UNIVERSITY OF MINNESOTA BOARD OF REGENTS

Board of Regents August 9, 2018

A special meeting of the Board of Regents of the University of Minnesota was held on Thursday, August 9, 2018, at 2:00 p.m. in the Boardroom, 600 McNamara Alumni Center.

Regents present: David McMillan, presiding; Thomas Anderson, Richard Beeson, Linda Cohen, Michael Hsu, Abdul Omari, Kendall Powell, Darrin Rosha, Randy Simonson, and Steve Sviggum. Dean Johnson and Peggy Lu this Agreement, and by custom and practice to be performed by a university president, including but not limited to:

- (1) Fundraising, development, public and alumni relations.
- (2) Fostering positive external relationships with the federal government, executive branch, the legislature, and local government.
- (3) Institutional, faculty, and educational leadership and management.
- (4) Long-range planning, budget formulation, and chief executive supervision of the University.
- (5) Administration of the affairs of the University of Minnesota consistent with Board policy and direction.

support, .50 FTE of administrative support, travel reimbursement, and any other support typically provided in the Department to new faculty of Kaler's rank and stature in the field. During the Faculty Period, funding for Kaler's salary, benefits, and the above-described supports for his faculty work will come from non-departmental sources.

4. Salary.

During the Presidential Period and the Emeritus Period, Kaler's annual salary for the services under this Agreement shall be six hundred twenty five thousand two hundred fifty dollars (\$625,250.00). (One-half of Kaler's salary during the Emeritus Period will be paid from unrestricted philanthropic funds held for the benefit of the University.) During the six-month Transitional Leave Period, Kaler's six-month salary shall be one hundred fifty six thousand three hundred twelve dollars and fifty cents (\$156,312.50). Kaler's "B Term" (i.e., nine month) salary during the first two years of the Faculty Period shall be three hundred twelve thousand six hundred twenty-five dollars and no cents (\$312,625.00). In accordance with regular University policy, Kaler may choose to have his "B Term" (i.e., nine month) salary paid over twelve months, the same as any other faculty member. After the first two years, Kaler's faculty salary will be determined based upon the regular salary and merit review process of the Department and the College. All salary under this paragraph shall be payable in installments at such regular intervals as the University is then using for the payment of salaries. The salary is subject to furloughs, pay freezes, salary reductions or other adjustments as required by present or future University policy.

5. Supplemental Retirement Contributions.

The following amounts shall be contributed to the University of Minnesota Optional Retirement Plan or, to the extent such contribution exceeds contribution limits for such plan, to the University of Minnesota 415(m) Retirement Plan when such amounts vest:

- A. \$225,000 vesting on June 30, 2019;
- B. \$325,000 vesting on June 30, 2020.

Except as otherwise stated, Kaler must have remained continuously employed under this Agreement through the vesting date in order to qualify for any payment under this paragraph. In the event of the Kaler's death, permanent disability, or termination without cause, the University shall contribute a pro rata share of the unvested funds for the year of the event consistent with the date of his death, perm

This Agreement shall be interpreted and construed in accordance with the laws of the State of Minnesota, which shall be the forum for any lawsuit arising from or incident to this Agreement.

IN WITNESS WHEREOF, the parties have duly executed this Agreement as of the day and year first written above.

Eric W. Kaler Dated:

REGENTS OF THE UNIVERSITY OF MINNESOTA

By:_

David J. McMillan Chair of the Board of Regents Dated:

By:__

Brian Steeves Corporate Secretary of the Board of Regents Dated:

Exhibit A

President Emeritus Role in Business Development, Research, and Philanthropy

Overall Goal

Continue the accelerated fundraising momentum of the University of Minnesota Driven

relationships across industry and the academy to catalyze emerging "big ideas" at the University and build momentum to help them advance through research and/ or philanthropy

- 3. Work with the Foundation to engage a select group of top individual benefactors who have strong relationships with the President Emeritus in an effort to complete key gift conversations and/ or advance philanthropic initiatives.
- 4. Actively participate in and contribute to the leadership transition strategy, as directed by the Board of Regents, including any "goodbye tour" and/ or "welcome tour" that might be planned and implemented.

Regent Hsu asked for clarification on the honora

composition of the PSAC. He noted that there will be more full Board involvement in this presidential search than in the previous one.

The meeting adjourned at 3:46 p.m.

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BRIAN R. STEEVES Executive Director and Corporate Secretary