Upgrades Project, Phase 1, 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 \$8,240,000. This motion is effective December 13, 2013.”

3. Project Change Request for the University of Alaska Anchorage Kenai Peninsula College Career and Technical Education Center

Reference 10

MOTION

“The Board of Regents approves the project change request for the University of Alaska Anchorage Kenai Peninsula College Career & Technical Education Center as presented in compliance with the campus master plan, and authorizes the university administration to increase the project scope to include \$1,800,000 for the second phase of renewal and reallocation work not to exceed the current total project cost of \$15,250,000. This motion is effective December 13, 2013.”

4. Formal Project Approval for the University of Alaska Fairbanks Heat and Power Plant Major Upgrade

Reference 11

MOTION

“The Board of Regents approves the formal project approval request for the University of Alaska Fairbanks Heat and Power Plant Major Upgrade, as presented in compliance with the approved campus master plan, and authorizes the university administration to proceed through schematic design not to exceed a total project cost of \$248,000,000. This motion is effective December 13, 2013.”

5. Formal Project Approval for the University of Alaska Southeast Technical Education Center Renewal

Reference 12

MOTION

“The Board of Regents approves the formal project approval request for the University of Alaska Southeast Technical Education Center Renewal as presented in compliance with the approved campus master plan, and authorizes the university administration to proceed through schematic design not to exceed a total project cost of \$ 4,620,000. This motion is effective December 13, 2013.”

XIX. New Business and Committee Reports

- A. Academic and Student Affairs Committee
- B. Audit Committee
- C. Facilities and Land Management Committee

XX. Election of Board of Regents' Officers

In accordance with Board of Regents' Bylaws, at the annual meeting of the Board of Regents, the officers of the board shall be elected by a simple majority vote.

MOTION

“The Board of Regents elects as chair of the Board of Regents: _____ . This motion is effective December 13, 2013.”

MOTION

“The Board of Regents elects as vice chair of the Board of Regents: _____ . This motion is effective December 13, 2013.”

MOTION

“The Board of Regents elects as secretary of the Board of Regents: _____ . This motion is effective December 13, 2013.”

MOTION

“The Board of Regents elects as treasurer of the Board of Regents: _____ . This motion is effective December 13, 2013.”

XXI. Approval of Revisions to the Industrial Security Resolution

The president recommends that:

MOTION

“The Board of Regents approves the Industrial Security Resolution as revised to reflect changes in the officers of the board resulting from the Board of Regents' elections and authorizes the chair and secretary of the board to sign the resolution. This motion is effective December 3, 2013.”

RATIONALE/RECOMMENDATION

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

The university has received similar security clearances since the mid-1950s. Execution of the resolution allows regents and other members of the administration to be exempted from security clearance procedures. The resolution is identical to resolutions previously passed except for changes to officers of the board.

XXII. Approval of Revisions to the Corporate Authority Resolution

The president recommends that:

MOTION

“The Board of Regents approves the Corporate Authority Resolution, as revised to reflect changes in titles of officers resulting from the Board of Regents' elections and authorizes the chair and secretary of the board to sign the resolution. This motion is effective December 13, 2013.”

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 in officers of the board, a current resolution is necessary in order to execute timely investment and banking transactions.

XXIII. Executive Session

MOTION

“The Board of Regents goes into executive session to discuss matters the immediate knowledge of which could have an adverse effect on the finances of the university related to the UAA Northern Access Extension project at Elmore Road, the UA Timber Harvest & Land Trade Proposal, the UA & AHTNA Materials Management Agreement, the KABATA ROW Acquisition, and matters that could affect the reputation or character of a person or persons related to the presidential assessment. This motion is effective December 13, 2013.”

(To be announced prior to commencing executive session:)

The Board of Regents goes into executive session at _____ a.m. Alaska Time in accordance with AS 44.62.310. The session will include members of the Board of Regents, President Gamble, General Counsel Hostina, and such other university staff members as the president may designate and will last approximately _____.

(To be announced at the conclusion of executive session:)

The Board of Regents concluded an executive session at _____ a.m. Alaska Time in accordance with AS 44.62.310 to discuss matters the immediate knowledge of which could have an adverse effect on the finances of the university related to the UAA Northern Access Extension project at Elmore Road, the UA Timber Harvest & Land Trade Proposal, the UA & AHTNA Materials Management Agreement, the KABATA ROW Acquisition, and matters that could affect the reputation or character of a person or persons related to the presidential assessment. The session included members of the Board of Regents, President Gamble, General Counsel Hostina, and such other university staff members designated by the president and lasted approximately _____.

Agenda
Annual Meeting of the Full Board
December 12-13, 2013
Fairbanks, Alaska

XXIV. Future Agenda Items

XXV. Board of Regents' Comments

XXVI. Adjourn