

Lincoln, Nebraska
December 3, 2015

The Board of Regents of the University of Nebraska met on December 3, 2015, at 10:19 a.m. in the board room at Varner Hall, 3835 Holdrege Street, Lincoln, Nebraska, in a publicly convened session, the same being open to the public and having been preceded by advance publicized notices, copies of which are attached to the minutes of this meeting as Attachment 1 and Attachment 2.

In compliance with the provisions of *Neb. Rev. Stat.* § 84-1411, printed notice of this meeting was sent to each member of the Board and was posted in the first floor lobby of Varner Hall. In addition, copies of such notice were sent to the Lincoln Journal Star, Omaha World Herald, the Daily Nebraskan, the Gateway, the Antelope, the Kearney Hub, and the Lincoln office of the Associated Press as follows: November 23, 2015, a notice containing Amendments to the *Standing Rules of the Board of Regents* was sent to the above groups and posted in the first floor lobby of Varner Hall; November 25, 2015, a notice of this meeting was sent to the above groups and posted in the first floor lobby of Varner Hall.

Regents present:

Timothy Clare
Hal Daub
Howard Hawks
Bob Phares, Chair
Jim Pillen
Robert Schafer
Kent Schroeder, Vice Chair
Bob Whitehouse
Andrew Shaw, University of Nebraska Medical Center
Evan Calhoun, University of Nebraska at Kearney
Thien Chau, University of Nebraska-Lincoln
Brock Lewis, University of Nebraska at Omaha

University officials present:

Hank M. Bounds, President
Susan M. Fritz, Executive Vice President and Provost
Carmen K. Maurer, Corporation Secretary
Jeffrey P. Gold, Chancellor, University of Nebraska Medical Center
Douglas A. Kristensen, Chancellor, University of Nebraska at Kearney
Harvey S. Perlman, Chancellor, University of Nebraska-Lincoln
John E. Christensen, Chancellor, University of Nebraska at Omaha
David E. Lechner, Senior Vice President for Business and Finance | CFO
Joel D. Pedersen, Vice President and General Counsel
Ronnie D. Green, Vice President for Agriculture and Natural Resources
Matthew C. Hammons, Interim Vice President for University Affairs

I. CALL TO ORDER

II. ROLL CALL

The Board convened at 10:19 a.m. in the Board room of Varner Hall, 3835 Holdrege Street, Lincoln, Nebraska on December 3, 2015. Attendance is indicated above.

III. APPROVAL OF MINUTES AND RATIFICATION OF ACTIONS

Motion Moved by Hawks and seconded by Schroeder to approve the minutes and ratify the actions of the regularly scheduled meeting on October 9, 2015.

Action Student Opinion: Voting Aye: Chau, Lewis, Shaw, and Calhoun. Voting Aye: Daub, Hawks, Phares, Pillen, Schafer, Schroeder, Whitehouse, and Clare. Motion carried.

Chairman Phares announced the location of the Open Meetings Act in the board room.

IV.

KUDOS

Regent Hawks presented a KUDOS award to Galen Kathol, Business Director in the College of Medicine at the University of Nebraska Medical Center.

Regent Schroeder presented a KUDOS award to Renee Hagerman, Administrative Secretary in the Office of the Chancellor at the University of Nebraska-Lincoln.

Regent Shafer presented a KUDOS award to Steven McGahan, Assistant Director/Instructional Designer, eCampus, at the University of Nebraska at Kearney.

Regent Clare presented a KUDOS award to Joe Price, Project Director, College of Arts and Sciences at the University of Nebraska at Omaha.

Regent Phares congratulated Regent Bob Whitehouse who will be inducted into the National Interscholastic Athletic Administrators Association (NIAAA) Hall of Fame later this month.

V.

RESOLUTION

Resolution supporting the 2016 Capital Plan

WHEREAS, University of Nebraska buildings are valued at \$4 billion, representing 70 percent of the State of Nebraska's total building assets; and

WHEREAS, the University of Nebraska and the state have a successful history of partnering to address deferred maintenance needs in order to keep university facilities updated, functional and safe for students and faculty; and

WHEREAS, in 1998 the Legislature passed LB1100, which committed the state and university to each invest \$5.5 million annually for deferred maintenance, and in 2006 the

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IX. ADMINISTRATIVE AGENDA

A. ACADEMIC AFFAIRS

Motion Moved by Daub and seconded by Clare to approve item IX-A-1

IX-A-1 Approval is requested to dissolve the Center for Ergonomics and Safety Research in the College of Engineering at the University of Nebraska-Lincoln

There was discussion

Action Student Opinion: Voting Aye: Calhoun, Chau, Lewis, and Shaw. Voting Aye: Pillen, Schafer, Schroeder, Whitehouse, Clare, Daub, Hawks, and Phares. Motion carried.

Motion Moved by Schroeder and seconded by Chau to approve item IX-A-2

IX-A-2 Approval is requested to dissolve the Center for the Study of Higher and Postsecondary Education in the College of Education and Human Sciences at the University of Nebraska-Lincoln

There was discussion

Action Student Opinion: Voting Aye: Chau, Lewis, Shaw, and Calhoun. Voting Aye: Schafer, Schroeder, Whitehouse, Clare, Daub, Hawks, Phares, and Pillen. Motion carried.

Motion Moved by Schroeder and seconded by Clare to approve item IX-A-3

IX-A-3 Approval is requested to establish the De

- m. A person who enrolls in the University of Nebraska and who is a veteran as defined in Title 38 of the United States Code and was discharged or released from a period of not fewer than ninety days of service in the active military, naval, or air service less than three years before the date of initial enrollment, a spouse or dependent of such a veteran, or an eligible recipient entitled to educational assistance of such a veteran as provided in 38 U.S.C. 3311(b)(9) or 38 U.S.C. 3319, as such sections existed on January 1, 2015, is a veteran as defined in Neb. Rev. Stat. § 80-401.01 and has been off active duty for two years or less, or a spouse or dependent of such a veteran, who enrolls at the University of Nebraska, if the person is registered to vote in Nebraska and

from time to time create such other committees and task forces as it determines to be necessary.

- 1.3.2 The Executive Committee shall consist of the Chairperson, Vice Chairperson, the most recent immediate past Chairperson, and an additional elected Regent, and one Student Regent both appointed by the Chairperson. The elected Regent appointed by the Board Chairperson may not be reappointed to a second consecutive term.
- 1.3.3 The Chairperson of the Board shall, after consulting with the other members of the Board, appoint the members of the Academic Affairs, Audit, Risk and Compliance, and Business Affairs committees and select one member of each committee to serve as its chairperson. Such appointments shall be made each year, after the Board's annual meeting in January and before its next scheduled meeting. All proposed committee agenda topics will be submitted by the committee chairs to the Executive Committee for approval.
- 1.3.4 In those instances where a committee or task force determines that Board action is called for, it may bring its specific recommendations to the Board. Committee and task force actions and recommendations shall be advisory only and shall have no binding force or effect unless the Board has expressly delegated to a committee or task force power to act on behalf of the Board upon a specific matter. Where a committee or task force takes action on behalf of the Board pursuant to a specific delegation of power, minutes of the committee or task force meeting or meetings relating thereto shall be prepared and distributed to the Board, the President and other appropriate parties within two (2) working days of any such meeting, and the proceedings of the committee or task force shall be in compliance with the provisions of the Nebraska Open Meetings Law (Neb. Rev. Stat. §§ 84-1408 to 84-1414).
- 1.4 **Staff.** The Corporation Secretary shall serve as staff to the Board and the Executive Committee. The Executive Vice President and Provost shall serve as staff to the Academic Affairs Committee; ~~and the Vice President for Business and Finance shall serve as staff to the Audit Committee and the Business Affairs Committee; and the~~ President shall designate the individual charged with oversight of the University's internal audit function to serve as staff to the Audit, Risk and Compliance Committee.

There was discussion

Action Student Opinion: Voting Aye: Chau, Lewis, Shaw, and Calhoun. Voting Aye: Daub, Hawks, Phares, Pillen, Schafer, Schroeder, Whitehouse, and Clare. Motion carried.

B. BUSINESS AFFAIRS

Motion Moved by Clare and seconded by Daub to approve item IX-B-1

University of Nebraska

IX-B-1 Approve revisions to *Board of Regents Policy* RP-6.6.11 relating to the Othmer-Topp Endowment

RP-6.6.11 Othmer-Topp Endowment Spending Policy

Annual spending from the Othmer-Topp Endowment is limited to a rate no greater than the spending rate established by the University of Nebraska Foundation. Changes in the spending policy shall be established by the Othmer-Topp Endowment Committee and approved by the Board of Regents.

Allocation of income from the Endowment are classified into three major categories, commonly referred to as the 75% fund, the Regents 12½% fund and the UNL 12½% fund.

~~First priority and second priority uses of income from the 75% fund and the nature of approvals necessary for use of income for first priority and second priority uses of the 75% fund are as follows:~~

1. In accordance with the requirements of Neb. Rev. Stat., §§ 85-123 and 85-123.01, gifts under Mildred Othmer's Will shall be deposited in the University Trust Fund and used as follows:
 - a. In accordance with Mrs. Othmer's Will a sufficient amount of funds received from her estate shall be added to the endowed professorship previously established by the Regents under the Last Will and Testament of Donald F. Othmer for the Donald F. and Mildred Topp Othmer Professorship of Chemical Engineering to bring the endowed fund for such professorship to \$2,500,000.
 - b. The remainder of the gifts received from Mildred Othmer's estate shall be allocated to an account hereby established as the Othmer-Topp Endowment Fund to be held in perpetuity and used in accordance with the Last Will and Testament of Mildred Topp Othmer for University purposes as directed by the Board of Regents. The initial use of the Othmer-Topp Endowment Fund shall be as follows:
 - 1) The income from seventy-five percent (75%) of the Othmer-Topp Endowment Fund shall be distributed to the University of Nebraska-Lincoln (a) to have first priority use as shall be determined by the Chancellor, with approval of the President and the Board of Regents, to be necessary for (i) enhancement of the chemical engineering program at the University of Nebraska-Lincoln, and (ii) installation, maintenance and operation of technology upgrades for the University of Nebraska libraries; and (b) second priority use for such other general purposes at the University of Nebraska-Lincoln as the President and the Board of Regents may from time to time approve. Within the second priority general purposes approved by the President and the Board, the income may be used as determined by the Chancellor. The President and the Board hereby approve the following initial second priority general purposes with the understanding that additional second priority purposes may be approved in the future:
 - a) Distinguished Professorships as approved by the Board on January 16, 1999;
 - b) The establishment of a Great Plains Regional Humanities Center should UNL be the recipient of a competitive challenge grant from the National Endowment of the Humanities;
 - c) The establishment of a program of competitive campus-wide graduate fellowships under the direction of the Dean of Graduate Studies; and
 - d) The establishment of the Academic Program Improvement Fund (APIF) which will provide funds to academic programs for investment and enhancement in order to allow UNL to achieve "...excellence in a select number of research, professional and graduate programs and enable them to achieve a level of quality that places them among the top programs in the nation and beyond.

~~On or before March 1 of each year the Chancellor will provide an annual written report to the President and the Board of Regents of Expenditures of endowment income for the e~~

3) The income from twelve and one half percent (12½%) of the Othmer-Topp Endowment fund shall be distributed to the University of Nebraska-Lincoln to be used as determined by the Chancellor, ~~with the approval of the President and the Board of Regents~~, for the enhancement of academic programs at the University of Nebraska-Lincoln.

4) Any unexpended income shall be reinvested. ~~at the end of any fiscal year of the University shall be added to the principal of the Othmer-Topp Endowment Fund.~~

2. On or before March 1 of each year, the UNL Chancellor and the University President will provide an annual written report to the Board of Regents of expenditures of endowment income for the 75% fund, the Board of Regents 12½% Fund, and the UNL 12½% fund.

- IX-B-6 Approve the purchase of real property located at 3875 Leavenworth Street
 - IX-B-7 Approve the purchase of real property located at 3903 Dewey Street
 - IX-B-8 Approve the purchase of real property located at 3929 Harney Street
 - IX-B-10 Approve the sale of a parcel of land to Clarkson Regional Health Services to provide a contiguous site for the construction of a parking garage and apartment style dormitory space for Clarkson College in Omaha
- There was discussion

