



[Robina Foundation](#)

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ROBINA FOUNDATION

4900 IDS Center
80 South 8th Street
Minneapolis, MN 55402
Phone: 612-333-2313
Fax: 612-333-0182
www.robinafoundation.org

ROBINA FOUNDATION **ANNUAL MEETING**

August 27-29, 2007

MINNEAPOLIS, MINNESOTA

UNIVERSITY OF MINNESOTA

Twin Cities Campus

*Office of the Dean
The Law School
Walter F. Mondale Hall*

*Room 381
229-19th Avenue South
Minneapolis, MN 55455
Office: 612-625-4841
Fax: 612-625-2019*

August 10, 2007

*Robina Foundation Directors
c/o Dr. Gordon M. Aamoth
Chair, Robina Foundation Board of Directors
4900 IDS Center – 80 S. 8th St.
Minneapolis, MN 55402*

Dear Robina Directors,

We are honored to submit the enclosed proposal to you. The ideas we introduce will be the beginning of a large, transformative legal program addressing the challenges of the future.

Jim Binger was an innovative leader and a visionary who sought to ask and answer tomorrow's questions while also addressing today's needs. One of us had the privilege to meet with him in a unique environment in which students learn to study law through an interdisciplinary approach and a global perspective. We want our students to ask tomorrow's questions and discover innovative answers. Finding those answers will require teamwork by individuals with various knowledge, skills, and proficiencies. We want to teach our students to look for answers beyond the boundaries of the classroom, their own discipline, and their own world. We believe this was Jim Binger's way of thinking and living his life.

This proposal is the result of months of discussions, planning, and careful consideration by a faculty that is excited to set a new trend in legal education. University leaders have been actively involved and have provided guidance and support to align these plans with the University's strategic goal of becoming a top research institution. Dovetailing our plans with the University's mission will serve our initiative well: We will be able to draw on the expertise of various fields of study and the resources necessary for the interdisciplinary approach of our proposal.

Recognizing the demands on your time, we have kept this proposal brief and to the point. However, we will be happy to provide additional information and answer any questions you might have. We ask for your consideration and support and look forward to further discussions of the proposal.

Sincerely,



*Guy-Uriel Charles
Dean & Russell M. & Elizabeth M. Bennett
Professor of Law*



*Fred L. Morrison
Dean & Popham, Haik & Schnobrich/Lindquist
& Venum Professor of Law*

*Grant request being
resubmitted following
meeting with new Dean,
David Whittman, on
Tuesday, Aug. 26th.*

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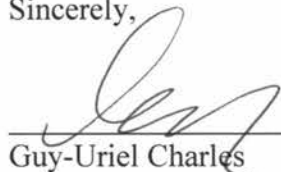
We are honored to submit the enclosed proposal to the Robina Foundation. We believe the ideas we introduce will be the beginning of a larger initiative that will produce a transformative legal program addressing the challenges of the 21st century.

Jim Binger was an innovative leader and a visionary in law, business, and the arts who sought to ask and answer tomorrow's questions while also confronting the problems and issues of today. One of us had the privilege to meet with him. In Jim Binger's spirit, we want to create a unique environment in which students learn to study law through an interdisciplinary approach and a global perspective. We want our students to ask tomorrow's questions and discover innovative answers. Finding those answers will require teamwork by individuals with various knowledge, skills, and proficiencies. We want to teach our students to look for answers beyond the boundaries of the classroom, their own discipline, and their own world. We believe this was Jim Binger's way of thinking and living his life.

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& Vennum Professor of Law

LAW

UNIVERSITY OF MINNESOTA
LAW SCHOOL

Robina Proposal
August 10, 2007

University of Minnesota Law School Proposal to the Robina Foundation

New Directions in Legal Education and Research

Contacts: Deans Guy-Uriel Charles and Fred L. Morrison
381 Walter F. Mondale Hall
229 19th Ave. South
Minneapolis, MN 55455

Phone: 612-625-4841
Fax: 612-625-2019
Email: lawdean@umn.edu

Project: University of Minnesota Law School Robina Foundation Committee
Dates: December 15, 2006-August 8, 2007

The Robina Foundation has presented an exciting opportunity for the University of Minnesota Law School to transform our institution, transform legal education, and seek to transform the law. The goals and plans discussed in this report represent months of research, deliberation, and groundbreaking conversations among some of the best minds in the nation. The outcome of this careful evaluation by University of Minnesota and Law School faculty, alumni, and academic and community leaders is a plan to move legal education and research in a new direction that will prepare the decision-makers of tomorrow.

The Law School is developing a new educational model—The Minnesota Model of Legal Education. This model has two important elements. One element is teaching: It will educate and train a new kind of multidisciplinary lawyer capable of operating in a global context. The other is research: It will encourage faculty and students to engage in multidisciplinary, transformative research on legal issues relating to those challenges and to disseminate the results of that research through publications, symposia, and other means. Together these will constitute a new project, the Civil Society Initiative, which will explore the fundamental role that law plays in maintaining civil societies and the best methods of training lawyers to practice in a complex world.

This proposal focuses on immediate needs and long-term goals, as the Robina Foundation requested. At the end of this proposal, following the description of our new initiative, are estimates of the annual costs to realize these needs. Additional and sizeable resources will be necessary to continue providing for these programs.

Background

In April 2006, the University of Minnesota Law School held a set of workshops to discuss potential projects for remodeling legal education. The Robina Foundation's start-up grant of \$75,000 paid fees, room and board, and transportation for expert consultants and scholars from leading institutions who joined Law School faculty and students in examining six major areas:

- Equality
- Law and science
- Law and environment
- Law and public health
- International law
- Public interest/legal education

Human Rights?

David Washburn

In May 2006, an outside consultant facilitated an all-day retreat with Law School faculty to build on ideas generated at the workshops. In the workshops, retreat, and related discussions, the Law School focused on broad foundational questions: Where is legal education heading? What are the roles of law and lawyers in the 21st century? How should the Law School position itself?

Setting the Objective

Most American law schools use a traditional model of legal education that has been in place since the late 19th century. It is heavily theoretical, centered on doctrinal analyses of appellate cases, and designed to prepare students primarily to advise private-sector clients within an industrial economy whose principal legal concerns are addressed by the common law of the states.

The Robina project induced the Law School to examine its fundamental mission and ask important questions: How do lawyers and the law contribute to the creation and ongoing reform of the larger economic, political, and social circumstances of contemporary society? What changes will support and advance legal education for an evolving society?

A recurring refrain among University and Law School faculty and staff and the wide network of experts consulted was that the Law School should provide education that focuses on pressing, real-world, 21st century problems. The Robina project gave the Law School an opportunity to develop a bold and innovative model of legal education that is consistent with Mr. Binger's vision for the Foundation.

This new model of legal education will require the Law School to take the following steps (described fully hereafter) to bring its vision to reality:

- Identify a specific, unique, thematic focus for Law School research, teaching, and service
- Recruit and retain world-class faculty and high-caliber students committed to the new institutional direction
- Reform the current curriculum to educate students consistent with the new focus
- Invest in a supporting infrastructure

By engaging in these steps, the Law School also will align its priorities with the University's Strategic Positioning objectives, and it will be better positioned to recruit a world-class dean.

The Law School's Thematic Focus

Every sphere of successful human activity, including education, politics, and religion, has a baseline set of laws, rules, institutions, and norms. Without laws to ensure certain essentials, such as respect for rights and the free flow of information, civic and social order and economic markets cannot thrive. Fundamentally, law creates the stable foundation upon which productive human interaction is built, plus it can motivate and drive societal change. In multiple, varied, and often unexpected ways, lawyers are agents of that transformation.

With these realities in mind, the Law School is launching the Civil Society Initiative, which will be designed to understand:

- The fundamental role of law in developing and maintaining civil societies at the local, national, and international levels
- The best methods of training lawyers to practice in a complex world and to assist in sustaining and transforming society

The Civil Society Initiative will serve as a framework for coordinating the research agenda of faculty members as they work with students and other members of the community to address real-world problems. It integrates multiple parts of the law school—including students, the curriculum, the research priorities of the faculty, and the clinics—into a seamless whole.

In addition, the Initiative:

- Leverages faculty strengths *Human Rights?*
- Integrates international/global and domestic matters
- Encompasses private and public law
- Builds on the University's comparative strengths, especially those in related disciplines
- Establishes the Law School as the site of a unique and cutting-edge program

Recruiting World-Class Faculty and High-Caliber Students

Traditional legal scholarship generally concentrates on specific and narrowly focused doctrinal questions or recurring debates in legal theory. With this approach, engaging in transformative legal scholarship that seeks to reveal and dissect the core of a particular legal regime is difficult. The Law School intends to use a different approach.

Faculty

The new direction in teaching and learning will fully utilize the Law School's underlying strengths—faculty members and their research. Establishing and maintaining the Civil Society Initiative will require substantial time and funding, new outlets for scholarly writings, and colleagues pursuing a similar focus. Support is needed to realize the following critical objectives:

- Attract and retain world-class, high-profile scholars to work on the Civil Society Initiative and similar endeavors
- Create a Strategic Venture Research Fund that ensures faculty time can be available for large-scale and important projects
- Establish funding to support faculty in larger writing projects (e.g., books as opposed to journal articles) and broader dissemination of ideas
- Institute time-limited "Research Pods" to nurture collaborative and interdisciplinary projects addressing unanticipated and contemporary legal or research questions by ensuring immediate access to resources and opportunity for critical cross-disciplinary engagement
- Present symposia and conferences on significant and timely issues

Students

The Law School can provide the education and skills students need to identify problems and implement change in the world. It intends to look beyond Law School Admission Test (LSAT) scores to attract students who are interested in making a difference in the lives of people and in society.

It will work to overcome the challenge of high tuition costs and to facilitate access to a legal education by a diverse population of students, regardless of class, race, gender, or geographic homeland. Support is needed to:

- Establish more scholarships
- Create a pipeline program to promote class- and racial-diversity access
- Establish postgraduate fellowships enabling U.S. students to work with organizations that promote the rule of law in developing countries
- Establish international scholarships to attract students from abroad and foster their completion of the J.D. program

Reforming the Current Curriculum

The Law School is in the process of changing its first- and third-year curriculum offerings, with the second-year curriculum continuing to advance the foundations of legal education. Together these changes will represent the Minnesota Model of Legal Education, which will:

- Educate multidisciplinary lawyers for a global world
- Address pressing socioeconomic problems
- Facilitate exciting new research

First-year curriculum changes

Notable changes to the first-year curriculum, approved unanimously by the faculty, include:

- Addition of a required course called "The Work of the Lawyer," which introduces students to the practice of law and its theoretic and ethical underpinnings
- Formation of a new course called "Perspectives on the Law," which features collaboration with University and other experts from various professions to broaden student engagement beyond traditional first-year concepts
- Increased emphasis on ethics and professional responsibility issues
- Additional coursework in statutory interpretation, international law, and corporations

Third-year curriculum changes

The third year will feature Robina "Capstone Courses," an exciting approach to legal education unlike anything offered at other law schools. Each Capstone Course will address a major contemporary legal issue or research problem. Topics may be as diverse as the role of law in economic development, the legislative response to prison overcrowding, the international response to global warming, or untangling the legal complexities of modern financial transactions.

Capstone Courses will be directed by a lead professor who is joined by experts from appropriate fields (e.g., environment, public health, business) as well as lawyers working in these fields to examine the full complexity of the problem. These courses will draw together what students have learned in doctrinal, clinical, and simulation classwork, plus their knowledge in other disciplines.

Among the advantages of Capstone Courses are:

- Replication of the teamwork necessary in modern complex litigation, transactional and legislative representation
- Year-long design, allowing in-depth study of an issue
- Limited class size (ideally, maximum of 20 students), which facilitates close faculty-student interaction
- Continued relevance ensured by its sunseting design (Each Capstone Course will be reviewed after five years and replaced by courses addressing more pressing issues.)

Capstone Courses may interact with the Research Pods, involving students directly with their professors in not only learning but also creating new approaches to legal issues.

Supporting Transformative Research

The Law School faculty is one of the most productive in the country. By moving forward with this Robina project, we will make that scholarship even more relevant to the modern world—in a word, make it “transformative.” We will move from the image of an individual scholar, sitting alone in an office, writing a manuscript, to the image of a coordinated team—of law professors, specialists from the appropriate related disciplines, practitioners, and students—actively collaborating on a common project.

The Research Pods and Capstone Courses will bring together teams of scholars from different disciplines and law students to address some of the most pressing contemporary topics. Not only will they teach and learn the traditional knowledge in these fields, they will jointly press forward the frontiers of knowledge and publish that research—in law review articles, and also in books, through in-person and on-line symposia, and other means of modern communication.

Investing in a Supporting Infrastructure

To meet its goals and succeed in its ambitious programs, the Law School must have the capacity to support its new endeavors. A strong infrastructure requires particular attention to the following areas.

Law Clinics

The first of its kind in the nation (since 1914), the University of Minnesota Law School clinics program is very popular with both current students and potential recruits for its focus on hands-on learning. Unfortunately, the demand far exceeds the Law School's ability to meet it.

Despite offerings in 19 clinic programs, additional clinical courses (e.g., on environment, school desegregation) are needed, along with clinical faculty to teach them.

Law Library

The Law Library consistently ranks among the top five in the nation for the quality and size of its collections. With only three reference librarians (compared with five and six at peer schools), the Law School is straining its valuable reference support. At least two additional reference librarians are needed.

Public Interest Career Advisor

Students who want to use their legal skills in transformative ways, such as working with non-profit or international organizations, are an important product of the Law School's new direction in education. An advisor is needed to aid and support these students in finding the employment opportunities worldwide.

Robina Support: Menu of Levels

As it implements and further develops its Civil Society Initiative, the Law School seeks the continued support of the Robina Foundation. The following are proposed priorities for funding of immediate needs, with rough estimates of the annual costs to realize them.

Additional and sizeable resources will be necessary to continue providing for these programs. In addition, an ongoing source of income, such as an endowment, will be necessary to keep up the planned new-faculty hiring.

Level A

- Recruit or retain a distinguished faculty member
- Kick-off symposium for Civil Society Initiative
- Work of the Lawyer course
- Two Robina Capstone Courses
- Scholarships
- Strategic Venture Research Fund
- Total: \$2,000,000

Level B (add to level A)

- Three additional Robina Capstone Courses
- One new clinic
- International fellowships and programs, postgraduate fellowships
- One new faculty member
- Targeted scholarships
- Total (when combined with Level A): \$3,500,000

Level C (add to levels A and B)

- Two research librarians
- Research Pods for multidisciplinary exploration
- Pipeline project promoting access for disadvantaged students
- Three new faculty members
- Total (when combined with Levels A and B): \$5,000,000

The details of these proposals are set forth in the Appendix.

Handwritten:
\$ 1,375,000
625,000

2,000,000

Handwritten:
\$ 5,000,000

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LAW SCHOOL

Robina Proposal
August 10, 2007

Appendix

Breakdown of Menu Levels

Level A

One distinguished professor (\$300,000) plus fringe benefits (\$100,000) and associated costs (\$50,000)	\$450,000
International kick-off symposium (on new approaches to legal education) for Civil Society Initiative	100,000
Work of the Lawyer course: course director (\$150,000) plus fringe benefits (\$50,000); program support, such as section instructors and materials (\$50,000)	250,000
Two Robina Capstone Courses (accommodating up to 20 students each): restructured teaching load for instructor (\$50,000), costs of interdisciplinary colleagues (\$50,000), fellowship for recent graduate ("post-doc") (\$50,000), costs of site visits, materials, etc. (\$50,000): \$200,000 each	400,000
Scholarships	500,000
Strategic Venture Research Fund	300,000
TOTAL	\$2,000,000

Level B

(The following elements to be added to Level A)

Three additional Robina Capstone Courses (providing access for more than half of the third-year class): \$200,000 each	\$600,000
New clinic providing client-based alternative to the Capstone Courses (\$120,000) plus fringe benefits (\$30,000) and other costs (\$25,000)	175,000
International fellowships and programs, postgraduate fellowships	200,000
One new faculty member	250,000
Targeted scholarships	75,000
Level B total	1,500,000
Level A total	2,000,000
TOTAL	\$3,500,000

Level C

(The following elements to be added to Levels A and B)

Two research librarians to assist faculty with information needs (\$90,000) plus fringes benefits (\$30,000) and additional costs (\$5,000): \$125,000 each	\$250,000
Research Pods (to support research aspects of projects addressing unanticipated contemporary legal issues)	125,000
Pipeline project to promote access for disadvantaged students: operating cost (\$5,000) and funding for six scholarships (\$120,000)	125,000
Three new faculty members (one senior, one mid-range, one clinical)	1,000,000
Level C total	1,500,000
Levels A and B total	3,500,000
TOTAL	\$5,000,000

*PUT - finally in motion
Reform civil society
Weisbrod*

[New Directions in Legal Education and Research]

University of Minnesota Law School
Proposal to the Robina Foundation

August 29, 2007

[Report outline]

- **Means:** The process by which the Law School derived its objective
- **Objective:** The Law School's goal
- **Methods:** Implementation and future developments
- **Request:** Support needed from the Robina Foundation to implement our objective

[Means: how the objective was derived]

- Initial seed grant: facilitated a series of transformative conversations and almost two years of research and deliberation
- Law School Robina Committee
- Organized six workshops
 - Equality
 - Law and science
 - Law and environment
 - Law and public health
 - International law
 - Public interest/legal education
- All day retreat (facilitated by outside consultant)
- Post-retreat wrap-up

3

[University Task Force]

- Provost E. Thomas Sullivan, former Dean of the Law School
- Gerald B. Fisher, President and CEO University of Minnesota Foundation
- Judge Joan Ericksen, Alumnae and Federal District Court Judge
- Daniel Farber, Sho Shato Professor of Law, University of California Berkeley, former Supreme Court clerk and former University of Minnesota faculty member
- Allen Isaacman, Regents Professor, History and Interdisciplinary Center for the Study of Global Change
- Robert Kudrle, Professor and Freeman Chair, Rhodes Scholar, Humphrey Institute
- Pamela Olson, Alumnae, Partner Skadden, Arps, former Assistant Secretary for Tax Policy at the U.S. Department of Treasury
- Clinton Schroeder, alumnus, Partner Gray Plant

4

Means: truly transformative conversations

- Robina process sparked transformative conversations:
 - Where is legal education heading?
 - What are the respective roles of law and lawyers in the 21st century?
 - How should the Law School position itself?
- Essential realizations from workshops/retreat:
 - Fundamentally lawyers are problem-solvers
 - World-class lawyer operates in multi-dimensional context
 - More than ever there is a need to train and educate a new kind of lawyer to address multifaceted 21st century issues of the day
 - All legal problems and almost all public policy problems involve an interaction with legal frameworks

5

Objective: Developing a new legal education model

- Traditional model of American legal education
 - Theoretical or narrowly-practical
 - Focus: doctrinal analyses of appellate cases
 - Prepares students as legal counsel for industrial economy
 - Role of lawyer mainly passive
 - Legal problems generally assumed to be localized and independent
 - Legal research narrow and isolated
 - In important ways almost all law schools continue to operate under the traditional model

6

[Developing a New Model]

- Message from workshops, retreat, and subsequent deliberations:
 - Law is multidisciplinary
 - Law schools need to prepare students for an information-based economy
 - Legal problems span local and national boundaries and are complex
 - Legal scholarship needs to dissect the core of the legal regime
- Legal education needs to be transformed to address pressing real-world 21st century problems.
- Central inquiry: how lawyers and the law might, should, and do contribute to the creation and the ongoing reform of the larger economic, political, and social circumstances of contemporary society.

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[Objective cont.]

- The Robina process has given us an opportunity to develop a bold and innovative model of legal education, which is consonant with Mr. Binger's vision for the Foundation.
- **Bold vision: Reorient the Law School's educational mission to:**
 - Educate a new breed of multi-disciplinary lawyer capable of operating in global context
 - Address pressing socio-economic problems
 - Facilitate exciting new research

8

[Methods: How can we achieve this goal?]

■ Four-pronged approach:

- Identify a specific, bold, and unique thematic focus
- Reform the current curriculum
- Recruit and retain world class faculty and high-caliber students
- Invest in supporting infrastructure.
- Important side benefits:
 - Aligns with University Strategic Positioning Initiative.
 - Helpful to recruiting world-class Dean.

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[Theme: The U of MN Law School Civil Society Initiative]

■ Initiative's purpose:

- Research component: understanding Law's fundamental role in developing and maintaining civil societies at the local, national, and international levels
- Teaching component: educating lawyers to practice effectively in a more complex world
- Public engagement: provide opportunities to address current social problems
- Fundamentally, law creates the stable foundation upon which productive human interaction is built.

10

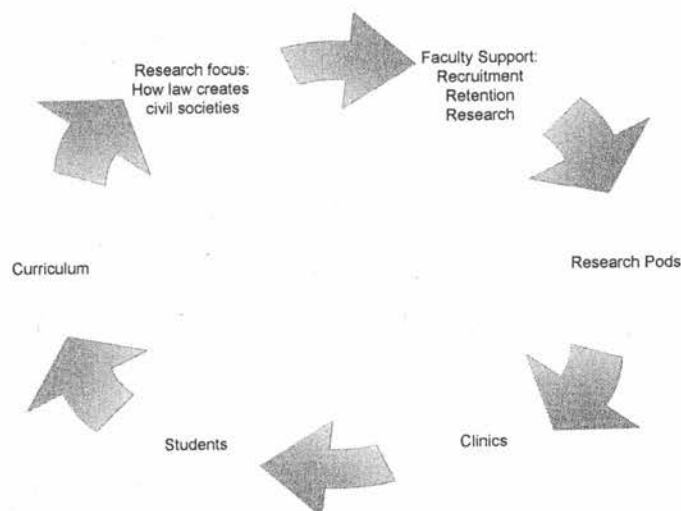
[Advantages of the Civil Society Initiative]

■ Advantages of Initiative:

- Leverages the faculty strengths
 - Antitrust/ Competition law
 - Business organizations/ Corporate law
 - Constitutional law
 - Criminal justice
 - Environmental Law
 - Health
 - Intellectual property
 - International law: human rights, trade, development
 - Law and economics
 - Interdisciplinary (philosophy, political science, history, sociology, humanities)
- International/global and Domestic
- Private and public law
- Builds upon the University's strengths and SPI
- Unique: to our knowledge no other top flight Law School has this emphasis

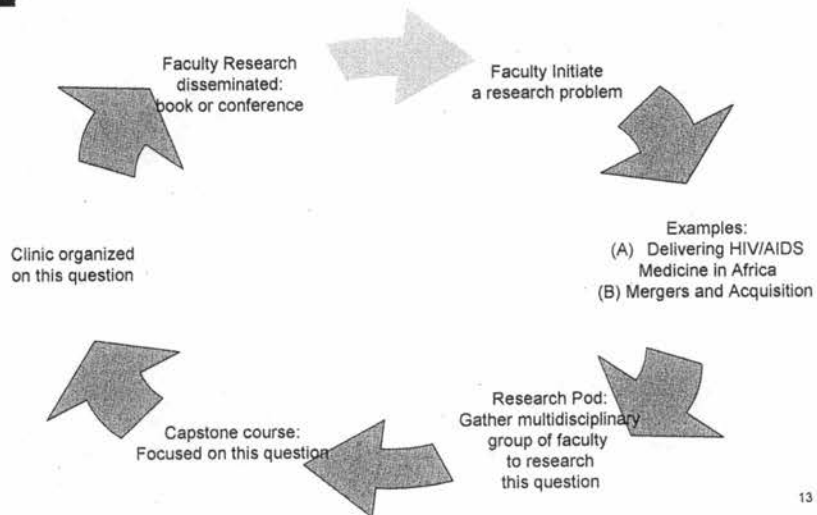
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[Essence of new approach: Integrative]



12

[Two Concrete Examples:]



[Law School Needs]

- Faculty
- Student support
- Curriculum reform
- Clinics
- Infrastructure

[Faculty]

- The strength of a law school is its faculty and their research.
- Transformative research requires substantial time, funding, and colleagues with similar focus, and different scholarly outlet (*viz.*, books as opposed to law journals)

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[Faculty]

- Critical support needed to:
 - Attract and retain scholars working on Civil Society Initiative and similar endeavors
 - Create Strategic Venture Research Fund that enables faculty to buy-out time to support larger scale and transformative projects
 - Book-writing fellowship to enable faculty to write more books and more broadly disseminate ideas
 - Research pods to encourage and nurture collaborative intra- and interdisciplinary scholarly projects
 - Research pods will be time-limited
 - Their purpose will be to enable faculty to have access to immediate resources to address unanticipated and contemporary legal or research questions
 - Support for symposia and conferences

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[Students]

- Challenges:
 - Cost of legal education and post-graduate debt
 - Paucity of available scholarship dollars
 - Access to students of diverse backgrounds
 - Class
 - Race
 - Gender
 - Geography (outside of the Midwest and internationally)
- Solutions:
 - Scholarships
 - Pipeline program to enable class and racial diversity access to the Law School
 - Post-graduate fellowships for U.S. students to work with organizations promoting the rule of law in developing countries
 - International scholarships to attract students from abroad to study and earn the JD at the Law School (Georgetown example)

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[Curriculum: First Year Reform]

- Developing new model of legal education
- Fundamental pedagogical goal:
 - Provide a curriculum that is both theoretically rigorous and informed by what lawyers actually do
- Notable changes:
 - Work of Lawyer course
 - Perspectives on the Law
 - Statutory Interpretation
 - Corporations
 - International Law
 - Professional Responsibility
- Unanimous faculty approval

18

[Future development: Capstone Courses in 3rd year]

- Year-long courses
- 20 students
- Collaborative
- Lead professor will join with experts from other fields
- Sunset period

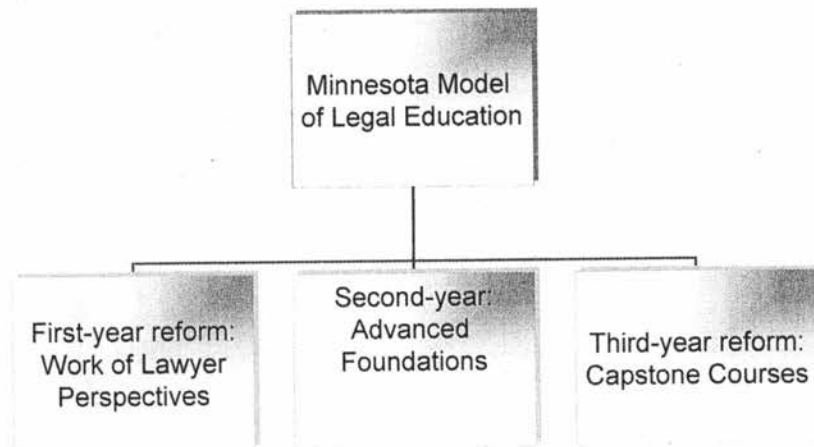
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[Capstone Courses cont.]

- Holistic
- Varied
- Related to research pods
- Unique and transformative

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[Curriculum reform]



21

[Clinics]

- First clinical program in the country
- Very popular with students and an important draw for student recruits
- Focus on lawyering and learning practice skills
- Challenge:
 - Significantly more demand than supply
- Solution:
 - Increase clinical offering by expanding clinical faculty
 - Examples: immigration law clinic, environmental law clinic, school desegregation clinic

22

[Infrastructure Investment]

- To make these projects successful we need to assure that we have the capacity to support these new endeavors.
- What is the infrastructure that is needed to support our objective?
 - Research librarians
 - Technology Infrastructure
 - Public Interest Career advisor

23

[Robina request: Menu of options]

- Option A:
 - Recruiting or retaining distinguished faculty
 - Kick-off symposium for Civil Society Initiative
 - Work of the Lawyer Course
 - Strategic Venture Research Fund
 - Scholarships
 - Robina Capstone Courses
 - Website update
 - \$2,000,000
- Option B:
 - Option A
 - Four additional Capstone Courses
 - One new clinic
 - One new faculty
 - International fellowships, programs, and post-graduate fellowship support
 - Targeted student scholarships
 - \$3,500,000
- Option C:
 - Option A
 - Option B
 - Two research librarians
 - Pipeline project to promote access
 - Research pods
 - Three new faculty
 - \$5,000,000

24

BOARD MEMBER COMMENTS/QUESTIONS

ABBOTT NORTHWESTERN HOSPITAL
ORIGINAL PROPOSAL

Review of the Abbott Northwestern Hospital 2007 Health Care Transformation Proposal to The Robina Foundation

May 2, 2007

Note to my fellow board member. In our recent telephonic board meeting, Gordon charged me with summarizing my thoughts about the Abbott Northwestern proposal. The material below represents my effort at responding to that charge.

This is an ambitious proposal that pledges to extend "personalized care" by offering customized preventive and chronic disease management services to patients served by the hospital. The goals would be accomplished through application of patient-centered care, information technology, and care coordination. The background section draws on material from Ralph Snyderman (former CEO of the Duke Medical Center), a focus group from the population using Abbot's clinics and emergency department, the Institute of Medicine's Crossing the Quality Chasm Report, and the industrial quality of care, continuous quality improvement literature.

The initiative would build a new model of care that relies on interdisciplinary teams to manage care across the entire continuum--spanning from primary to hospice care--and to implement that model over a three-phase ten year period. They ask for a \$20 million, three year grant (Jan 2007-Dec. 2009; about \$6.7 million/year) to implement the first phase, with presumed additional funds to be requested for the second and third phases. The description of the three phases is rather sketchy. Phase one would improve quality of care, phase two would create alignments with the payer community to modify provider reimbursement policies, and phase three would engage public health resources to address the broad range of determinants of health. They propose to recruit a renowned medical director from outside the system, who, in coordination with a multidisciplinary team, would assess the results. It is unclear to what extent this new recruit would also be responsible for implementing the program.

In concept, this is a very visionary and potentially exciting program, but its implementation would fly in the face of the way medicine is financed and organized in this country. It is not clear that any community could achieve this model, nor is it evident that the grantee understands the enormity of the challenges or that it possesses the expertise necessary to accomplish the goals. The proposal cites the patient-oriented culture and institutional values of Abbot Northwestern and its leadership as indicators of future success, without specifying how that culture and those values have been demonstrated.

The proposal identifies five "spheres" to achieve and sustain the transformation:

1. The business model "co-creating value". From what I could glean, this would involve increasing dialogue with patients as to their values, preferences, and needs, as well as heightening sensitivities among hospital staff and physicians regarding

these concerns. *I am not aware of any similar effort-at least at this scale-among the hospital community in this country.*

2. **Knowledge base: electronic medical record.** Allina has already committed to a \$250 million electronic health record, Excellian. I am not familiar with this system, but we could find out about it with appropriate consultation. The proposal would extend the system to 100 primary care physicians and 30 cardiologists who hospitalize patients at Abbott Northwestern. Presumably these physicians are located at the six Allina clinics that feed the most into Abbott. This sphere would involve giving patients access to their own medical records, including being able to schedule appointments, access lab results, obtain prescription refills, and pay bills. It is estimated that 50,000 patients would use these features, with 10,000 of them who have concurrent chronic diseases being involved in a personalized health care plan. Robina funds would be used to create new reporting functions for the Excellian system: population-wide reports that track health care trends; physician and care team reports that provide patient-specific information; and patient-level reports on individual care measures and health markers, such as diabetic control. *I am not an expert on these kinds of systems, but I suspect that they are already in place in health care organizations such as Kaiser Permanente and Group Health Cooperative of Puget Sound. Whether they exist in more traditional fee-for-service systems is unclear to me. If they do, Mayo would be a prime suspect.*
3. **Care teams.** This sounds like a chronic disease management system, staffed primarily by 20 nurses, half of whom would be paid by Abbott and half by Robina. It is presumed that the focus of the initial phase would be one two common chronic conditions: congestive heart failure and diabetes. *Chronic disease management has been a staple of HMOs such as Kaiser, as well as health insurers such as United Health Care. These organizations have a financial incentive to keep people well and out of the hospital. For these entities, the savings derived from the effort should cover the staff needed, and be able to generate profits as well. But when hospitals undergo this activity they actually lose money, because they keep people out of the hospital. I gather that Abbot's strategy would be to demonstrate in Phase One that this program works, and then try to get the insurers to pay for it in the second and third phases. They do not make this strategy explicit, however.*
4. **Evaluation.** Robina funding would be used to assess the initiative. *Presumably the early years would involve deciding on measurement instrumentalities.*
5. **Medical education and dissemination of acquired knowledge.** Robina funds would be used to coordinate education and training of patients and providers so that they can participate fully in this new model of care. In addition, dissemination of the evaluation would occur. *Asking for funds for dissemination in the start-up phase seems premature, although the idea of rapid display of results as they come in has merit.*

The budget calls for a total of \$45.5 million over three years, with \$25.5m supplied by Allina and \$20.1m by Robina. Of the Robina funds, \$12.5m are for operating expenses, 1.75m for consultation, and \$2m for overhead. *(We need to decide what our overhead policy will be!)* Other categories include capital investment (\$1.5m from Robina) as well as other expenses.

There is a rather theoretical section on evaluation that I skimmed, and that seems more conceptual than "on the ground." I presume it was written by someone connected with the proposed evaluator, Professor Jon Christianson, who is at the University of Minnesota and has done similar evaluations for the Robert Wood Johnson Foundation. He has assembled a team of other academics. All are well regarded.

Conclusion

This is a very ambitious proposal, in the spirit of what Jim Binger would have wanted. If the grantee could actually pull this off, it would be a potential model for health care reform nationally. And the vision and goals certainly resonate with my own feelings about what health care should be. It raises, however, a number of questions, some of which could be probed when the Abbot representatives visit us in August, and some of which will require internal decisions from the Robina Board.

Questions for the applicant:

1. Clarify the boundaries between the Abbot Hospital and the Allina system. Who would be the grantee? Who would have ultimate responsibility for the conduct of the initiative?
2. What person or persons are driving this proposal? Who is the internal champion(s)? To what extent does the proposal's success rely on recruiting external personnel?
3. Who actually wrote the proposal? (Not sure we can ask this directly, but we can infer by dint of who shows up, who speaks, and what they say).
4. Is there an IT person with sufficient expertise to oversee the implementation phase of the electronic medical record component?
5. Explain the budget strategy in more detail? What would happen if the amount funded was smaller? How would they support phases two and three? What would those likely cost? How much would the sustainability depend on changing the reimbursement formulae from their payers? Have they had any indication that could actually happen? Given that we may not be able to make large payments until 2009, what does that mean for this proposal, and how could much smaller grants be used?
6. What do they know about other such efforts in this country, and what have they learned from them that could apply to this initiative?

Questions for Robina:

1. How much are we prepared to spend in total for 2008? For subsequent years?
2. How much parity do we wish to have among the four beneficiary institutions?
3. How closely do Gordon and his staff want to follow the progress of a complicated program like this? It is likely that the programs of the other grantees will be much simpler. Do we want heterogeneity of process? To what extent do we wish to rely on external consultants to evaluate components (such as the

Excellian IT system) before we make the funding decision? To what extent might we use consultants to track progress after funding?

4. How should we determine our allowable overhead?

5. Most fundamentally, we need to address the conflict between the size of our transformative vision and the fact that we have a relatively small amount of funds to spread among four very different institutions? Should we pare down our ambitions? Should we accelerate our payment timetable so that we can make larger annual payments?

This proposal should be a good test case for our August meeting, as we move from the organizing to the operational phase of the Robina Foundation.

Respectfully submitted,

Steve Schroeder, MD
Distinguished Professor of Health and Healthcare
University of California at San Francisco

DATE: May 15, 2007

TO: Gordy Aamoth

FROM: Ed Spencer

SUBJECT: **ABBOTT NORTHWESTERN PROPOSAL**

Steve Schroeder's analysis of this proposal was very thoughtful and helpful. I share his observations that this is an ambitious and creative attempt to inject new and innovative ideas for health care into the system.

However, I want to raise a different set of questions to be explored. I draw on my ongoing Mayo involvement of 25 years; the fact that between us, Harriet and I have had three surgeries and hospital stays at Abbott Northwestern this year; and the fact that Ed Jr., in his new role as Allina Board Chair, has kept me well informed on management issues.

Here are questions that I think need our discussion:

1. I question recruiting an outsider to lead the program. My business experience tells me that major cultural change is better implemented by someone who is internal, who knows the system, and is respected by the key players. Outsiders can be brought in for technical support.
2. I question why Robina should be asked to finance the completion of the Excellian system. It seems to me that is work that needs to be done on an accelerated schedule, whether or not the new system goes forward. Allina should also draw on others for help who are further along with their IT implementation.
3. We need to know who else in the health care industry – if anyone - has either already, or may be studying a similar transformation of health care. In that regard, Allina might want to at least discuss a partnership with Mayo. Is a consortium approach, if possible, preferable to going alone? Will that help sell the program to insurers later?
4. Phases one, two, and three just start the program expenditures. What are we left with to help finance beyond year three?
5. Abbott Northwestern Hospital was selected by Binger as a grantee. But let's recognize that this is an Allina-wide system change, and Allina should be the grantee.

6. In Phases I, II, and III there is a lot of discussion about procedures, evaluations, and planning. What are the specific timetables for the goals they want to accomplish?
7. A lot of the best medical talent that relies on Allina hospitals is in independent clinics. Can these clinics be integrated into this system change?
8. Who will pay? The very worthy goals seem inconsistent with Medicare and insurance company payment plans. Can those plans be changed?
9. Twenty million dollars from Robina spread over say 2007, 2008, and 2009 seems more than we can afford, since we may not have complete control of all our assets until late 2008 or 2009. I'll come up with a schedule of cash available prior to our August meeting.

I'm no expert in this field, but hope the questions will provoke more thinking on our part, as did Steve's comments.

Gordon's Comments/Questions – ANW Proposal

- Remove the ANW and Allina in proposal because grants are to ANW, understand because ANW part of Allina system. There will be some crossover, but should not be emphasized.
- Address clearly the \$ for Excellian, EMR is it for independent MD's to come on board or is the request for something else? (note one doc I spoke with says that giving Excellian is one way to lock non Allina docs to admit only to their hospitals).
- Spell out "menu that could be used in lieu of the larger project if full funding is delayed or smaller when foundation is fully funded.
- Is the patient group only ANW and those clinics that refer to ANW?
- Under "Continuum of Care" section, should the independent MDs be included in project in addition to the top-referring clinic?
- Questions Continuum of Care section – mostly directed to chronic illness (\$ hospital) where as greater good from prevention and wellness

ROBINA FOUNDATION BOARD OF DIRECTORS MEETING

August 27-29, 2007

MONDAY, AUGUST 27

7:00 p.m. Dinner at the Mission restaurant (Wine Room)
(First floor of the IDS Crystal Court)

Lodging: Peter Karoff and Steve Schroeder at the Marquette Hotel

TUESDAY, AUGUST 28

8:00 a.m. – noon Board of Directors Meeting at Faegre and Benson – see Agenda

12:30 p.m. *- 3:00 p.m.* Abbott Northwestern meeting at their facilities
(All ride together)

5:40 p.m. Karoff and Schroeder to ride with Crosby to Aamoth's

6:00 p.m. Gathering at Aamoth's for cocktails (952-476-2819)
390 W. Ferndale Road, Wayzata, MN

7:00 p.m. Dinner at Woodhill Country Club (952-473-7333)
200 Woodhill Road, Wayzata, MN

Lodging: Karoff and Schroeder back to hotel via limo service
(Jim Pyle – 952-470-0551)

WEDNESDAY, AUGUST 29

8:00 a.m. Steve Schroeder to be picked up Gordy

8:30 – 11:00 a.m. University of Minnesota Law School meeting at their facilities

11:00 a.m. Meeting with Jane Mauer at U of M Law School

Noon Adjournment

Robina Foundation Board of Directors Annual Meeting

August 28, 2007, 8:00 a.m. – Noon

Faegre and Benson Office

2200 Wells Fargo Center, 90 South 7th Street, Room 22S, Minneapolis, MN 55402
(Go to 22nd floor and receptionist will direct you to the room.)

Time	Agenda Item	Tab #
8:00 a.m.	Welcome and Call to Order – Aamoth	
8:05 a.m.	Disclosure/Conflict of Interest Policy – Aamoth Action Item	1
8:10 a.m.	Minutes – Schroeder Action Item	2
8:20 a.m.	Amendment of Foundation Bylaws – Crosby Action Item	3
8:30 a.m.	Election of Officers and Acceptance of Mauer Resignation - Aamoth Action Item	4
8:45 a.m.	President's Report – Aamoth A. April-May and June-July Reports to Board of Directors B. Mauer Lawsuit C. D&O D. Minnesota Council on Foundations – Membership – Sazevich Action Item E. Robina Real Estate (Lake Robina property and Bazal condominium) F. Robina website - Sazevich G. Institutional visits H. Grantee progress and proposals	5
9:45 a.m.	Break	
10:00 a.m.	Committee Reports A. Finance – Spencer 1. Foundation assets and anticipated transfers from J.P. Morgan update 2. Financial statements through June 30, 2007 3. Operating Budget 4. Required 5% charitable distribution for 2007 5. Spending Policy discussion 6. Investment Policy update 7. FY 2006 Tax Return	6
10:45 a.m.	B. Grants Program – Schroeder 1. Fundamental strategic question facing Board discussion ➤ Review funding needs of four institutions discussion ➤ Options for grantmaking – interim strategy ➤ Framework and criteria for decision-making discussion 2. Next steps: Further conversations with 4 institutions prior to November. Do we want to see more in writing, what type of analysis is needed on each for November meeting? "Proposal Review Questions" C. Audit - Karoff	7

11:45 a.m.	Future Board Meetings – Aamoth A. November Teleconference Board Meeting to be determined at August Annual Meeting. The Board Members have been contacted regarding the following possible dates: November 26, 27, or 28 at 9 to 11 a.m. or 3 to 5 p.m. Central Time. B. 2008 Board Meeting and Retreat schedule	8
11:55 a.m.	Other Business	
12 noon	Adjournment	

1	Disclosure/Conflict of Interest Policy
2	Minutes
3	Amendment of Foundation Bylaws
4	Election of Officers and Acceptance of Mauer Resignation
5	President's Report
6	Committee Reports Finance
7	Committee Reports Grants Program
8	Future Board Meetings

ROBINA FOUNDATION

Director and Officer Conflicts of Interest Policies & Procedures

Definitions

As used in these policies and procedures, the following capitalized terms shall have the meanings indicated.

Board: the Foundation's Board of Directors.

Contract or Transaction: any agreement or relationship involving the sale or purchase of goods, services, or rights of any kind, the providing or receipt of a grant or loan, or the establishment of any other type of pecuniary relationship with the Foundation.

Responsible Person: any person serving as a member of the Board of Directors, member of a committee, or officer, of the Foundation.

Family Member: a Responsible Person's spouse, parent, child, stepchild, brother, or sister; or the spouse of any of the foregoing.

Material Financial Interest: a financial interest of any kind, which, in view of all the circumstances, is substantial enough that it would affect a Responsible Person's ability to act solely in the best interests of the Foundation. For purposes of these policies and procedures, a financial interest with respect to a Contract or Transaction shall constitute a Material Financial Interest only if an ordinarily prudent person in a like position would reasonably conclude that such interest would affect his or her judgment with respect to the Contract or Transaction.

Conflict of Interest: A Conflict of Interest exists when there is an actual or proposed Contract or Transaction between the Foundation and --

(a) a Responsible Person or Family Member; or

(b) an entity in which a Responsible Person or Family Member has a Material Financial Interest or of which such person is a compensated or uncompensated director, officer, employee, agent, partner, associate, trustee, personal representative, receiver, guardian, custodian, conservator or other legal representative.

Policies

Robina Foundation (the "Foundation") is committed to ensuring that each of its directors and officers carries out his or her responsibilities in good faith and in a manner he or she reasonably believes is in the best interests of the Foundation. The Foundation also recognizes that directors and officers have relationships that may appropriately assist the Foundation in pursuing its mission.

Contracts and Transactions

A director or officer whose ability to comply with the foregoing standard may be compromised by a Conflict of Interest relating to a Contract or Transaction shall report the Conflict of Interest in accordance with the procedures set forth below.

Gifts and Entertainment

A Responsible Person shall not accept gifts, entertainment or other favors from any individual or entity that does or is seeking to do business with the Foundation, under circumstances where it might be inferred that such action was intended to influence or possibly would influence the Responsible Person in the performance of his or her duties. This does not preclude the acceptance of items or entertainment of nominal or insignificant value (up to \$50.00) which are not related to any particular transaction or activity of the Foundation.

Confidentiality

Each Responsible Person shall exercise care not to disclose confidential information acquired as a Responsible Person or information the disclosure of which might be adverse to the interests of the Foundation. Furthermore, a Responsible Person shall not disclose or use information relating to the business of the Foundation for the personal profit or advantage of the Responsible Person or a Family Member.

Procedures

The procedures set forth below are designed to help directors and officers of the Foundation identify situations that present potential conflicts of interest and to provide the Foundation with a procedure for independent review and, when appropriate, approval of a transaction in which a director or officer has or may have a Conflict of Interest. The policy is intended to comply with the procedure prescribed in Minnesota Statutes, Section 317A.255, governing conflicts of interest for directors of nonprofit corporations. In the event there is an inconsistency between the requirements and procedures prescribed herein and those in section 317A.255, the statute shall control. Capitalized terms are defined in paragraph 2.

Reporting Conflicts of Interest

Prior to Board action on a Contract or Transaction involving a Conflict of Interest, a director who knows he or she has a Conflict of Interest and who is in attendance at the meeting shall disclose all facts material to the Conflict of Interest. Such disclosure shall be reflected in the minutes of the meeting.

A director who does not plan to attend a meeting at which he or she has reason to believe that the Board will act on a matter in which the person knows he or she has a Conflict of Interest shall disclose to the President all facts material to the Conflict of Interest. The President shall report the disclosure at the meeting and the disclosure shall be reflected in the minutes of the meeting. If the director having the Conflict of Interest is the President, then the required disclosure shall be made to, and the required report to the Board shall be made by, the Vice President, or if there is no Vice President, the Treasurer.

Responsible Persons who are not directors of the Foundation, or who have a Conflict of Interest with respect to a Contract or Transaction that is not the subject of Board action, shall disclose to the President any Conflict of Interest that such Responsible Person knows he or she has with respect to such Contract or Transaction. Such disclosure shall be made as soon as the Conflict of Interest is known to the Responsible Person. The Responsible Person shall refrain from any action that may affect the Foundation's participation in such Contract or Transaction. The President shall determine whether the Conflict of Interest should be reported to or acted on by the Board, and shall make a written record of the disclosure and the decision on whether to bring the matter to the Board.

If it is not entirely clear whether or not a Conflict of Interest exists, then the individual with the potential conflict shall disclose the circumstances to the President, who shall determine whether there exists a Conflict of Interest that is subject to these policies and procedures.

Review of Conflicted Transactions

The Board shall review each Conflict of Interest that is reported to it, and may approved the affected Contract or Transaction if the material facts as to the Contract or Transaction and the Conflict of Interest are fully disclosed or known to the Board and the Board approves the Contract or Transaction in good faith by the affirmative vote (without counting the interested director) of a majority of the entire Board at a meeting at which there is a quorum present, again without counting the interested director.

A person who knows he or she has a Conflict of Interest shall not participate in the Board's discussion of the matter except to disclose material facts and to respond to questions. Such person shall not attempt to exert his or her personal influence with respect to the matter, either at or outside the meeting. The chair of the meeting shall provide an opportunity for the Board to discuss the matter without the person who has the Conflict of Interest present.

A person who is known to have a Conflict of Interest with respect to a Contract or Transaction that will be voted on at a meeting shall not be counted in determining the presence of a quorum for purposes of the vote. The person known to have a Conflict of Interest may not vote on the Contract or Transaction and shall not be present when the vote is taken. Such person's ineligibility to vote and absence from the meeting during the vote shall be reflected in the minutes of the meeting.

Noncompliance

A director or officer's failure to comply with the requirements of these policies and procedures shall be grounds for the immediate removal from office of such director or officer, upon the approval of a majority of the other members of the Board.

Review of Policies and Procedures; Annual Disclosure

Each new Responsible Person shall be required to review a copy of these policies and procedures and to acknowledge in writing that he or she has done so.

These policies and procedures shall be reviewed annually by each member of the Board. Any changes to the policies or procedures shall be communicated immediately to all Responsible Persons.

Adopted by the Board of Directors on _____, 2007

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ROBINA FOUNDATION

**Conflict of Interest Acknowledgment
(2007)**

I hereby certify that I have reviewed, and agree to abide by, Robina Foundation's Director and Officer Conflict of Interest Policies and Procedures as currently in effect. I acknowledge that failure to comply with the Director and Officer Conflict of Interest Policies and Procedures is grounds for my removal as an officer or director of the Foundation.

Signature: _____ *Date:* _____

Print Name: _____

**Robina Foundation
Meeting Minutes
April 25, 2007**

A meeting of the Board of Directors of the Robina Foundation, a Minnesota nonprofit corporation, was held on April 25, 2007 via teleconference.

The following Directors were in attendance at the meeting: Gordon Aamoth, Thomas Crosby, Edson Spencer, Peter Karoff, Steven Schroeder.

Jean Sazevich, foundation consultant, was also present and served as recorder.

There were no Directors absent.

Call to Order

Gordon Aamoth, President, called the meeting to order and welcomed board members.

Disclosure and Attestations

Gordon Aamoth asked board members to disclose any known conflicts of interest that they may have with regard to their service on the Robina Foundation Board of Directors and, specifically, any actions to be taken by the Board at this meeting. Board members responded as follows:

Gordon Aamoth: stated that he does not have a conflict of interest due to the fact that he is no longer employed by Abbott Northwestern Hospital, one of the four grant recipients of the Robina Foundation.

Peter Karoff: stated that he would have a conflict of interest if the Board were to hire The Philanthropic Initiative (TPI) for consulting work due to the fact that he is employed there and on the governing board.

Thomas Crosby: stated that he is a Trustee of a trust that holds roughly \$20 million in assets that will eventually be disbursed to the Foundation.

Edson Spencer: no conflicts cited.

Steven Schroeder: no conflicts cited.

It was suggested that instead of having to disclose conflicts of interest at each board meeting, the Board adopt a conflict of interest policy at its next meeting. The policy would require Board Members to submit a written list of potential conflicts of interest which is updated annually or as needed.

Minutes

The minutes of the February 20, 2007 Board of Directors meeting were reviewed by the Board. It was noted that the meeting minutes were prepared by Joanne Duhi, TPI staff, who facilitated the Board Meeting.

The Board discussed the fact that although one new Director was elected (Thomas Crosby) and officers of the Board were named at the February meeting, the meeting was not officially considered the annual meeting of the Board of Directors of the Robina Foundation. It was suggested that the August 2007 meeting serve as the official annual meeting and that the status of Jane Mauer, former President of the Foundation, be taken up by the Board at that time.

Edson Spencer made two corrections to the financial report section of the Minutes. These corrections were provided to the board in writing. There were no further corrections to the minutes. A vote was taken and the minutes were approved with corrections.

Introductory Comments

Gordon Aamoth introduced Jean Sazevich to the Board of Directors. Jean has recently been engaged by the Robina Foundation to provide consulting services for a variety of Foundation needs, including operations and programmatic issues. It is anticipated that Jean will work, on a contract basis, roughly one day per week for Robina.

Jean gave a brief overview of her experience in the field of philanthropy and stated that she was pleased to be working with the Board of the Robina Foundation. Gordon noted that Jean's resume was included in the materials sent in advance of the meeting.

President's Report

Gordon provided the Board with an update on major activities since the last board meeting. Highlights include:

- Hiring Jean Sazevich and Nancy Gilberg, Administrative Consultant, on contract to work with the Foundation. Nancy, who also works for Ed Spencer at this time, will provide administrative assistance to the Foundation one day per week.
- Moving to the new Foundation offices on the 49th floor of the IDS Center in Minneapolis on April 1st.
- Renewal of the Directors and Officers liability insurance.
- Engaging an accounting firm (CBIZ) to provide financial reporting services as well as the preparation of the annual tax return of the Foundation.

Litigation. Gordon Aamoth and Thomas Crosby provided the Board with an update on the status of the litigation with Jane Mauer. It was noted that there have been some new financial issues raised by Jane Mauer that will likely delay the targeted settlement date of May 10, 2007. However, the issues do not appear to be significant enough to cause too much delay.

A number of issues related to working with JP Morgan were raised by Board Members.

Lake Robina Property. Gordon informed the Board that the 200 acre parcel of land in Western Hennepin County, known as the Lake Robina property, which is owned by the Foundation, has a tax value of approximately \$4 million. When it became part of Jim Binger's estate, it was valued at roughly \$1.4 million.

Gordon stated that it is up to the Board to determine what to do with the land. Eventually, they can either sell the property for development or gift it for the purposes of conservation. He stated that the Board should base their decision on their sense of what the founder, Jim Binger, would have wanted. He further stated that in Jim Binger's trust agreement, Mr. Binger requested, but did not require, that the Foundation conserve the land for charitable use rather than sell it for development. Language from the trust agreement was included in the Board materials.

Both Tom and Gordon have recently visited the property and agree that while it is nice, it is not "spectacular." It was noted that Jim Binger's nephew has been and continues to be retained as a caretaker for the property. He is currently paid out of the trust. It was also noted that Jane Mauer owns 20 acres of land adjacent to the property owned by the Foundation.

The Board discussed how to proceed in determining what to do with the Robina property. They noted that Jim Binger may not have been aware of the significant increase in the value of the land, and that that knowledge may have had an impact on how he wanted the board to act in his absence.

The Board asked that additional research be done prior to the August Board Meeting on 1) marketable value of the property if sold for development; and 2) options for conserving the property by gifting it to a public or nonprofit entity such as the Hennepin County Park District.

Abbott Northwestern Hospital Proposal.

Gordon Aamoth briefed the Board on the origins of a formal proposal that has been submitted by Abbott Northwestern Hospital (ANW). He stated that it is the only formal proposal that has been received to date from any of the four institutions to be considered for support by the Foundation. He stressed that it is important to note that Jim Binger was involved in very early conversations about this proposal with individuals from Abbott Northwestern. The size of the request is \$20 million over a three year period. This amount was based on early assumptions that the Foundation would have assets of roughly \$200 million from the Binger estate.

The Board discussed the fact that the Foundation is not in a position to fund the proposal at the amount requested. Gordon reported that he has shared this information with the contact people at ANW.

After lengthy discussion, it was determined that the proposal should not be reviewed and considered as is and that ANW should be asked to submit a revised proposal for future consideration. The revised proposal could be for a small portion of the original request or for something else that is timely and important to ANW. Gordon requested that Board Members submit comments and questions about the original request to him in order to better prepare for the August Board Meeting when the Board will meet with ANW.

Upcoming Meetings – Yale and Council on Foreign Relations

Gordon informed the Board that he will be meeting with the Council on Foreign Relations in New York on June 7th. A meeting with Yale is not possible at that time due to commencement activities. Gordon invited interested Board Members to join him for the CFR meeting. Peter Karoff stated that he would like to attend. The purpose of the meeting is primarily to make introductions and to explain the recent changes in the management and governance of the Robina Foundation. Gordon will develop "talking points" for the meeting.

Committee Reports

Finance Committee.

Ed Spencer, Treasurer, reported that the assets of the Foundation are currently \$10.7M book value or roughly \$14 million market value if the current estimated market value of the Lake Robina property is included in the total.

He stated that it is likely that assets will grow by \$15 million in 2007 as a result of settling the litigation with Jane Mauer. In addition, there are roughly \$11 million in liquid assets that could still be transferred to the Foundation this year from JP Morgan.

The Board discussed the possibility of recovering assets from taxes the estate has paid to the IRS. It was agreed that this process will be very slow.

In summary, Ed stated that he believes that the assets of the Foundation could grow to be as large as \$156 million when the law suit, estate distributions and IRS tax recovery are completed. The timeline for this to happen is unclear, but is expected to take a minimum of three years. Ed will prepare a written summary for the August Board Meeting that will show anticipated assets of the Foundation for each of the years 2007-2009.

The Board discussed the matter of reimbursement of legal fees to the Binger family. Clarification of who will pay this outstanding liability is needed and documentation should be requested from the Oppenheimer law firm.

Grants Committee.

Steve Schroeder, Chair of the Grants Committee, asked the Board Members to review a document, included as Tab 4 in the Board Book, that summarized the grantmaking philosophy and criteria the Board agreed to at their February 2007 retreat. The Board agreed that the document accurately represented their discussion and agreements to date.

Due to the fact that the Foundation is not yet fully funded, Steve stressed the need for the Board to develop an interim grantmaking strategy to guide its activities and decision making. He noted that minimum charitable distributions will still be required and that continuation of annual grant awards for planning activities does not appear to be appropriate.

After significant discussion, the Board agreed that it would ask each of the four institutions to present a few different funding opportunities to Robina, in 2007, that are short-term in nature.

These proposals can be for projects, though important and timely, do not necessarily meet the stated criteria of being "transformative" to the institution while also seeking to address a critical social issue.

Future Board Meeting

Gordon reviewed plans for the August Board Meeting in Minneapolis. The Board will gather for dinner on the evening of August 27th, and then convene its business meeting on the morning of the 28th at the Faegre and Benson law firm. It is anticipated that Jane Mauer will come before the Board at the end of the business meeting to make brief remarks.

After the business meeting concludes late in the morning on 28th, the Board will travel to Abbott Northwestern Hospital for a tour and presentation. The morning of the 29th a similar meeting at the University of Minnesota Law School is scheduled. A "debrief" meeting of the Board will be held at the Law School prior to an anticipated adjournment late morning on the 29th.

Adjournment

There being no other business, the meeting was adjourned.

Respectfully Submitted,

Steven Schroeder, Secretary

Date: _____

RESTATED BYLAWS OF
ROBINA FOUNDATION

ARTICLE I

Objectives, Purposes and Mission Statement

Section 1. Charitable Purposes. Robina Foundation (the "Corporation") is organized and operated exclusively for the purposes described in the Corporation's Articles of Incorporation, and all of the Corporation's activities described herein are subject to those purposes. Consistent with the purposes described in the Corporation's Articles of Incorporation, and to the extent permitted under applicable federal tax, state and local law, the Corporation may engage in direct or indirect charitable activities, including, without limitation, the awarding of grants; the conduct of direct charitable activities; joint ventures with other organizations; and the making of so-called "program-related investments."

Section 2. Mission Statement on Charitable Goals. The Corporation was founded to fulfill the various charitable goals of James H. Binger (the "Founder"). The Founder's charitable goals are divided into three broad categories described as follows, not in any order of priority:

(a) Support of Yale University and University of Minnesota Law School. The Founder intends the Corporation to engage in activities that support the educational activities of Yale University ("Yale"), of New Haven, Connecticut, and the University of Minnesota Law School ("U of MN"), of Minneapolis, Minnesota. For purposes of this Mission Statement, the term "educational activities" should be broadly construed to include, without limitation, the support of academic research by students and faculty; undergraduate, graduate and professional school teaching and training; scholarships, fellowships and academic prizes; the improvement of student life; libraries; laboratories; conferences and symposia; journals; faculty endowments; and building projects and capital campaigns related to any of the foregoing.

(b) Support of Abbott Northwestern Hospital. The Founder intends the Corporation to engage in activities that support medical research, treatment and patient care at Abbott Northwestern Hospital ("Abbott Hospital"), of Minneapolis, Minnesota. The Founder also intends to support the philanthropic activities of Abbott Northwestern Hospital Foundation, of Minneapolis, Minnesota, which for purposes of this Mission Statement shall be included within the definition of "Abbott Hospital." For purposes of this Mission Statement, the terms "medical research, treatment and patient care" should be broadly construed to include, without limitation, research into the causes, cure and treatment of diseases and disorders affecting the human body and mind; the teaching and training of medical students, physicians, and other medical personnel; the acquisition and upkeep of medical equipment; laboratories; medical journals; scholarships, fellowships and prizes; conferences and symposia; and building projects and capital campaigns related to any of the foregoing.

(c) Support of the Council on Foreign Relations. The Founder intends the Corporation to engage in International Relations Activities that support the Council on

Foreign Relations ("CFR"), of New York, New York. For purposes of this Mission Statement, the term "International Relations Activities" includes, without limitation, research and scholarship into the history of world affairs, political and geopolitical theory, diplomacy, international organizations or relations, war and the causes of war, terrorism, nuclear proliferation and political economy; the promotion of international cooperation and language education; cultural exchanges; conferences and symposia on any of these subjects, scholarships, fellowships and prizes; lectures and journals concerning these subjects; and building projects and capital campaigns related to any of the foregoing.

(d) Named Institutions. Yale, U of MN, Abbott Hospital, and CFR are each referred to below as a "Named Institution" and collectively as "Named Institutions."

Section 3. Mission Statement on Charitable Activities. The Corporation's Articles of Incorporation and this Mission Statement contemplate a broad range of charitable activities in which the Corporation may engage in furtherance of the Founder's charitable goals. The Corporation's Board of Directors (sometimes referred to herein as the "Board") retains ultimate authority to determine the exact manner in which the Corporation conducts its charitable activities. The Founder acknowledges that the Board of Directors has the ultimate responsibility for determining the Corporation's activities. However, the Founder requests that the Board consider the following principles when conducting the Corporation's activities:

(a) Encourage Innovation and Creativity. The Board should support charitable activities that evince innovative thinking and creativity or that promote innovation and creativity in furtherance of the Founder's charitable goals.

(b) Emphasis on Forward-Thinking Projects and Initiatives. The Founder encourages the Board to support projects and initiatives that are aimed at furthering the Founder's charitable goals in the near and long-term future. Accordingly, the Board should seriously consider supporting proposals that are forward-thinking and futuristic, even though the benefits from such projects may not be fully appreciated and may not come to fruition until the future.

(c) Emphasis on Major Projects and Initiatives. The Founder anticipates that the Corporation will be funded with significant assets. Accordingly, the Founder believes that the most productive use of the Corporation's assets will be to support major projects and initiatives related to the Founder's charitable goals, as opposed to awarding grants to support the day-to-day operations of charitable donees or to fund general operating budgets.

(d) Methods of Proceeding. The Board periodically should invite for consideration a proposal for a project from each of the Named Institutions for major projects and initiatives that are intended to have a significant and positive long-term impact consistent with the Founder's charitable goals. The Founder intends that the Board will select from among these proposals one or more projects to fund. No Named Institution may propose more than one project at a time. The Board also may fund "think tank" activities at, or in conjunction with, each Named Institution to develop proposals or

ideas for future proposals. The Founder is interested in having the Corporation fund only those projects that have long-term objectives, that look to the future, that otherwise might not be funded due to the pressing nature of a Named Institution's immediate needs. {However, a proposal is not forward-looking solely because it is futuristic or fanciful; the Founder intends to encourage projects funded that are practical and in the long-term promise a significant benefit to the Named Institutions.}

(e) Board Member Qualities and Cooperation. The Founder anticipates that the Board will include individuals ~~that~~who are associated with the Named Institutions (either formally or informally at any time), and that the interests of the Named Institutions may at times diverge or even conflict. The Founder intends that the individual members of the Board act as peers cooperating to further the Founder's charitable goals, rather than as advocates for each of the Named Institutions. Accordingly, the Founder intends the members of the Board to be individuals capable of looking beyond the specific needs of the Named Institution with which he or she might be connected so that the directors will cooperate in a manner that will maximize the Corporation's ability to further the Founder's charitable goals. The members of the Board should each evince qualities that the Founder believes will promote the success of the Foundation. These qualities include an inquiring and critical mind, the ability for long-term strategic thought, creativity, open-mindedness, and respect for unconventional ideas and notions of futurism. The Founder does not request or encourage the Board to divide the Corporation's resources equally among the Founder's charitable goals or the Named Institutions. Rather, the Board should consider the merit of each project proposal in light of the Founder's charitable goals, without regard to whether a charitable goal or Named Institution has received a proportionate share of the Corporation's resources. By following this procedure, the Board will ensure that it receives from the Named Institutions the best and most thoughtful proposals. Although the Founder has confidence in the Named Institutions, he believes that the Corporation is likely to have the most impact by funding the most-worthwhile projects gleaned from the best proposals.

(f) Intended Duration of Charitable Activities. The Founder acknowledges that the Corporation is incorporated as a nonprofit corporation of perpetual duration under Minnesota law, and that following the Founder's death, the Board will have sole authority to continue the Corporation's activities, or alternatively to dissolve the Corporation in a manner consistent with applicable federal tax, state and local law. The Founder, however, believes that the Board will be able to satisfy the Corporation's charitable goals within approximately 20 years of the Founder's death. Accordingly, the Founder requests that the Board pursue a charitable program for the Corporation that will continue until roughly the 20th anniversary of the Founder's death, and that the Board consider this intended timeline in formulating a strategy that will maximize the impact of the Corporation's activities in furtherance of the Founder's charitable goals.

Section 4. Change to Mission Statement. ~~The Founder, so long as the Founder is a Member of the Corporation, shall have the right to approve any change in this Mission Statement (including any addition or removal of a Named Institution from this Mission Statement). At such time as when there are no Members of the Corporation, the Board of Directors shall have the sole~~

authority to change this Mission Statement in any manner that it determines appropriate pursuant to a change in these Bylaws described below. While the Founder acknowledges that the Board will have the authority to change this Mission Statement ~~at such time as when there is no Member then acting~~, the Founder requests the Board to adhere to the terms of the last Mission Statement approved by the Founder, unless circumstances significantly change such that compliance with the Mission Statement becomes impossible or impracticable. Nonetheless, the Founder does not anticipate that circumstances will change in a manner that will require any change to the Founder's charitable goals. However, the Founder acknowledges that the policies, goals, practices or activities of any of the Named Institutions could change in a way that the Founder would not approve. If the Board determines that any of the Named Institutions has changed in a manner that the Founder would not approve, the Board should change the Named Institutions to reflect the Founder's charitable goals.

ARTICLE II

Offices

The principal office for the transaction of the business of the Corporation shall be located in Minneapolis, Minnesota, or such other location as may be determined by the Board of Directors. The Corporation may also have an office or offices within or without the State of Minnesota as the Board of Directors may from time to time establish.

ARTICLE III

Membership

~~Section 1. — Sole Member.~~

~~The Corporation shall have a sole Member. The Member shall be the Founder.~~

~~Section 2. — Election of Successor Member. The Member may, but is not required to, elect a successor Member. In the event that the Member fails or ceases to act as Member, such Member's successor shall become sole Member. In the event that the Member fails or ceases to act without electing a successor Member, the Corporation shall cease to have Members, subject to the amendment of these Bylaws by the Board of Directors as provided below. The Member shall at all times maintain his correct address with the Secretary.~~

~~Section 3. — Voting. The Member shall vote upon each matter submitted to the Member for a vote at a meeting of the Board of Directors and the Member of the Corporation. At all meetings of the Board of Directors and the Member, the Member may vote in person or by proxy executed in writing by the Member or by his duly authorized attorney in fact.~~

~~Section 4. — Transfer of Membership. Membership in the Corporation is not transferable or assignable.~~

~~Section 5. — Resignation and Removal. A Member may resign at any time by written notice filed with the President or Secretary of the Corporation. The Founder may be removed as the Member by the Board only if a physician with whom the Founder has consulted within the~~

~~prior three years has certified as to such consultation and also as to the Founder's lack of physical or mental capacity to manage his financial affairs.~~

~~Section 6. — Meetings. The annual meeting of the Member shall be held in conjunction with the annual meeting of the Board of Directors, either within or without the State of Minnesota, with such notice as required under applicable law. Special meetings of the Member may be held at any time on the call of the President or as determined by the Member, with such notice as required under applicable law. Special meetings shall be held at the office of the Corporation, or at such other place, either within or without the State of Minnesota, as may be specified in the notice of the meeting.~~

~~Section 7. — Waiver of Notice. Whenever any notice is required to be given under statute or under the provisions of these Bylaws, a waiver thereof in writing signed by the person or persons entitled to such notice, whether before or after the time stated therein, shall be deemed equivalent to the giving of such notice. Attendance at any meeting shall constitute waiver of notice thereof unless the person at the meeting objects to the holding of the meeting because proper notice was not given.~~

~~Section 8. — Quorum. The Member shall constitute a quorum for the transaction of business.~~

~~Section 9. — Informal Action. Any action required to or which may be taken at a meeting of the Member may be taken without a meeting if a consent in writing, setting forth the action so taken, shall be signed by the Member with respect to the subject matter thereof. no members with voting rights.~~

ARTICLE IV

Board of Directors

Section 1. Powers. Subject to any limitations contained in the Corporation's Articles of Incorporation or these Bylaws, and the limitations of the Minnesota Nonprofit Corporation Act, the activities and affairs of the Corporation shall be conducted and all corporate powers shall be exercised by or under the direction of the Board of Directors. The Board may delegate the management of the activities of the Corporation to any person or persons, or committees however composed, provided that the activities and affairs of the Corporation shall be managed and all corporate powers shall be exercised under the ultimate direction of the Board.

Section 2. Number of Directors. The authorized number of Directors of the Corporation shall be no fewer than three (3) and no more than seven (7), as determined ~~by the Member, if any, otherwise~~ by resolution of the Board.

Section 3. Qualification of Directors. Each Director must be an individual at least 18 years old ~~{and, except for the Member, no more than age 79 at the time he or she is elected to the Board}~~. A Director need not be a resident of Minnesota. While the Mission Statement contained in Article I of these Bylaws contemplates that the Founder's charitable goals and the interests of certain named charitable organizations will be considered by the Board, there is no requirement

that any Director be formally affiliated with any of the charitable organizations specifically identified herein.

Section 4. Election and Term of Office of Directors. ~~The Member, or if there is no Member then acting, the~~ Board of Directors, shall elect one or more Directors at the annual meeting of the Board of Directors ~~and the Member (if any);~~ in any year in which a vacancy in a Directorship occurs. Each Director, including any Director elected to fill a vacancy, shall hold office until the expiration of the term for which elected and until a successor has been elected and qualified. The term of office for a Director shall be three (3) years and there is no limitation on the number of times that an individual may be elected Director; however, ~~I believe in electing Directors, the Board shall consider that the Founder believed Directors (other than the Member) will would~~ be more productive if they serve~~served~~ no more than three terms. The terms of the Directors shall be staggered.

Section 5. Vacancies.

(a) A vacancy or vacancies in the Board shall be deemed to exist (i) in case of the death, resignation, or removal of any Director, or (ii) if the authorized number of Directors is increased. Vacancies on the Board of Directors with respect to a seat held by Director or caused by an increase in the authorized number of Directors shall be filled by ~~election of the Member, or if there is no Member then acting,~~ the Board of Directors. Each Director so elected to fill a vacancy shall hold office for the remainder of the predecessor's unexpired term and until the election of a successor by the ~~Member, or if there is no Member then acting,~~ the Board.

(b) ~~The Member, or if there is no Member then acting,~~ the Board of Directors, may elect additional Directors in excess of the number of Directors permitted under Section 2 of this Article IV at any time after an amendment of these Bylaws is duly adopted authorizing an increase in the number of Directors.

(c) Any Director may resign effective upon giving written notice to ~~(i) the Member, if any, and (ii) the~~ President, the Secretary, or the Board, unless the notice specifies a later time for the effectiveness of such resignation. If a Director resigns by giving notice specifying that such resignation shall be effective at a future time, a successor may be elected before such time to take office when the resignation becomes effective.

(d) No reduction in the number of Directors shall have the effect of removing any Director prior to the expiration of his or her term of office.

Section 6. Removal of Directors. ~~The Member may remove any Director from office at any time, with or without cause. At any time when there is no Member acting,~~ the Board may remove a Director from office at any time, with or without cause. The Board vote to remove a Director must be by affirmative vote of two-thirds or more of the Directors excluding the Director whose removal is being voted on.

Section 7. Place of Meetings. All meetings of the Directors shall be held at any place within or without the State of Minnesota as designated by the Board. In the absence of such designation, regular meetings shall be held at the principal office of the Corporation.

Section 8. Annual Meeting. The Board of Directors of the Corporation shall hold an annual meeting as determined by resolution. The purpose of the annual meeting is for organization, election of Directors, appointment of officers and the transaction of such other business as may properly be brought before the meeting. ~~The Member of the Corporation shall attend and be permitted to participate at any annual meeting of the Board, though shall not be permitted to vote on any matter to be voted on by the Board.~~

Section 9. Regular Meetings. Regular meetings of the Board of Directors shall be held as frequently as necessary, at such dates, times and places as the Board of Directors shall specify; provided, however, that should said day fall upon a holiday observed by the Corporation at its principal office, then said meeting shall be held at the same time on the next day thereafter which is a full business day. ~~The Member shall be permitted to attend and participate at any regular meeting of the Board, though shall not be permitted to vote on any matter to be voted on by the Board.~~

Section 10. Special Meetings. Special meetings of the Board of Directors for any purpose or purposes may be called at any time by ~~the Member, any officer, or any two (2) Directors of the Corporation.~~ ~~The Member shall be permitted to attend and participate at any special meeting of the Board, though shall not be permitted to vote on any matter to be voted on by the Board.~~

Section 11. Notice of Regular, Annual and Special Meetings. Regular meetings of the Board of Directors shall be held without notice at a designated time and place agreed to by a majority of the Board. Annual and Special meetings of the Board of Directors shall be held upon four (4) days' notice by first-class mail or forty-eight (48) hours' notice given personally, by overnight mail, telephone, facsimile or electronic mail. Any such notice shall be addressed or delivered to ~~the Member and each Director at his or her address, telephone or facsimile number or electronic mail address, as the case may be, appearing on the books of the Corporation, or at such other address, telephone or facsimile number or electronic mail address, as the case may be,~~ as may be supplied by ~~said Member,~~ the Director for the purpose of notice. In the case of special meetings, the notice shall state the business to be transacted at the special meeting and no business other than that so stated shall be transacted at any such meeting. Notice by mail shall be deemed to have been given at the time a written notice is deposited in the United States mails, postage prepaid. Any other written notice shall be deemed to have been given at the time it is personally delivered to the recipient or is delivered to a courier for overnight deliver or actually transmitted by the person giving the notice by electronic means, to the recipient. Oral notice shall be deemed to have been given at the time it is communicated, in person or by telephone, to the recipient or to a person at the office of the recipient who the person giving the notice has reason to believe will promptly communicate it to the recipient.

Section 12. Consent to Meetings; Waiver of Notice. The transaction of business at any meeting of the Board of Directors, however called and noticed and wherever held, shall be as valid as though had at a meeting duly held after regular call and notice if a quorum be present,

and if, either before or after the meeting, ~~the Member and~~ each of the Directors entitled to vote, not present in person, signs a written waiver of notice, a consent to the holding of such meeting or an approval of the minutes of the meeting. All such waivers, consents or approvals shall be filed with the corporate records or made a part of the minutes of the meeting. Notice of a meeting need not be given to ~~the Member and~~ any Director who attends the meeting without protesting the lack of notice to the ~~Member or such~~ Director prior to, or at the commencement of, the meeting.

Section 13. Quorum; Act of Directors. At all meetings of the Board of Directors, the presence of a majority of the Directors shall constitute a quorum for the transaction of business except (a) to remove a Director as provided in Section 6 of Article IV or (b) to adjourn as provided in Section 16 of this Article IV. The act of a majority of the Directors present at any time at which there is a quorum shall be the act of the Board of Directors, unless a greater number is required by law, the Articles of Incorporation or these Bylaws. Notwithstanding the previous provisions of this Section 13, a meeting at which a quorum initially is present may continue to transact business notwithstanding the withdrawal of Directors, if any action taken is approved by at least a majority of the required quorum for such meeting.

Section 14. Action By Unanimous Written Consent. Any action required or permitted to be taken at a meeting of the Board of Directors may be taken without a meeting if all Directors shall individually or collectively consent in writing to such action. Such action by written consent shall have the same force and effect as a unanimous vote of the Directors. Such written consent or consents shall be filed with the minutes of the proceedings of the Board of Directors.

Section 15. ~~Participation in Meetings by Conference Telephone.~~ The Member and Directors Meetings Held Using Remote Communication. A Director may participate in a meeting ~~through use of~~ the Board of Directors by means of conference telephone or ~~similar communications equipment, as long as all individuals participating in such meeting can hear one another, if authorized by the Board of Directors, by such other means of remote communication,~~ in each case through which that Director, other Directors so participating, and all Directors physically present at the meeting may communicate with each other on a substantially simultaneous basis. Participation in a meeting ~~in accordance with this Section 15 shall constitute presence in person at that~~ by remote communication constitutes presence at the meeting.

Section 16. Adjournment. A majority of the Directors present, whether or not a quorum is present, may adjourn any Board meeting to another time and place. Notice of the time and place of holding an adjourned meeting need not be given to absent Directors if the time and place be fixed at the meeting adjourned, except as provided in the next sentence. If the meeting is adjourned for more than twenty-four (24) hours, notice of any adjournment to another time and place shall be given a reasonable time prior to the time of the adjourned meeting to the Directors who were not present at the time of the adjournment.

Section 17. Rights of Inspection. ~~The Member and every Director shall have the absolute right at any reasonable time to inspect and copy all books, records and documents of every kind, and to inspect the physical properties of the Corporation.~~ Section 18. Fees and Compensation. The ~~Member,~~ Directors and members of committees shall not receive any salary, wages, bonus, dividends or other compensation or expense reimbursement by virtue of serving as

~~the Member,~~ a Director or committee member unless such compensation or expense reimbursement is specifically disclosed to and approved by the Board of Directors.

ARTICLE V

Committees

Section 1. Committees Generally.

(a) The Board of Directors may, by resolution duly adopted by a majority of the Directors then in office, establish one or more committees. Members of all committees and all committee chairmen shall be appointed and may be removed by the Board of Directors. Committees are of two kinds, those having legal authority to act for the Corporation, known as committees of the Board, and those that do not have that authority, known as advisory committees. Committees may be either standing or special. Members of all committees shall serve at the pleasure of the Board. The President, by virtue of his or her office, shall be an ex-officio member of all committees. The Board may delegate to its committees all legal authority of the Board except with respect to:

- (i) The approval of any action for which applicable law or these Bylaws require approval of a majority of Directors;
- (ii) The filling of vacancies on the Board of Directors or on any committee;
- (iii) The fixing of compensation of the Directors for serving on the Board or on any committee;
- (iv) The amendment or repeal of Bylaws or the adoption of new bylaws;
- (v) The amendment or repeal of any resolution of the Board of Directors which by its express terms is not so amendable or repealable;
- (vi) The adoption or approval of a plan of merger or consolidation with another corporation;
- (vii) The authorization of the sale, lease, exchange, mortgage or other disposition of all or substantially all of the assets of the Corporation;
- (viii) The authorization of voluntary dissolution of the Corporation or revocation of proceedings therefor; or
- (ix) The appointment of other committees of the Board of Directors.

(b) The Board of Directors shall have the power to prescribe the manner in which proceedings of any committee shall be conducted. In the absence of any such prescription, such committee shall have the power to prescribe the manner in which its proceedings shall be conducted. Unless these Bylaws, the Board or such committee shall otherwise provide, the regular and special meetings and other actions of any committee

shall be governed by the provisions of Article IV applicable to meetings and actions of the Board of Directors. Each committee shall keep regular minutes of its proceedings and shall report the same to the Board from time to time, as the Board of Directors may require.

Section 2. Committees of the Board. Only ~~the Member and~~ Directors may be appointed to committees of the Board. Each committee of the Board shall consist of two (2) or more Directors. ~~The Board may designate one or more Directors as alternate members of any such committee, who may replace any absent member at any meeting of the committee.~~

Section 3. Standing Committees. Standing committees shall consist of such committees as the Board may authorize from time to time. Each such committee shall stand discharged when a new committee is appointed for the same task. Except as otherwise provided in this Article and ~~under applicable statute~~law, standing committee membership may consist of ~~the Member and~~ Directors only, ~~the Member,~~ Directors and nondirectors, or nondirectors only, and also may include nonvoting members and alternate members. ~~Members of standing committees shall be appointed by the Board of Directors.~~ Each such committee shall establish its rules for the conduct of its affairs, shall establish its duties and purposes, and shall perform ~~such other perform the~~ duties as the Board may ~~prescribe~~prescribes from time to time.

Section 4. Advisory Committees. The Board of Directors may appoint one or more advisory committees. Advisory committee membership may consist of ~~the Member and~~ Directors only, ~~the Member,~~ Directors and nondirectors, or nondirectors only, and also may include nonvoting members and alternate members. ~~The chairman and members of advisory committees shall be appointed by the Board of Directors of the Corporation.~~ Advisory committees shall have no legal authority to act for the Corporation, but shall report their findings and recommendations to the Board of Directors.

Section 5. Term of Office. The chairman and each member of a standing committee shall serve until ~~the next election of Directors and until his or her successor is appointed, or until such committee is sooner terminated, or until he or she is removed, resigns, or otherwise ceases to qualify as a member of the committee~~his or her prior death, resignation, or removal. The chairman and each member of a special committee shall serve for the life of the committee ~~unless they are sooner removed, resign, or cease to qualify as members of such committee, or until his or her prior death, resignation, or removal.~~

Section 6. — Quorum; Meetings. ~~A majority of the members of the committee shall constitute a quorum at any meeting of that committee. Each committee shall meet as often as is necessary to perform its duties.~~Section 7. Vacancies. Vacancies on any committee may be filled for the unexpired portion of the term in the same manner as provided in the case of original appointments.

ARTICLE VI

Officers

Section 1. Officers. The officers of the Corporation shall be a President, one or more Vice Presidents, a Secretary, a Treasurer and such other officers as shall be deemed necessary by the Board.

Section 2. Election and Term of Office. ~~The President, the Secretary and the Treasurer~~ officers shall be elected by the Board of Directors at its annual meeting. Except as otherwise provided in these Bylaws, officers shall serve at the pleasure of the Board and shall hold office until their successors shall be elected and qualified to serve or until ~~they shall resign or shall be removed or disqualified to serve~~ the officer's prior death, resignation, or removal. Any two or more offices may be held by the same person.

Section 3. Other Officers. The Board of Directors may elect or authorize the appointment of such other officers as the business of the Corporation may require, each of whom shall hold office for such period, have such authority and perform such duties as the Board of Directors may from time to time prescribe.

Section 4. President. The President shall be the chief executive officer of the Corporation and shall, subject to the control of the Board of Directors, (a) have general supervision, direction, and control of the business and affairs of the Corporation; (b) when present, preside at meetings of the Board of Directors; (c) see that orders and resolutions of the Board of Directors are carried into effect; (d) have the authority to sign and deliver in the name of the Corporation deeds, mortgages, bonds, contracts, or other instruments pertaining to the business of the Corporation, except in cases in which the authority to sign and deliver is required by law to be exercised by another person or is expressly delegated by the Articles of Incorporation, the Bylaws or the Board of Directors exclusively to one or more other persons; and (e) such other authority and duties as are usually vested in the office of President of a corporation and as from time to time may be prescribed by the Board and these Bylaws.

Section 5. Vice President. The Vice President (if any) shall have such authority and perform such duties as the Board of Directors may determine from time to time. Unless otherwise determined by the Board, during the absence or disability of the President, it shall be the duty of the highest ranking Vice President who is present at the time and able to act, to perform the duties of the President. The determination of who is the highest ranking of two or more persons holding the same office shall, in the absence of specific designation of order of rank by the Board of Directors, be made on the basis of the earliest date of election, or, in the event of simultaneous election, on the basis of the longest continuous service as an officer or Director of the Corporation.

Section 6. Secretary. The Secretary shall send or cause to be sent appropriate notices and prepare or cause to be prepared agendas for all meetings of the Board of Directors, shall act as custodian of all records and reports, and shall be responsible for keeping and reporting of adequate records of all meetings of the Board of Directors. The Secretary shall have such other

authority and duties as are usually vested in the office of the Secretary and as may be prescribed from time to time by the Board of Directors and these Bylaws.

Section 7. Treasurer. The Treasurer shall be the chief financial officer of the Corporation and shall keep and maintain, or cause to be kept and maintained, adequate and correct books and records of accounts of the properties and business transactions of the Corporation, including accounts of its assets, liabilities, receipts, disbursements, gains, losses, capital, retained earnings and shares. ~~The books of account shall at all reasonable times be open to inspection by the Member and any Director and losses.~~ The Treasurer shall deposit or cause to be deposited all moneys and other valuables in the name and to the credit of the Corporation with such depositories as may be designated by the Board of Directors. The Treasurer shall disburse or cause to be dispersed the funds of the Corporation as may be ordered by the Board of Directors, shall render to the Directors, whenever they request it, an account of all transactions as Treasurer and of the financial condition of the Corporation, and shall have such other powers and perform such other duties as may be prescribed by the Directors or the Bylaws.

Section 8. Removal and Resignation.

(a) Any officer may be removed, either with or without cause, by the majority vote of the Board of Directors at any time. Any such removal shall be without prejudice to the rights, if any, of the officer under any contract of employment.

(b) Any officer may resign at any time by giving written notice to the Board, but without prejudice to the rights, if any, of the Board under any contract to which the officer is a party. Any such resignation shall take effect at the date of the receipt of such notice or at any later time specified therein and, unless otherwise specified therein, the acceptance of such resignation shall not be necessary to make it effective.

Section 9. Vacancies. A vacancy in any office because of death, resignation, removal, disqualification or any other cause shall be filled in the manner prescribed in these Bylaws for regular election or appointment to such office, provided that such vacancies shall be filled as they occur and not on an annual basis.

ARTICLE VII

General Provisions

Section 1. Voting Shares. The Corporation may vote any and all shares or memberships held by it in any other corporation by such officer, agent or proxy as the Board of Directors may appoint, or, in the absence of any such appointment, by the President, the Secretary or the Treasurer and, in such case, such officers or any of them similarly may appoint a proxy to vote said shares.

Section 2. Checks, Drafts, Etc. ~~All checks, drafts or other orders for payment of money, notes or other evidence of indebtedness issued in the name of or payable to the Corporation and any and all securities owned or held by the Corporation shall be signed or endorsed by such person or persons and in such manner as may from time to time be determined by the Board of Directors.~~ Section 3. Inspection of Corporate Records. The accounting books

and records and minutes of proceedings of the Board and committees of the Board shall be open to inspection upon written demand on the Corporation of the ~~Member~~, any Director at any reasonable time for a purpose reasonably related to the ~~Member or such Director's~~ interests as a Director. The Corporation shall keep in its principal office in the State of Minnesota the original or a copy of its Articles of Incorporation and a copy of these Bylaws, as amended to date, which shall be open to inspection by the ~~Member and Directors~~ at all reasonable times during office hours. ~~In no event shall the right of inspection of the Corporation's Member and Directors be construed to extend to the right to inspect employee personnel records or confidential patient records or any of the Corporation's documents related thereto.~~

Section 4.3. Endorsement of Documents; Contracts. ~~Any note, mortgage, evidence of indebtedness, contract, conveyance or other instrument in writing, and any assignment or endorsement thereof executed or entered into between the Corporation and any other person, when signed by the President, the Secretary, or the Treasurer, shall be valid and binding on the Corporation in the absence of actual knowledge on the part of the other person that the signing officer(s) had no authority to execute the same. Any such instrument may be signed by any other officers, agents or employees and in such manner as shall from time to time be determined.~~ Deeds, mortgages, bonds, checks, contracts and other instruments pertaining to the business and affairs of the Corporation may be signed on behalf of the Corporation by the President, any Vice President, or such other person or persons as may be designated from time to time by the Board of Directors and, unless so authorized by the Board of Directors no. No Director, officer, agent or employee shall have of the Corporation has any power or authority to bind the Corporation by any contract or engagement or borrow money on its behalf, to pledge its credit or to render it liable for any purpose or amount mortgage or pledge its real or personal property except within the scope and to the extent of the authority delegated by resolutions adopted from time to time by the Board of Directors. The Board of Directors may give authority for any of the above purposes, and this authority may be general or limited to specific instances.

Section 5.4. Construction and Definitions. Unless the context otherwise requires, the general provisions, rules of construction and definitions contained in the general provisions of the Minnesota Nonprofit Corporation Act shall govern the construction of these Bylaws.

Section 6.5. No Corporate Seal. The Corporation shall not have a corporate seal.

ARTICLE VIII

Indemnification and Insurance

Section 1. Action Not By or in the Right of the Corporation. The Corporation shall indemnify any person who was or is a party, or is threatened to be made a party to any threatened, pending or completed action, suit or proceeding, whether civil, criminal, administrative or investigative and whether formal or informal (other than an action by or in the right of the corporation), by reason of the fact that the person is or was a ~~Member~~, Director, officer, employee or agent of the Corporation, or is or was serving at the request of the Corporation as a director, officer, partner, trustee, employee or agent of another foreign or domestic corporation, business corporation, partnership, joint venture, trust or other enterprise, whether for-profit or not-for-profit, against expenses, including attorneys' fees, judgments,

penalties, fines and amounts paid in settlement, actually and reasonably incurred by the person in connection with such action, suit or proceeding, if the person acted in good faith and in a manner the person reasonably believed to be in, or not opposed to, the best interests of the Corporation and, with respect to any criminal action or proceeding, had no reasonable cause to believe that the conduct was unlawful. The termination of any action, suit or proceeding by judgment, order, settlement, conviction, or upon a plea of nolo contendere or its equivalent, shall not, of itself, create a presumption that the person did not act in good faith and in a manner which the person reasonably believed to be in, or not opposed to, the best interests of the Corporation, and, with respect to any criminal action or proceeding, had reasonable cause to believe that the conduct was unlawful.

Section 2. Action By or in the Right of the Corporation. The Corporation shall indemnify any person who was or is a party, or is threatened to be made a party, to any threatened, pending or completed action or suit by or in the right of the corporation to procure a judgment in its favor by reason of the fact the person is or was a ~~Member~~, Director, officer, employee or agent of the Corporation, or is or was serving at the request of the Corporation as a director, officer, partner, trustee, employee or agent of another foreign or domestic corporation, business corporation, partnership, joint venture, trust or other enterprise, whether for profit or not for profit, against expenses, including actual and reasonable attorneys' fees and amounts paid in settlement incurred by the person in connection with the action or suit, if the person acted in good faith and in a manner the person reasonably believed to be in, or not opposed to, the best interests of the Corporation. However, indemnification shall not be made for a claim, issue or matter in which the person has been found liable to the Corporation, unless and only to the extent that the court in which the action or suit was brought has determined upon application that, despite the adjudication of liability, but in view of all the circumstances of the case, the person is fairly and reasonably entitled to indemnification for expenses which the court considers proper.

Section 3. Expenses. To the extent that a ~~Member~~, Director, officer, employee or agent of the Corporation has been successful, on the merits or otherwise, in the defense of any action, suit or proceeding referred to in Section 1 or 2 or in defense of any claim, issue or matter in the action, suit or proceeding, the successful party shall be indemnified against expenses, including actual and reasonable attorneys' fees, incurred in connection with the action, suit or proceeding and in any action, suit, or proceeding brought to enforce the mandatory indemnification provided in this Article VIII.

Section 4. Approval of Indemnification. Any indemnification under Section 1 or 2 (unless ordered by a court) shall be made by the Corporation only as authorized in the specific case, upon a determination that indemnification of the ~~Member~~, Director, officer, employee or agent is proper in the circumstances because the person has met the applicable standard of conduct set forth in Section 1 or 2. Such determination shall be made (i) by the Board of Directors by a majority vote of a quorum consisting of Directors who were not parties to such action, suit or proceeding, or (ii) if such a quorum is not obtainable, then by a majority vote of a committee of the Board, none of the members of which are parties to the action, or (iii) by independent legal counsel in a written opinion. If a person is entitled to indemnification under Section 1 or 2 for a portion of expenses, including attorneys' fees, judgment, penalties, fines, and amounts paid in settlement, but not for the total amount thereof, the corporation may indemnify

the person for the portion of the expenses, judgments, penalties, fines, or amounts paid in settlement for which the person is entitled to be indemnified.

Section 5. Reimbursement of Expenses. Expenses incurred in defending a civil or criminal action, suit or proceeding described in Section 1 or 2 may be paid by the Corporation in advance of the final disposition of such action, suit or proceeding, upon receipt of an undertaking by or on behalf of the ~~Member~~, Director, officer, employee or agent to repay the expenses, if it is ultimately determined that the person is not entitled to be indemnified as authorized in this Article VIII. The undertaking shall be an unlimited general obligation of the person on whose behalf advances are made, but need not be secured.

Section 6. Continuation of Indemnification. The indemnification provided by this Article VIII shall continue as to a person who has ceased to be a ~~Member~~, Director, officer, employee or agent, and shall inure to the benefit of the heirs, executors and administrators of such person.

Section 7. Insurance. The Corporation may purchase and maintain insurance on behalf of any person who is or was a ~~Member~~, Director, officer, employee or agent of the Corporation, or who is or was serving at the request of the Corporation as a director, officer, employee or agent of another corporation, business corporation, partnership, joint venture, trust or other enterprise, against any liability asserted against the person and incurred by the person in any such capacity, or arising out of the person's status as such, whether or not the Corporation would have the power or duty to indemnify the person against such liability under the provisions of this Article VIII.

Section 8. References. For purposes of this Article VIII, reference to the Corporation includes all constituent corporations absorbed in a consolidation or merger and the resulting or surviving corporation or business corporation, so that a person who was or is a director, officer, employee or agent of such constituent corporation or is or was serving at the request of such constituent corporation as a director, officer, partner, trustee, employee or agent of another foreign or domestic corporation, business corporation, partnership, joint venture, trust or other enterprise, whether for profit or not, shall stand in the same position under the provisions of this Article VIII with respect to the resulting or surviving corporation or business corporation as the person would if the person had served the resulting or surviving corporation in the same capacity.

Section 9. Contract Rights Not Affected. Nothing contained in this Article VIII shall affect any rights to indemnification or advancement of expenses to which persons may be entitled by contract or otherwise by law. However, the total amount of expenses advanced or indemnified from all sources combined shall not exceed the amount of actual expenses incurred by the person seeking indemnification or advancement of expenses.

Section 10. Private Foundation Excise Taxes. In connection with the defense of a judicial proceeding under Chapter 42 of the Internal Revenue Code of 1986, as amended, or corresponding provisions of any subsequent Federal tax law, no person shall under any circumstances be indemnified for taxes, penalties or expenses of correction and further no person shall be indemnified for other expenses in connection with such judicial proceedings unless: (i)

such other expenses are reasonably incurred by the person in connection with such proceeding; (ii) the person is successful in such defense, or such proceeding is terminated by settlement and the person has not acted willfully or without reasonable cause with respect to the act or failure to act which led to liability for tax under said Chapter 42. Notwithstanding ~~the foregoing anything apparently to the contrary in this Article VIII,~~ the Corporation shall not indemnify any Member, Director, officer, employee or agent of the corporation if such indemnification ~~shall constitute an excess benefit transaction under Section 4958~~ would violate the self-dealing prohibition described in Section 4941 of the Internal Revenue Code of 1986, as amended, or corresponding provisions of any subsequent Federal tax law.

ARTICLE IX

Amendments

Section 1. Amendments. These Bylaws, the Articles of Incorporation of the Corporation and any part thereof may be amended or repealed, and new Bylaws may be adopted only by the affirmative vote of ~~the Member, or if there is no Member then acting,~~ by two-thirds the Board of Directors of the Corporation at a duly called meeting at which a quorum is present, or by the written consent of all of the Directors.

Section 2. Record of Amendments. Whenever a new Bylaw or amendment thereto is adopted, it shall be included in the corporate minute book with the original Bylaws. If any Bylaw or amendment thereto is repealed, the fact of repeal with the date of the meeting or action by written consent when said repeal was adopted shall be stated in a writing placed in the corporate minute book with the original Bylaws.

ROBINA FOUNDATION BOARD SLATE
August 28, 2007

Name/Office	Elected to 1st Term	1st Term Expires	2nd Term Proposed
Gordon M.Aamoth, MD President	9/1/04	8/31/07	9/1/07 – 8/31/10
Steven Schroeder, MD Secretary	9/1/04	8/31/07	9/1/07 – 8/31/10
Edson W. Spencer Treasurer	12/1/06	8/31/09	
Peter Karoff	12/1/06	8/31/09	
Thomas M. Crosby, Jr. Vice President	2/20/07	8/31/10	

February 13, 2007



Mr. Edson Spencer
4900 IDS Tower
80 South 8th Street
Minneapolis, MN 55402

Steven A. Schroeder, MD
3333 California Street, Suite 430
San Francisco, CA 94143-1211

Mr. Peter Karoff
The Philanthropic Initiative, Inc.
77 Franklin Street
Boston, MA 02110

Gordon Aamoth, MD
629 West Ferndale Road
Wayzata, MN 55391

Dear Members of Board of Directors of the Robina Foundation:

As time passes and attorneys continue to draft and redraft an amendment to the Mediated Settlement Agreement that was signed by all parties September 28, 2006, I feel the need to correspond with you. At the time of the mediation I believed legal matters would be completed in 30-60 days. Four months later there is no end in sight. I trust you have kept yourselves informed of the reasons for the delay.

At the time of the mediation I resigned my position as a Board Member and as President of the Board of Robina on advice of legal counsel; McDermott, Will & Emery (MWE) as well as my own counsel, Briol and Associates.

At the mediation I also resigned my position as Investment Advisor to the Estate of James H. Binger. This was due to the strongly voiced recommendation of JP Morgan, Personal Representative (PR) of the Estate and MWE, attorney for the PR, that the estate assets be liquidated. With the knowledge the assets would be liquidated, my position as Investment Advisor of the Estate was essentially complete.

Jim and I discussed his wishes regarding his vision and dream for a foundation, and together we made Robina a reality. I am the person with the most in-depth knowledge of Jim's vision and the details of his plans. As time marches on, I am concerned about Robina and about sharing with the Board the interactions I have had with the named institutions over the past two years; two years in which we were instructed not to talk to one another. Needless to say, as President of an organization with orders from the organization's attorneys not to talk to the Board members, I have felt alone, but I continued to carry out Jim's wishes as he shared with me, and as we made Robina a reality.

4542 IDS Tower
80 South 8th Street
Minneapolis
Minnesota 55402
612-349-2800
Fax 341-3501

February 13, 2007
Page 2



My sincere wish is that the attorneys will soon see fit to bring this to a conclusion and that, as Jim wished, I would be asked by Robina's officers and directors to resume my position with Robina, and together we move forward as he dreamed it would happen at his death.

Yours truly,

A handwritten signature in black ink, which appears to read 'Jane K. Mauer', followed by a horizontal line. The signature is written in a cursive, flowing style.

Jane K. Mauer

**WRITTEN CONSENT RESOLUTIONS
OF THE BOARD OF DIRECTORS
OF ROBINA FOUNDATION**

The undersigned, being all of the members of the board of directors (the "Board") of Robina Foundation, a Minnesota non-profit corporation (the "Company"), do hereby waive all call and notice requirements and consent to and adopt the following resolutions as the actions of the Board with the same force and effect as if such actions had been duly adopted in a meeting of the Board duly called for such purposes effective as of October 5, 2006:

Acceptance of Resignation

RESOLVED, that the resignation of Jane K. Mauer as an officer and director of the Company is hereby accepted as of September 28, 2006.

Election of Officers

RESOLVED, that the following persons be and hereby are elected to serve as officers of the Company, in the capacities indicated, until the election and qualification of their successors:

<u>Name</u>	<u>Office</u>
Gordon M. Aamoth, M.D.	President
Steven A. Schroeder, M.D.	Treasurer and Secretary

Number of Directors

RESOLVED, that the number of directors is established at four (4), until such time as the Board of Directors shall change the number.

Election of Directors

RESOLVED, that the following persons be and hereby are elected to serve as directors of the Company until their successors are duly elected and qualified:

Gordon M. Aamoth, M.D.
Steven A. Schroeder, M.D.
H. Peter Karoff
Edson White Spencer

[Signature Page Follows]

FURTHER RESOLVED, that for the convenience of the members of the Board, any number of counterparts of these resolutions may be executed and each such executed counterpart shall be deemed an original and all such counterparts shall constitute one in the same instrument.

IN WITNESS WHEREOF, the undersigned, being all the members of the Board, have executed this Written Consent effective as of the date first above written.

DIRECTORS:



Gordon M. Aamoth, M.D.


Steven A. Schroeder, M.D.

FURTHER RESOLVED, that for the convenience of the members of the Board, any number of counterparts of these resolutions may be executed and each such executed counterpart shall be deemed an original and all such counterparts shall constitute one in the same instrument.

IN WITNESS WHEREOF, the undersigned, being all the members of the Board, have executed this Written Consent effective as of the date first above written.

DIRECTORS:

Gordon M. Aamoth, M.D.



Steven A. Schroeder, M.D.

ROBINA FOUNDATION

4900 IDS Center
80 South 8th Street
Minneapolis, MN 55402
Phone: 612-333-2313
Fax: 612-333-0182
www.robinafoundation.org

DATE: May 31, 2007
TO: Robina Board of Directors
FROM: Gordon Aamoth
SUBJECT: APRIL-MAY 2007 REPORT TO BOARD OF DIRECTORS

Office Administration/Management

The internet wireless has been set up. We now have email addresses (gaamoth@robinafoundation.org, jsazevich@robinafoundation.org, ngilberg@robinafoundation.org, info@robinafoundation.org), and a website (www.robinafoundation.org). We have established bookkeeping format to produce monthly statements and to feed the accountants for quarterly reports to the Board of Directors. Jean Sazevich, Management Consultant, Nancy Gilberg, Administration Consultant, and Gordon Aamoth, President, are in the office on Mondays and Thursdays, and Gordon is in the office Tuesday all day, Wednesday morning, and Thursday all day. The Foundation's structure is now in place with Ed Spencer, Chairman of the Finance Committee, Steve Schroeder and Jean Sazevich, Grant Making Committee, Tom Crosby, Legal Committee, and Peter Karoff, Institutional Relationships, and Gordon Aamoth, President and CEO.

Grant Making/External Relations

Gordon has met with Tom Sullivan, Provost at the University of Minnesota, and former Dean of the Law School and who is the point man for the Law School for the Robina initiative. Tom was brought up-to-date and advised of the plan for their presentation to the Board of Directors in August. Gordon has met with Ken Paulus, COO of Allina and past President of Abbott Northwestern Hospital, who is the point person for the Abbott Northwestern Robina grant and discussed the same issues.

Gordon and Peter Karoff will meet with Council on Foreign Relations on June 7th in New York and Gordon will meet with Richard Levin, President of Yale that same week if Levin is available. You will be advised of the talking points.

Foundation Assets and Expenses

In the next monthly report, you will receive a computer generated report. Assets are held in the USbank, Minneapolis, and as of May 31, 2007, the checking balance is \$10,384.91 and the investment account balance is \$7,117,073.00. Expenses for April and May are \$145,348.03.

Robina Estate and Holdings

Gordon spent the evening of May 16th (Jim Binger's birthday) with Tim Harrison, Jim's grandnephew, who is the custodian of the land, and Quinton, Jim's personal attendant, talking about Jim's life and his thoughts about the Foundation. A different perspective was presented. This will be discussed at the August Board Meeting.

The two hundred acre Lake Robina property will be either sold for profit or given to a government agency for preservation. Jean is getting a current real estate evaluation and value while Gordon is exploring charitable giving of the property through the Trust for Public Land or directly to a government agency such as The Three River Park District of Hennepin County. Details of these proposals will be ready for the August Board of Director's meeting.

The Bazal condominium exists in the Binger Estate at the present time and we have requested that it be transferred to our Foundation. It is a life estate valued at \$450,000. Mrs. Bazal pays expenses while the Estate pays the taxes and insurance until she dies when it becomes an asset of the Estate.

Plans for June

As mentioned above, Gordon and Peter Karoff will meet with the Council on Foreign Relations on June 7th in New York City. We hope to meet with Yale that same week. Steve Schroeder, Jean, and Gordon will discuss our grant making plans depending on the acquisition of the money from the Estate which is pending. Tom Crosby is working with J.P. Morgan on the transfer of money from the Estate to Robina. Ed Spencer, Jean, and Gordon are working on an investment policy statement.

The August Board Meeting will start with an opening dinner on Monday, August 27. The following day, Tuesday, August 28, we will have a business meeting of the Board at the Faegre Benson office and then we will go to Abbott Northwestern Hospital for lunch and a presentation on what they have done with their planning grants and what they plan to do with their proposal. It will be an interactive session. That evening, August 28, there will be dinner at a restaurant in Minneapolis.

On Wednesday, August 29, we will meet at the University of Minnesota Law School for breakfast and to hear about their plan and what they propose going forward. We will then meet for a final review of the two institutions and be finished by noon unless there are planes to catch earlier.

DATE: August 6, 2007
TO: Robina Board Members
FROM: Gordon M. Aamoth, MD
SUBJECT: JUNE-JULY 2007 REPORT TO ROBINA BOARD

Office Administration/Management

The office is running smoothly with Nancy, Jean, and Gordon settling into routines of Thursday morning office business meetings for review, schedules, and plans for the week.

Grantmaking/External Relations

Gordon met with Dr. Richard Haass, President of CFR, Gary Samero, Vice President of Programs, and Suzanne Helm, Vice President of Development at the Council of Foreign Relations in New York City on June 7, 2007. This was an introductory meeting during which we briefed them on the current governance and administration of Robina regarding our strategy for gifting over the next two years of five to ten million dollar total gifts per year. They will present a menu of ideas consistent with our vision, mission, and goals by August 1, 2007, to be ready for our Board of Director's Annual Meeting in August. We have agreed to meet with CFR when they are in Minneapolis during the 2008 Republican National Convention.

Tom Crosby, Gordon, and Jean met on June 13th with the Abbott Northwestern representatives to brief them on our Foundation. It was clearly spelled out to them that the original funding of \$150M to \$200M would be less as a result of the lawsuit. They were advised that their grant proposal was more than could be funded; therefore, they should not abandon the idea, but rather break out a smaller project for the near term. We also advised that if there were immediate needs consistent with our goals, to make such requests. Finally they were briefed about the visit of our Board in August and what they should expect, the format, and the times.

Tom Crosby, Gordon, and Jean met on June 13th with the University of Minnesota Law School Dean Guy-Uriel Charles bringing up-to-date on the Robina Foundation. He was advised that the Board of Directors would like a grant proposal in August in the form of a menu with a business plan based on annual total giving of \$5M to \$10M for the next two to three years. He was also advised that if there were immediate needs consistent with our goals, to make such requests. He was then advised of the August 28th meeting with our Board of Directors and what we would like the Law School to do, what he could expect, and that we would like an interactive exchange.

On June 28th, Jean and Gordon had a conference call with Inge Reichenbach, Vice President of Development from Yale. As with our meetings with the other institutions, we explained the governance and structure of the Robina Foundation, our funding of \$5M to \$10M total for the next two years, and that we would like Yale to send us a summary of what they have used the \$50,000 grant that was given in 2006 and what their vision of Yale's proposal would be going forward. And, it was stated that if they

have immediate needs consistent with Robina, they should send those requests to us. We talked about our Board of Directors visiting Yale in 2008. They are finishing a project by spring of 2008, so would like us to come in the late spring next year. Inge will also be coming to Minnesota this summer or fall for development purposes and we will meet in Minneapolis when she is here.

Foundation Assets and Expenses

The Robina office and CBIZ, our accountant, have established a financial accounting program so that we will have monthly balance sheets and quarterly financial reports for the Board of Directors. They will be presented by Ed Spencer in the financial report at the Board Meeting.

Robina Estate and Land Holdings

Patty Napier, a real estate agent for Coldwell Banker Burnet, has presented a nice detailed summary of the property (excluding a title search) which is in the Board Book. The estimated sale price for the land would be \$2.8M to \$3.2M. There will be back taxes due for the past three years if sold for development because it is currently taxed as green acres.

The Three Rivers Park District (Hennepin County) has provided a proposal included in the Board of Director's book. The DNR of Minnesota has also presented a proposal and is included in the Board Book. We have also talked with the Trust for Public Land and the Minnesota Land Trust about brokering the Robina property who would find a place for preservation of this land. If the land is given to the DNR for wildlife preservation, it would be accessible only by foot. It would be preserved as is, naturally, and they would have use of the land for hunting and trapping. Of interest is that the DNR would allow the portion of the land that is currently used by Tim Harrison (Jim Binger's grand nephew) for storage of his landscape and snowplow equipment to continue.

Gordon has met with Tim Harrison, Quinton (Jim Binger's manservant), Noa Staryk (Jim Binger's granddaughter), and in summary it appears that Jim wanted to give Tim Harrison a lifetime commission to keep up this land but that he never got this done before he died. As mentioned above, if we give this land to the DNR, we could partition off the portion of the property that Tim uses and gift it to him.

The Bazal condominium in Minneapolis is currently held in a life estate by the Estate. This is a nice, newer condo inhabited by a personal friend of Mrs. Binger and Jim Binger. The way the life estate was written is not consistent with Minnesota law. The Estate pays the real estate taxes and the insurance which are not legal. Therefore, we have asked our attorney to obtain a court order to allow continuation of payment of these two items, or if that is not possible, we will need to change the life estate to make it legal. Ms. Bazal has been advised of what we are doing and why.

Future Board Meetings

The schedule for the August Board of Director's Meeting is in the Board booklet. The November 19th Board of Director's Teleconference call meeting will be changed because it is Thanksgiving week, and not all the Board Members will be able to participate.



MINNESOTA COUNCIL
ON FOUNDATIONS

100 Portland Avenue South, Suite 225
Minneapolis, Minnesota 55401-2575

t 612.338.1989
f 612.337.5089

info@mcf.org
www.mcf.org

a community of grantmakers

June 18, 2007

Gordon Aamoeth
Robina Foundation
80 S 8th St - Ste 4900
Minneapolis, MN 55402

Dear Gordon:

We are writing today to thank you and the Robina Foundation for your continued support of the Minnesota Council on Foundations. We recently received your 2007 dues payment of \$965.00 renewing your Council membership for another year.*

As a member of the Minnesota Council on Foundations, you are part of a community of grantmakers dedicated to strengthening and increasing participation in philanthropy. The Council provides you with valuable connections, skill building opportunities and effective grantmaking resources. It affords you a positive, collective voice for philanthropy in our community.

We're grateful for your continued membership and support and encourage your involvement by visiting our member's only section on our Web site and attending upcoming events and networking opportunities.

On behalf of the entire Council Board and staff, we look forward to the privilege of serving you during the coming year. If you have any questions or concerns, please feel free to contact either of us.

Sincerely,


William King
President


Chuck Peterson
Vice President of Member Services & Operations

*Please note that your membership is renewable annually on a 12-month cycle that may not coincide with the calendar year.

Great to meet with you and Jean!

Principles for Grantmakers

PREAMBLE

The desire to give is a defining human characteristic. As members of the Minnesota Council on Foundations, we honor diverse charitable expressions across the wide economic, racial, ethnic and social spectrum. We celebrate new and traditional forms of giving that respond to human needs, build community, increase knowledge and promote creative expression. We acknowledge the fundamental roles and responsibilities of engaged individuals and the public, private and nonprofit sectors in a just and equitable society.

As a community of grantmakers, we embrace philanthropy's role in a civil society. We are leading advocates for public policy to sustain robust philanthropy. We work strategically through grantmaking and other means to improve the vitality and health of our communities, to educate our members and the field, and to achieve our collective mission of strengthening and expanding philanthropy. We express a shared commitment to excellence by formally subscribing to the Principles for Grantmakers.

PRINCIPLES

- 1. Ethics and Law Principle**
To sustain public trust by adhering to the highest ethical principles and practices and abiding by all state and federal laws that govern philanthropy.
- 2. Effective Governance Principle**
To achieve effective governance by ensuring performance in the areas of stewardship of assets, donor intent, fiduciary responsibility and sound decision-making.
- 3. Mission and Goals Principle**
To be purposeful in our philanthropy by having a clearly stated mission and explicit goals.
- 4. Engaged Learning Principle**
To foster continuous learning and reflection by engaging board members, staff, grantees and donors in thoughtful dialogue and education.
- 5. Respectful Relationships Principle**
To build constructive relationships with applicants, grantees and donors by ensuring mutual respect, candor, confidentiality and understanding.
- 6. Transparency Principle**
To achieve transparency in our relationships with the public, applicants, grantees and donors by being clear, consistent and timely in our communications with them.
- 7. Diversity Principle**
To reflect and engage the diversity of the communities we serve in our varying roles as grantmakers, boards and employers, economic entities and civic participants.
- 8. Self-Assessment & Commitment Principle**
To uphold the highest standards by regularly assessing ourselves against these principles and committing to implement them.

*Adopted by the MCF Board of Directors in 2006;
developed from the original 1996 version.*

RESOLUTION REGARDING THE MINNESOTA COUNCIL ON FOUNDATIONS

WHEREAS, the Robina Foundation is a member of the Minnesota Council on Foundations, and the Foundation Board yearly reviews and subscribes to the Principles for Grantmakers as a condition of association membership;

WHEREAS, the Foundation Board has reviewed the MCF Principles for Grantmakers, adopted by the MCF Board of Directors in 2006, and has found these principles in line with the Foundation's objectives to follow the highest philanthropic standards;

NOW, THEREFORE, BE IT RESOLVED, that we the undersigned do affirmatively sign on to the MCF Principles for Grantmakers with the Foundation's 2008 renewal of membership.

IN WITNESS WHEREOF, the undersigned have hereunto set their hands on this day, Tuesday, August 28, 2007.

Gordon M. Aamo, MD
Board Chair, President, CEO

Date: May 16, 2007
To: File
From: Gordon Aamoth
Subject: LAKE ROBINA – Visit with Tim Harrison and Quinton

This is Jim Binger's birthday and Tim Harrison and Quinton invited me to come out and have a memory of Jim at the Lake Robina property. When Jim was alive, Quinton, Tim, and Mr. Binger would celebrate his birthday out at the shack on the property. Since his death, Tim and Quinton have been getting together there and invited me this time.

I went out about 7:30 p.m. which was about one-half hour before sundown and we had beer and snacks on the porch deck of the shack and watched the sun go down and talked a lot about Jim and his relationships with the two men. Tim gave me a letter which I will forward to the Board. In it he states, and Quinton substantiates, that Jim intended to give the property to Tim to preserve and keep up. Quinton said, "It's the only thing Jim didn't get done before he died." Tim interjected that at one time in 2004 a letter had been prepared but that Jane had nixed it.

Quinton had good things to say about Jane and the fact that Jim and Jane were in love and that she gave exceptionally good care to Jim when he became ill. The issue of family being restricted from seeing Jim over the last year, it was Quinton's opinion that it was Jim's doing, not Jane's. He said that Jim realized he was failing and the days he wasn't feeling up to it, he just didn't want to see anyone who might remember him in his failing health rather than as a vibrant, strong man.

Jim did give Quinton the apartment on the fourth floor of the river apartment building where Jim lived on one of the upper floors. It was a gift, not a life estate. Quinton stated that he really thought that Tim and Jim were quite close particularly regarding the Robina property. He said that Jim would go for rides out there near the end and thought it was such a beautiful place and reminded him of the days riding horses through it amongst all the trees that they had planted. He felt that I should talk to Noa and Ted Staryk and Mac Binger about Jim's intentions for the Robina property.

I left the two men who were going to spend the night in sleeping bags under the stars in memory of Jim.

May 16, 2007

* Timothy James Harrison * 880 Dakota Avenue * Long Lake, MN 55356 *
952-404-9395 / 612-363-6496

The ROBINA FOUNDATION

Dr. Gordon Aamoth
80 SOUTH 8TH STREET
MINNEAPOLIS, MN 55402-2100

Dear Members of the Board of Directors of The Robina Foundation,

I would like to introduce myself to you, and tell you a bit about me. My name is Tim Harrison. I live in Orono, MN with my wife Julia and my two children, Sarah (9) and Holly (7). My great-uncle was Jim Binger, and I have made part of my living since early 1990 at the property in the Western Metro on Lake Robina, for which your foundation is named.

My hope is that after reading my letter, and meeting me in person, you'll consider allowing me to acquire part of the ROBINA property.

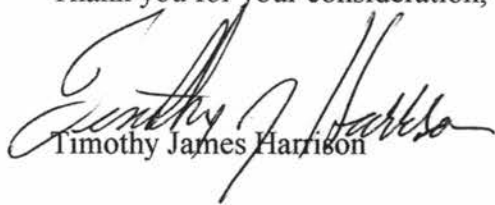
As I said, I have made part of my living at the Robina property for 17 years, since 1990. I have a landscape and snowplow business called True North Landscaping. Much more important to me, aside from the income, is that my heart is tied to Robina. It has been a part of my heart since I set foot on the property with Jim some years ago. I developed a nice friendship with my great-uncle, and I will miss him always. I have many examples of our friendship if you would like to hear them. I had many frank discussions with Jim about buying some property, and he frequently referred to Robina as "Tim's Place". He told more than one person that he would like me to own the property some day, namely Quentin Bouska (live-in assistant), Tom and Becky Binger (Jim's brother and wife), Julia Harrison (my wife) and others. I know that if you contact members of Jim's family (Noa and Ted Saryk, Cinnie Boynton, Mac and Pat Binger, Erika, Meghan, and Ben Binger, they will all confirm that I had a special bond with Jim and that Robina will be in great hands with mine. Mac, and Noa, in particular, will have good feedback for you. Julia sent a letter to Jim in 2004 (attached) and Jim called Julia to say that he had received the letter, was delighted that we felt this way, and wanted to talk more about it. His exact words were, "Don't worry - I will take care of you. I didn't know you were supporting Tim on this, and I'm delighted to know you are." I helped facilitate the sale of the "Cobb Property" which is adjacent to Robina, and is now owned by Jane Mauer. I have asked Jane several times to consider selling me the Cobb portion of the property, but she is not willing.

* Timothy James Harrison * 880 Dakota Avenue * Long Lake, MN 55356 *
952-404-9395 / 612-363-6496

* page 2 *

I have hoped and dreamed of living and working on this land since I have been working there, for over 17 years now. I miss Jim Binger for his wisdom, wit, horse-sense, and compassion. I believe that me being part of this property will fulfill some of Jim's wishes, and help carry on his legacy for which I am so proud to have been a part of. It means the world to my family, my future, and me.

Thank you for your consideration, and best regards,


Timothy James Harrison

DATE: June 14, 2007
TO: File
FROM: Gordon Aamoth
SUBJECT: MEETING WITH TIM HARRISON (Gordy's home)

Tim has called for a personal meeting with me in which he wanted to share all the things that he had collected about his relationship with Jim and Robina property.

First he shared with me a letter that was dated August 2, 2004; however, it was emailed on May 9, 2007 to theharrisons@mchsi.com by Julia Harrison. At any rate, Tim felt it represented the feelings of Tim and Julia, his wife, about Lake Robina property and some of the conversation that Jim and Tim had over this issue. Tim, again, related that the property was special to him as it was to Jim as he was the caretaker and he and Jim had often spent time there together in the last ten years of Jim's life. Jim had suggested that trees should be planted and or taken down. Tim did plant trees and harvested trees to thin them out for Jim. He stated he never charged Jim for it because he used the trees that were cut down as firewood for sale.

Tim stated further that a portion of Jim's ashes were buried with Ginny, and the other portion was spread on the pasture up at Robina. He showed me pictures of that event. He also felt that the pictures that he had of Jim were not some that Jim would have wanted in print because of his pride and the fact that he looked older and disheveled in most of these pictures. He allowed that Noa had a picture of Jim on a horse at Robina when he was more robust.

Time gave me a voided check for \$1,000 that he said he paid to Jane Mauer for rent of the portion of Robina that he kept his equipment on. Also a copy of a check that he wrote shortly after the voided one was cashed by presumably Tartan Investment. He gets his checks from J. P. Morgan and continues to get them to the tune of \$30,000 a year on a monthly basis. We need to look at the J. P. Morgan statements to see if it's true that they do send Tim a check every month. He also states that he has written these checks of payment for renting the land, although the only one he could produce for me was the check written on 12/20/04. It is my understanding after talking with him that he was still being paid.

-Not paid recently

In the meeting he asked me where I thought things were going with this property. He knows we did tour the property with Patty Napier, the real estate agent who is going to give us an appraisal price if the property were to be sold. I told him we were looking into donating the property to an organization such as the Three River Park District. I told him at this point in time I did not have an opinion as to which way it would go. He advised me that he did not have four to five million dollars to buy the property although he really wants to preserve it. Tim brought up the issue of a permanent easement so that it couldn't be developed by whoever it was given to, and that he would be willing to pay \$1.5 million if there were some way for him to get control of the property in remembering that he felt that Jim intended to give the property to him but it just didn't get done by the time Jim died. It will be recalled that Quinton, Jim's long-time attendant, told me on Jim's birthday when I was with the men that he felt that Jim really wanted Jim to have the property.

Tim felt that Noa would also be a good resource and I told him I had talked to Noa and that she knew that her grandfather had a close relationship with Tim but had never known of Jim's intent to give it to Tim. We then talked about the possibility of selling it to Jenny and Mac with the idea that they could sell

it at a price so that Tim could eventually get ownership of it. I advised him that he would have to make those calls; that I would not. If he was uneasy doing this, I advised him if that was what he really wanted that he is going to have to suck it up and do it. He asked me about the timeline and I said I thought our Board would be the Robina land issue in August but that I had no indication it would be settled at that time. He talked about whether or not he could get the portion of the land that his equipment is on and that he operates his business out of, for which he paid the \$1,000 in rent in 2004. I told him that it was unclear he being the grand nephew of Jim whether or not he could get the land at a lesser than fair market value would be considered self-dealing. This has been discussed by our office. He states that he has equipment on two pieces of the property adjacent to the property which apparently had been given to Jane. He told me that Jane's husband was using the barn on the property she owned to store a couple of foreign cars and a pickup. I asked if he had been up there and talked to Mr. Mauer and he said that he had seen a truck in there when he was out working with his equipment and went up to talk to him and that the man introduced himself as Jane's husband.

I did tell Tim that I would let him know when there was a final decision about selling or preserving the property but not to expect any return call until the earliest the fall of 2007.

DATE: June 19, 2007
TO: File
FROM: Gordon Aamoth
SUBJECT: MEETING WITH QUINTON REGARDING ROBINA PROPERTY

Quinton wanted to come up and talk to me. I had previously seen him on Jim Binger's birthday at the property. He told me that he felt Jim wanted the property at Robina to be preserved. It was different than the Wayzata home property when Mrs. Binger died and he left for ~~Wentz~~ house downtown. He had no interest except to make money off of the sale of it. Lake Robina was different in that he and his grandnephew, Tim Harrison, shared a place to get his thoughts together and was much more of an emotional and head-clearing property.

He suggested that I talk to Noa Staryk who was the favored granddaughter and also close to her grandfather. He was not ever told by Jim that the property should be given to Tim Harrison, and even though he believes that Jim intended to do so, it never really got done. Quinton had talked to Jim about something for Tim to better his life, but that never got done.

ROBINA FOUNDATION

4900 IDS Center
80 South 8th Street
Minneapolis, MN 55402
Phone: 612-333-2313
Fax: 612-333-0182
www.robinafoundation.org

Summary of Real Estate Proposals for Robina Property and the Bazal Condominium

Lake Robina Property

The DNR or the Three River Park Districts will accept as a gift the 150+ acres of Robina land and restrict the use to: DNR – Wildlife Preservation, and the Park District – public use for pedestrians, runners, and bikers. They both could make provisions for gifting the portion of land currently used by Tim Harrison to him.

The real estate proposal for sale to a private party or a developer would benefit Robina by about \$3,000,000, minus the back taxes for three years because it has been taxed as green acres.

My recommendation is gifting to the DNR and withholding the parcel now used by Tim Harrison that would be gifted separately to him.

Bazal Condominium

I recommend a court order to allow the Robina Foundation variance from the Minnesota law to continue, as is, paying the tax and insurance. If the court does not allow this, then we will abide by the State law and have Mrs. Bazal pay the taxes and insurance and comply with the law.



Minnesota Department of Natural Resources

Fish and Wildlife
1200 Warner Road
St. Paul, Minnesota 55106
651.772.7900 772 7918 (Tim)

July 31, 2007

Gordon Aamoth
Robina Foundation
4900 IDS Center, 80 South 8th St.
Minneapolis, MN 55402

Dear Mr. Aamoth,

On behalf of the Minnesota Department of Natural Resources (DNR), Division of Fish and Wildlife, I am advising you of our interest in obtaining the ownership of the Robina Foundation lands by gift. These lands that adjoin Lake Robina in Independence Township, Hennepin County present a unique opportunity to provide wildlife habitat protection and management along with valuable outdoor wildlife related recreation such as hunting and trapping.

As we discussed, this donation may also result in a dollar for dollar value match thru the Reinvest in Minnesota (RIM) Critical Habitat Match Program funded by revenues for the specialized critical habitat automobile license plates. Assuming sufficient revenues are available to match the gift. We would likely have an interest in using RIM dollars to expand the boundaries of this unit, to the north in particular. In that context if you have any knowledge of any interest from neighbors in selling property or have developed a working relationship with them that could help foster a starting point for discussions, we would appreciate your insights and assistance.

As I indicated to you by phone, we would accept as a condition of the gift or life estate granted to one of Jim Bingers family members to occupy and use the steel shed and area in the north west corner of the property as long as it did not limit public access off the township road or the west boundary.

Thank you for contacting us and for your patience as we evaluate the property to determine its appropriateness to our mission. We would be willing to arrange another meeting at your convenience to further discuss the options, should the foundation board find they are interested in pursuing conservation of this property by gift.

Sincerely,

A handwritten signature in black ink, appearing to read "Tim Bremicker".

Tim Bremicker
Regional Wildlife Manager
Region 3

CC: Diana Regenscheid
Dennis Simon
Paul Purman
Joe Kurcinka

An Equal Opportunity Employer Who Values Diversity

ThreeRivers
PARK DISTRICT

August 10, 2007

Three Rivers
Park District
Board of
Commissioners

Gordon Aamuth
Chief Executive Officer
Robina Foundation
4900 IDS Tower
80 So. 8th St.
Minneapolis. MN 55402

Sara Wyatt
District 1

Dear Sir:

Marilynn Corcoran
District 2

Thank you for contacting the Park District regarding the Robina Foundation's possible donation of property to Three Rivers Park District. We appreciate your awareness of the Park District's reputation as a long-standing steward of natural resources and provider of outdoor education and recreation in suburban Hennepin County. In fact the Park District is celebrating its 50th anniversary this year, which started with a 210-acre gift of land by the Baker Family on Lake Independence.

Mark Haggerty
District 3

Our staff has been in communication with you as we have researched and evaluated the property. Administrative and Natural Resources Management staff visited the site and talked with Tim Harrison, the property caretaker. Staff has also talked with Hennepin County Environmental Services to aid us in determining the natural resource and open space value of the property.

Dale Woodbeck
District 4

Staff has concluded that the Lake Robina property has significant natural resource value. The high quality wetlands and 9,000 feet of shoreline provide critical habitat for water birds. During recent site visits, staff observed trumpeter swans, black terns, green herons, great blue herons, great egrets, and a kettle of over 100 pelicans. The mix of remnant Big Woods forest and open fields provide edge and upland wildlife habitat as well. Preservation of the property is also very important to the water quality of Lake Robina and to the water quality of the Crow River.

Rosemary Franzese
District 5

Our evaluation of the property was shared with the Three Rivers Park District Board of Commissioners at an informal work session on August 2, 2007. At that time, Commissioners exhibited great interest in the preservation of the Lake Robina property and asked that I extend this letter of interest and identify their vision for future management of the property.

Larry Blackstad, Chair
Appointed

If the property were gifted to the Park District, the Board envisions that the property would be retained as a natural area with only low-impact recreation uses permitted, such as bird-watching, nature exploration and hiking. Management of the property for its natural resources value would be the highest priority. Lake Rebecca Park Reserve is only one-mile to the north of

Joan Peters, Vice Chair
Appointed

Cris Gears
Superintendent

Lake Robina, and there is potential for connecting the Robina property to Lake Rebecca through development of a trail and/or through additional land acquisition by the Park District.

The Park District sincerely appreciates the Robina Foundation's interest in managing and protecting this significant natural resource in perpetuity and preserving the land that James Binger loved and enjoyed for its natural beauty. We encourage strong consideration of preservation versus development of this sensitive and valuable area.

Insofar as preservation and protection of open space in Hennepin County is a cooperative venture, the Park District would intend to communicate with the City of Independence, Hennepin County Environmental Services and the DNR to ensure that all the public land stewards of property in this area would discuss how to best protect this valuable natural resource.

The Park District recognizes that about five acres of the property is now authorized for private use for landscape nursery business operated by James Binger's nephew, Tim Harrison. Pending understanding of the Robina Foundation's wishes, the Park District could accommodate continued use of the area as a nursery by Mr. Harrison.

We are very interested in talking further with you and the Foundation about the potential and benefits of a public gift of this property.

Sincerely,



Cris Gears
Superintendent

c: Board of Commissioners

**COLDWELL
BANKER**

BURNET

Wayzata Office

201 East Lake Street
Wayzata, MN 55391-1695
952-473-3000
Fax 952-473-3932
www.cbburnet.com

July 13, 2007

Robina Foundation
Suite 4900 IDS Center
80 South 8th Street
Minneapolis, MN 55402

Attention: Gordon Aamo

Dear Gordy:

In the Packet I am enclosing you will find the following:

- ◆ Aerial Photo with subject property outlined in black
- ◆ Plat Map with individual acreages according to Hennepin County
- ◆ Map of Lake Robina
- ◆ Individual Aerial Photos of each of the 9 parcels with the 2007 taxes due (under green Acres calculation) and the 2008 projected taxes and estimated market values if the Deferred Green Acre taxes were not in effect
- ◆ Market Comparables: Pending (Sold, not closed) Sold and Active Land parcels in neighboring communities
- ◆ Patty Napier resume and some properties represented with acreage

After reviewing the appraisal you sent to me from November 3, 2004, I would like to note that there is a significant difference in what the appraiser represented (186 acres approximately) and what I calculated the total to be from Hennepin County records (approximately 157 acres).

Forward 2

I toured the property with Tim Harrison on June 5th. Much of the land would be deemed wetlands, woodlands and approximately 30 acres of open high ground. It is absolutely magnificent and gorgeous with trails meandering through the woods, meadows and along Lake Robina.

Without having run any current title work on the entire parcel, the current access appears to be off of Lake Haughey Rd. This 12+ acre parcel I believe would be a critical piece to anyone having future access to the property, and it is NOT advisable to eliminate it from the entire 157 acres for a separate sale. I actually entered the property across the railroad tracks off of Highway 12. It is unclear to me without doing title work if the property has a second access from this point. I am also stunned by the fact that the projected market value for the 57+ acre parcel along Highway 12 would be \$1,405,000+ when it is only classified as a farm. It is important to note that when a sale of this property occurs, the Foundation will be responsible for paying forth on the difference between the Deferred portion and current taxes. This is calculated over the last 3 years once a closing date has been established. Hennepin County provides us with this calculation.

Lake Robina is a beautiful nature lake with a very low water clarity and I believe only about 6' deep; therefore, not very usable for most recreational activities, but certainly one would appreciate the water views, nature and wildlife.

Technically, the property should have 9 building sites per the current City codes; a couple of the parcels are quite small and would need to have to accommodate primary and alternate septic system sites to be deemed buildable. I think we could still get 9 sites at a minimum with some negotiation with the City of Independence.

Regarding our current real estate market conditions – The market is challenging and not as active as we would prefer. The busiest time for land sales historically is from September to mid May. A time when the land isn't so breathtaking, yet prospects can see more and aren't as active in their personal lives, and so are willing to take the time to review acreage parcels.

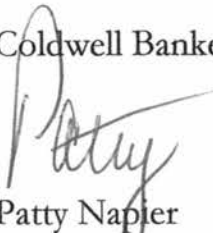
The few land sales we have had in Independence in the last 2 years would indicate that **\$20,000 per acre** would be an aggressive price. This would calculate out to \$3,200,000 for the Lake Robina Parcels as a whole. If I were to list it, I would probably suggest \$3,500,000 range, leaving some room for negotiation. I do not think we would scare potential candidates away. The end sales price would most likely be in the **\$2.8 to \$3.2** million range.

I hope the enclosed material is helpful to the Foundation in determining the best way to proceed forward with the property. Please call if you should have any additional questions or comments.

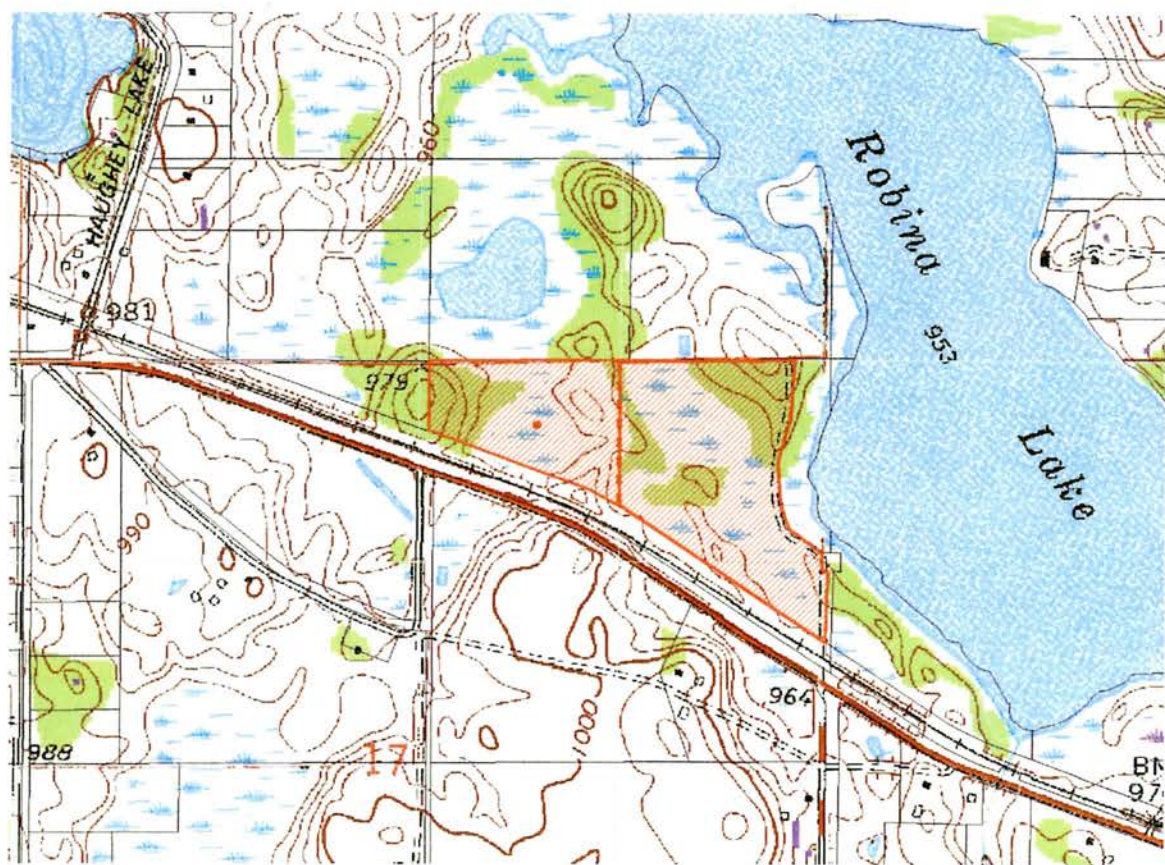
Looking forward to hearing from you.

Sincerely,

Coldwell Banker Burnet

A handwritten signature in cursive script, appearing to read 'Patty Napier', is written over the printed name.

Patty Napier
952-476-9603





COLDWELL
BANKER

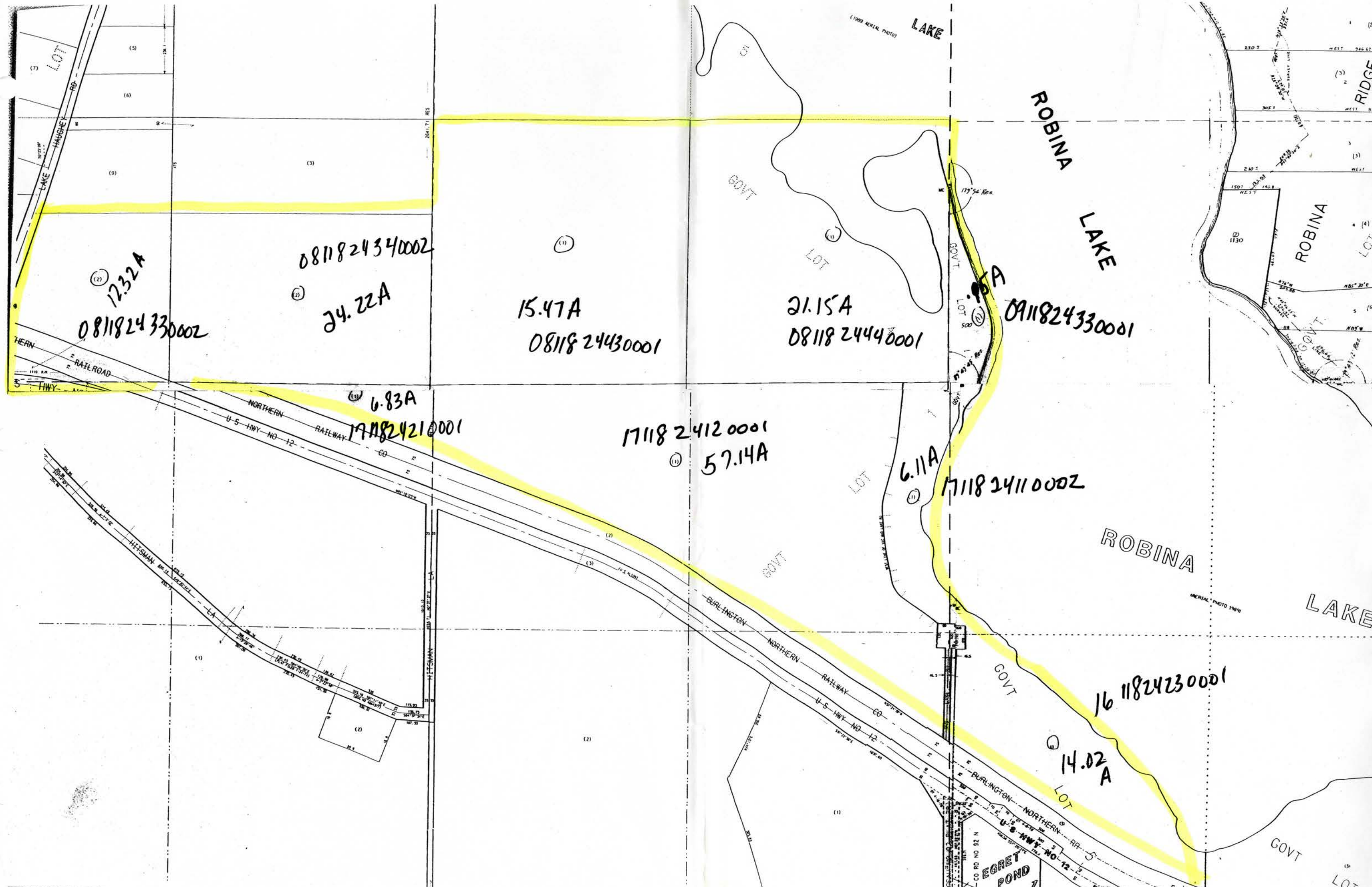
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Providing Quality Appraisals for Busy Lenders

DATA SUMMARY

Client: Tartan Investment, 4242 IDS Tower, 80 S. 8th Street,
Minneapolis, MN 55402
Attn: Jane K. Mauer

Borrower: N/A

Address: XXX Lake Robina
Independence, MN 55359

Value: \$1,400,000

Date: November 3, 2004

Appraiser: Gregory V. Callahan

**Client
File:** Binger (Trust)

**Forsythe
File:** 40116559



Property Address XXX Lake Robina		Census Tract 5120-027002		LENDER DISCRETIONARY USE	
City Independence County Hennepin State MN Zip Code 55359				Sale Price \$	
Legal Description See Attached PID Numbers				Date	
Owner/Occupant Binger, James H. (Revocable Trust)		Map Reference B3-88		Mortgage Amount \$	
Sale Price \$ N/A Date of Sale N/A		Property Rights Appraised		Mortgage Type	
Loan charges/concessions to be paid by seller \$ N/A		☒ Fee Simple		Discount Points and Other Concessions	
R.E. Taxes \$ N/A Tax Year 2004 HOA \$/Mo. N/A		☐ Leasehold		Paid by Seller \$	
Lender/Client Tartan Investment, 4242 IDS Tower, 80 S. 8th Street.		☐ Condominium (HUD/VA)			
Minneapolis, MN 55402		☐ PUD		Source	

LOCATION ☐ Urban ☐ Suburban ☒ Rural BUILT UP ☐ Over 75% ☐ 25-75% ☒ Under 25% GROWTH RATE ☐ Rapid ☒ Stable ☐ Slow PROPERTY VALUES ☒ Increasing ☐ Stable ☐ Declining DEMAND/SUPPLY ☐ Shortage ☒ In Balance ☐ Over Supply MARKETING TIME ☐ Under 3 Mos. ☒ 3-6 Mos. ☐ Over 6 Mos.			NEIGHBORHOOD ANALYSIS <table border="1" style="width:100%; border-collapse: collapse;"> <tr> <th></th> <th>Good</th> <th>Avg</th> <th>Fair</th> <th>Poor</th> </tr> <tr><td>Employment Stability</td><td>☐</td><td>☒</td><td>☐</td><td>☐</td></tr> <tr><td>Convenience to Employment</td><td>☐</td><td>☒</td><td>☐</td><td>☐</td></tr> <tr><td>Convenience to Shopping</td><td>☐</td><td>☒</td><td>☐</td><td>☐</td></tr> <tr><td>Convenience to Schools</td><td>☐</td><td>☒</td><td>☐</td><td>☐</td></tr> <tr><td>Adequacy of Public Transportation</td><td>☐</td><td>☒</td><td>☐</td><td>☐</td></tr> <tr><td>Recreation Facilities</td><td>☐</td><td>☒</td><td>☐</td><td>☐</td></tr> <tr><td>Adequacy of Facilities</td><td>☐</td><td>☒</td><td>☐</td><td>☐</td></tr> <tr><td>Property Compatibility</td><td>☐</td><td>☒</td><td>☐</td><td>☐</td></tr> <tr><td>Protection from Detrimental Cond.</td><td>☐</td><td>☒</td><td>☐</td><td>☐</td></tr> <tr><td>Police & Fire Protection</td><td>☐</td><td>☒</td><td>☐</td><td>☐</td></tr> <tr><td>General Appearance of Properties</td><td>☐</td><td>☒</td><td>☐</td><td>☐</td></tr> <tr><td>Appeal to Market</td><td>☐</td><td>☒</td><td>☐</td><td>☐</td></tr> </table>					Good	Avg	Fair	Poor	Employment Stability	☐	☒	☐	☐	Convenience to Employment	☐	☒	☐	☐	Convenience to Shopping	☐	☒	☐	☐	Convenience to Schools	☐	☒	☐	☐	Adequacy of Public Transportation	☐	☒	☐	☐	Recreation Facilities	☐	☒	☐	☐	Adequacy of Facilities	☐	☒	☐	☐	Property Compatibility	☐	☒	☐	☐	Protection from Detrimental Cond.	☐	☒	☐	☐	Police & Fire Protection	☐	☒	☐	☐	General Appearance of Properties	☐	☒	☐	☐	Appeal to Market	☐	☒	☐	☐
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PRESENT LAND USE % Single Family 35% 2-4 Family Multi-Family Commercial 5% Industrial Vacant 60%		LAND USE CHANGE ☐ Not Likely ☐ Likely ☒ In process To: Residential PREDOMINANT OCCUPANCY ☒ Owner ☐ Tenant ☒ Vacant (0-5%) ☐ Vacant (over 5%)		SINGLE FAMILY HOUSING PRICE AGE \$ (000) (yrs) 125 Low 1 1200 High 75 Predominant 450 - 20	
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Note: Race or the racial composition of the neighborhood are not considered reliable appraisal factors. COMMENTS: The subject is located just north of State Highway 12 in Independence, Minnesota. It is a rural neighborhood located approximately thirty miles west of the central Minneapolis business areas on State Highway 12. It is a neighborhood with access to area lakes and parks. Property values have been increasing for several years. Subject Site Borders are: Burlington Northern railroad tracks to the south, Robina Lake to the east and privately owned land to the north. There is limited access to the property from Lake Haughey Road (border to the west) only.

Dimensions Acres Only Site Area Approx. 186 Acres Zoning Classification Agricultural HIGHEST & BEST USE: Present Use Residential Other Use Wetlands & Parkland		Topography Rolling Land Size Approx. 186 Acres Shape Irregular Drainage Appears Adequate View Open Land & R.R. Tracks Landscaping None Driveway None Apparent Easements Typical/Normal Utility FEMA Flood Hazard Yes* Both No Both FEMA Map/Zone "A & C" 270167	
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Comments (Apparent adverse easements, encroachments, special assessments, slide areas, etc.): Subject site probably faces south. There is very limited access to the subject site from Lake Haughey Road only. The subject is blocked in by railroad tracks to the south, Robina Lake (and it's wetlands) to the east and private land to the north. Lake Haughey Road provides limited access from the west.

The undersigned has recited three recent sales of properties most similar and proximate to subject and has considered these in the market analysis. The description includes a dollar adjustment, reflecting market reaction to those items of significant variation between the subject and comparable properties. If a significant item in the comparable property is superior to, or more favorable than, the subject property, a minus (-) adjustment is made, thus reducing the indicated value of subject; if a significant item in the comparable is inferior to, or less favorable than, the subject property, a plus (+) adjustment is made, thus increasing the indicated value of the subject.

ITEM	SUBJECT	COMPARABLE NO. 1	COMPARABLE NO. 2	COMPARABLE NO. 3
Address	XX Lake Robina Independence	XXX Hitsman Lane Independence	XXX Hitsman Lane Independence	XXX Nelson Road Independence
Proximity to Subject		Approx. 1/3 Mile	Approx. 1/3 Mile	Approx. 3 Miles
Sales Price	\$ N/A	\$ 275,000	\$ 400,000	\$ 850,000
Price/	\$	\$	\$	\$
Data Source	Insp./County	MLS/County	MLS/County	MLS/County
VALUE ADJUSTMENTS	DESCRIPTION	DESCRIPTION	DESCRIPTION	DESCRIPTION
Sales or Financing		Cash -0-	Cash -0-	Cash -0-
Concessions		-0-	-0-	-0-
Date of Sale/Time	N/A	Closed 04/24/04 -0-	Closed 02/05/03 -0-	Closed 07/06/04 -0-
Location	Rural	Rural/Eql. -0-	Rural/Eql. -0-	Rural/Sup. -250,000
Site/View	Apx. 186 Acres	47.3 Acres +1,112,000	57 Acres +1,032,000	64 Acres +976,000
View	Open Land	Open Land -0-	Open Land -0-	Open Land -0-
		-0-	-0-	-0-
		-0-	-0-	-0-
		-0-	-0-	-0-
Net Adj. (total)		☒ + ☐ - \$ 1,112,000	☒ + ☐ - \$ 1,032,000	☒ + ☐ - \$ 726,000
Indicated Value of Subject		Gross: 404.4 Net: 404.4 \$ 1,387,000	Gross: 258.0 Net: 258.0 \$ 1,432,000	Gross: 144.2 Net: 85.4 \$ 1,576,000

Comments of Sales Comparison: Because comparable three is located on the corner of Nelson Road and County Road 6, it is considered superior in location. It is located within 1/4 mile of Pioneer Creek Golf Course and within a mile of Windsong Farm Golf Course. Because the subject is blocked off on three sides and has extensive wetlands, Comps were adjusted at \$8,000 per acre.

Comments and Conditions of Appraisal: Subject site is appraised as if vacant land only. Land appraisal only, per client request, no inspection of dwellings made, no value given for any improvements to the subject site and Date of Death (as of November 3, 2004) value requested.

Final Reconciliation: This is a "Summary Appraisal Report". No liability is assumed for any elements, easements and soil conditions of the subject property. No liability is assumed if the site is or is not a buildable site. Market approach is the best indicator of value. The cost approach and the income approach do not apply when appraising vacant land. Therefore they are not included.

(WE) ESTIMATE THE MARKET VALUE, AS DEFINED, OF THE SUBJECT PROPERTY AS OF November 3, 2004 to be \$ 1,400,000

I (We) certify: that to the best of my (our) knowledge and belief, the facts and data used herein are true and correct; that I (we) personally inspected the subject property and inspected all comparable sales cited in this report; and that I (we) have no undisclosed interest, present or prospective therein.

Appraiser(s) Gregory V. Callahan Review Appraiser (if applicable) ☐ Did ☐ Did Not Inspect Property

ADDENDUM

Borrower: N/A	File No.: 40116559
Property Address: XXX Lake Robina	Case No.: Binger (Trust)
City: Independence	State: MN
Lender: Tartan Investment, 4242 IDS Tower, 80 S. 8th Street,	Zip: 55359

TRANSMITTAL LETTER

The subject was originally inspected In December of 2004. it was re-inspected on May 17, 2005. The estimated market value as of November 3, 2004 (client requested date -- date of death), is \$1,400,000.

The subject property was not inspected on November 3, 3004. If an inspection had been completed on that date, a different value conclusion may have resulted.

The property was appraised by Gregory V. Callahan, Appraiser.

No responsibility has been assumed for matters which are legal in nature, nor has any opinion on them been rendered, other than assuming marketable title. Liens and encumbrances, if any, have been disregarded and the property was appraised as though free of indebtedness.

Please feel free to call us if you have a question.

HENNEPIN COUNTY PROPERTY PID NUMBERS INCLUDED IN THE APPRAISAL ARE:

17-118-24-21-0001
08-118-24-33-0002
08-118-24-34-0002
08-118-24-43-0001
08-118-24-44-0001
17-118-24-12-0001
16-118-24-23-0001
09-118-24-33-0001
17-118-24-11-0002

ADDITIONAL COMMENTS

1. The purpose of the appraisal is to estimate the market value of the subject property for Trust purposes.
2. The legal description of the subject property can be found on page one of the Proprietary Land Form.
3. The reasonable marketing period for the subject property is 90 to 120 days.
4. According to the county and the MLS system, the subject property has not been transferred in the past twelve months.
5. The subject property was inspected on May 17, 2005. The report was prepared during May and June of 2005. The client requested effective date of the appraisal is November 3, 2004.
6. The subject is vacant land.
7. Personal property was not included in the appraised value.
8. We have considered all three approaches to value. The income approach and cost approach do not apply. (Vacant Land)
9. The subject is vacant land. No improvements to the site included in the appraised value.
10. Current and future employment or compensation is not contingent upon the reporting of a predetermined value or direction in value that favors the cause of the client, the amount of the value estimate, the attainment of a stipulated result or the occurrence of a subsequent event.
11. This appraisal report was completed in conformity with the Uniform Standards of Professional

ADDENDUM

Borrower: N/A	File No.: 40116559
Property Address: XXX Lake Robina	Case No.: Binger (Trust)
City: Independence	State: MN Zip: 55359
Lender: Tartan Investment, 4242 IDS Tower, 80 S. 8th Street.	

Appraisal Practice.

12. If the photos included in this appraisal are digital/electronic images, they have not been enlarged, enhanced, or altered in any way.

13. If electronic/digital signatures are used, it has been ruled acceptable appraisal practice by USPAP.

14. In compliance with the Gramm-Leach-Bliley Act, we do not disclose any nonpublic personal information about you with anyone for any purpose that is not specifically permitted by law.

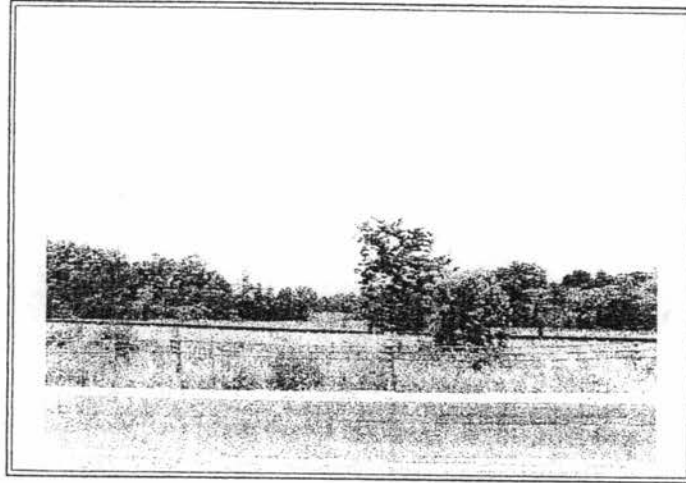
We restrict access to nonpublic personal information about you to those employees who need to know that information in order to provide products or services to you. We maintain physical, electronic, and procedural safeguards that comply with federal regulations to guard your nonpublic personal information. We do not disclosed this information about you or any former consumers or customers to anyone, except as permitted by law. The law permits us to share this information with our affiliates. The law also permits us to share this information with companies that perform marketing services for us, or other financial institutions that have joint marketing agreements with us.

When we share nonpublic information referred to above, the information is made available for limited purposes and under controlled circumstances. We require third parties to comply with our standards for security and confidentiality. We do not permit use of consumer/customer information for any other purpose nor do we permit third parties to rent, sell, trade or otherwise release or disclosed information to any other party.

GC

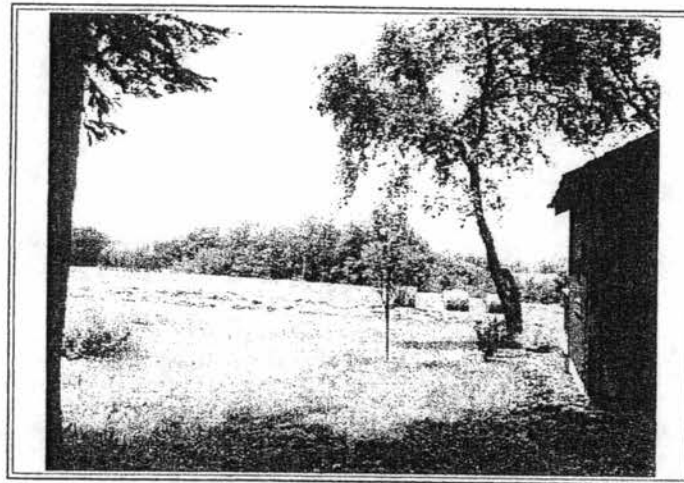
SUBJECT PROPERTY PHOTO ADDENDUM

Borrower: N/A	File No.: 40116559
Property Address: XXX Lake Robina	Case No.: Binger (Trust)
City: Independence	State: MN
Lender: Tartan Investment, 4242 IDS Tower, 80 S. 8th Street,	Zip: 55359



**FRONT VIEW OF
SUBJECT PROPERTY**

Appraised Date: November 3, 2004
Appraised Value: \$ 1,400,000



**REAR VIEW OF
SUBJECT PROPERTY**

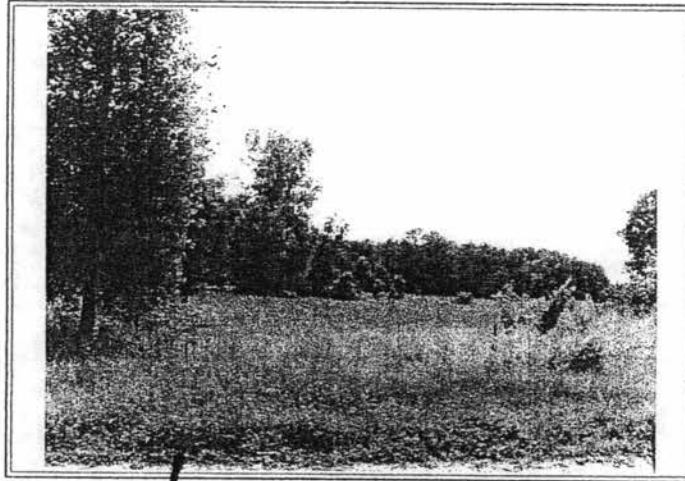


STREET SCENE



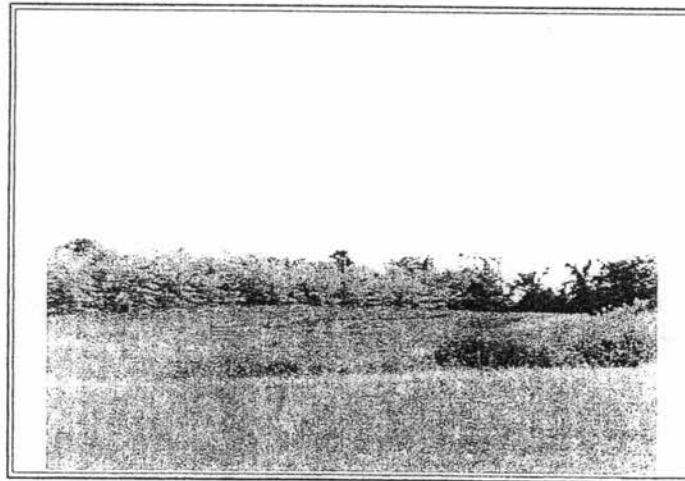
COMPARABLE PROPERTY PHOTO ADDENDUM

Borrower: N/A	File No.: 40116559
Property Address: XXX Lake Robina	Case No.: Binger (Trust)
City: Independence	State: MN
Lender: Tartan Investment, 4242 IDS Tower, 80 S. 8th Street,	Zip: 55359



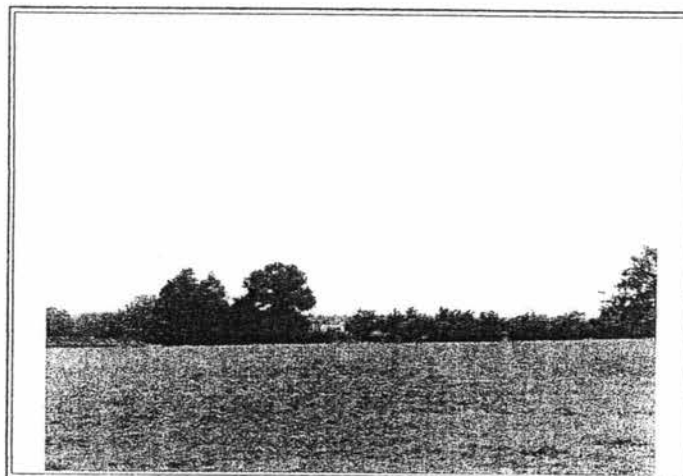
COMPARABLE SALE #1

XXX Hitsman Lane
Independence
Sale Date: Closed 04/24/04
Sale Price: \$ 275,000



COMPARABLE SALE #2

XXX Hitsman Lane
Independence
Sale Date: Closed 02/05/03
Sale Price: \$ 400,000

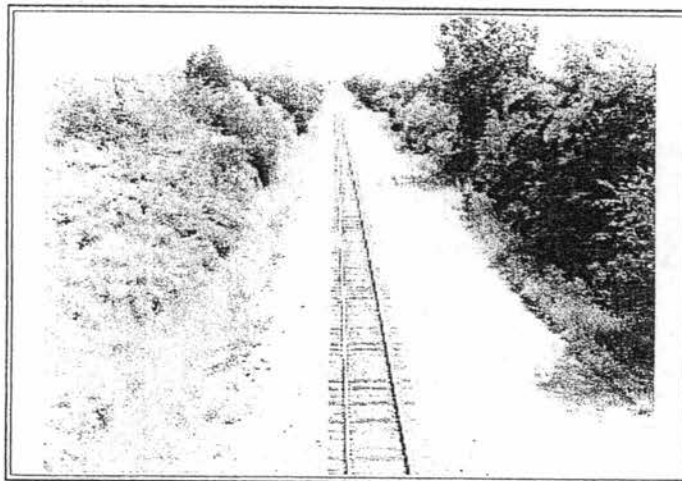


COMPARABLE SALE #3

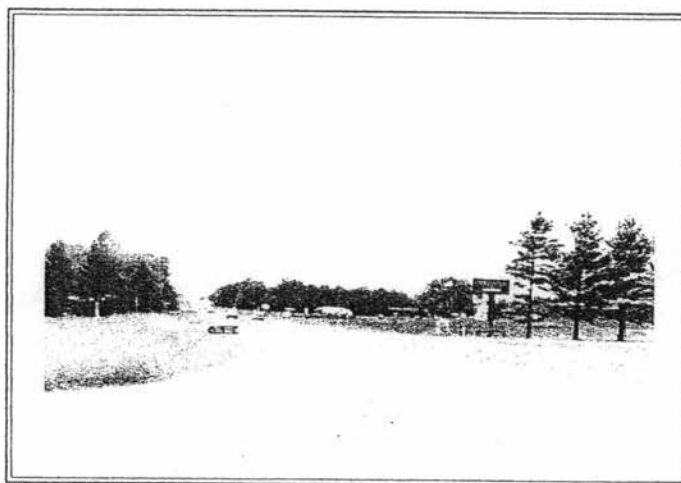
XXX Nelson Road
Independence
Sale Date: Closed 07/06/04
Sale Price: \$ 850,000



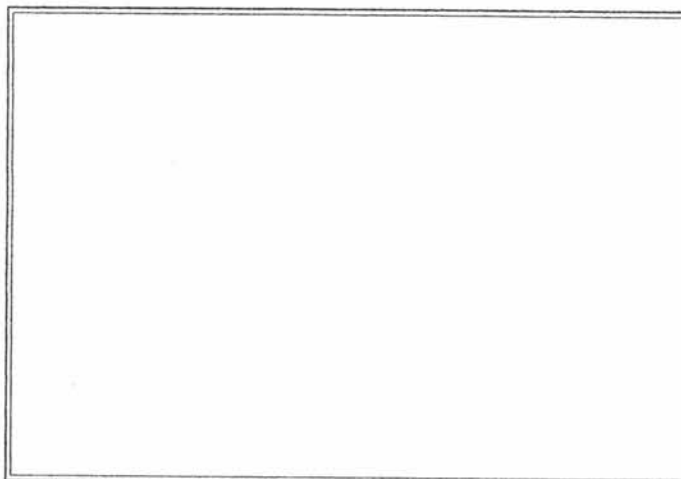
Borrower: N/A	File No.: 40116559
Property Address: XXX Lake Robina	Case No.: Binger (Trust)
City: Independence	State: MN
Lender: Tartan Investment, 4242 IDS Tower, 80 S. 8th Street,	Zip: 55359



Rail Road Tracks (South of Property)



South Western Corner of Site



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Hotmail

[Today](#)[Mail](#)[Calendar](#)[Contacts](#)

gaamoth@msn.com

[Reply](#) | [Reply All](#) | [Forward](#) | [Delete](#) | [Junk](#) | [Put in Folder](#) | [Print View](#) | [Save Address](#)

From : Kastel, Gina M. <GKastel@faegre.com>

[Inbox](#)

Sent : Friday, July 6, 2007 3:40 PM

To : "Crosby, Thomas M." <TCrosby@faegre.com>

CC : gaamoth@msn.com, JMS_PC@msn.com

Subject : RE: James Binger - Revocable Trust - Marion Bazal life estate - Robina

[Attachment](#) : BriggsEmailLogo.gif (< 0.01 MB)

Tom,

This is a bit of a gray area in my view. The default rule under the Minnesota statutes (and most other state laws) is that the life tenant of a life estate pays taxes and insurance, as well as all other expenses associated with the use of the property, such as utilities and routine maintenance. Because the normal rule is that the life tenant pays these expenses, the IRS could take the position that the payment by the Foundation of the expenses confers an inappropriate private benefit on Marion Bazal, in contravention of the general requirements of Section 501(c)(3). The private benefit prohibition applies to all 501(c)(3) organizations. If a 501(c)(3) organization provides non-charitable private benefits, it can lose its tax-exempt status.

In addition, as Terry Slye notes below, because the Foundation is classified as a private foundation, it is subject to the taxable expenditure rules, which impose excise taxes on certain payments made by the Foundation, including grants to individuals for travel or study, grants to organizations that are not public charities (unless the Foundation exercises expenditure responsibility), and other payments for non-charitable purposes. There are exceptions for the payment of investment expenses and taxes. It is possible the IRS would view the payment of the expenses as a payment for non-charitable purposes, but not an investment expense. If this happened, the Foundation would owe an excise tax, and the transaction would have to be unwound.

Further, if Marion is a disqualified person with respect to Robina Foundation, then the payment of the expenses would be a self-dealing transaction that would subject Marion and any Foundation director or officer who approved the expenditure to excise taxes. It is not clear to me that Marion is a disqualified person, given the statement that he was Jim Binger's friend (as opposed to family member). Still, someone who knows the relationships should confirm this. Disqualified persons include members of Jim Binger's family, including ancestors/descendants and their spouses; directors and officers of the Foundation; substantial contributors to the Foundation; and shareholders owning at least 20 percent of a business organization that is a substantial contributor.

I am also curious whether any charitable deduction was taken with respect to the property. If so, the payment of the expenses by the Foundation would likely reduce or eliminate the deduction.

Putting this all together, if Marion is a disqualified person, or if Jim Binger or the estate took a charitable deduction with respect to the property, the Foundation cannot pay the expenses. Even if neither is true, I think the Foundation's payment of the expenses on a voluntary basis presents a risk that the payment would be characterized as a private benefit and/or taxable expenditure by the IRS. The precatory nature of the language in the trust instrument, and the fact that the life tenant would ordinarily be responsible for these expenses make it somewhat hard to justify the payment of the expenses by the Foundation. For such payments to work for purposes of the applicable tax laws, they would need to be characterized as investment expenses of the Foundation. One could certainly argue this is an investment expense, i.e. that the payment of taxes and insurance protects the Foundation's remainder interest in the property, but it is hard to predict whether the IRS would agree if the payments were challenged.

With respect to Terry's proposal to request a court order, I think doing so could help clarify Jim Binger's intent, but I do not believe the probate court has the authority to resolve the federal tax issues. I am not convinced the characterization of the payment by the IRS will turn on whether the payment was voluntary or involuntary, but I would think having the court order in hand might help with a request for abatement of any excise tax that would otherwise be due if the IRS believed the payment was a taxable expenditure.

The question of paying expenses reminds me that, to my knowledge, the issue of the payment of the family's legal expenses has not been resolved. My recollection is that we were waiting for settlement documents and court orders related to the initiation of the litigation, as well as the settlement.

Gina

Gina Kastel | Partner

gkastel@faegre.com | 612-766-7923 | fax 612-766-1600

FAEGRE & BENSON LLP

2200 Wells Fargo Center | 90 South Seventh Street
Minneapolis, MN 55402-3901
www.faegre.com

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From: Crosby, Thomas M.
Sent: Monday, July 02, 2007 11:37 AM
To: Kastel, Gina M.
Cc: Gordon Aamoth; JEAN SAZEVICH
Subject: FW: James Binger - Revocable Trust - Marion Bazal life estate - Robina

Please consider the question raised about the payment of expenses on this property in which Robina has a remainder interest.

From: Slye, Terry [mailto:TSlye@Briggs.com]
Sent: Friday, June 29, 2007 5:03 PM
To: Crosby, Thomas M.
Cc: anita.m.tyson@jpmorgan.com; james.p.largey@jpmorgan.com
Subject: James Binger - Revocable Trust - Marion Bazal life estate

Tom:

As you requested in our conversation last week, I'm sending this email to discuss the bequest for Marion Bazal under Jim Binger's Revocable Trust. I understand you are now the attorney for Robina Foundation on any non-litigation matters; I would appreciate your confirming that to us, so that we know we are not breaching any attorney/client relation by conferring with you with respect to Robina.

The Revocable Trust, subparagraph 3.01.(a)(3) [which was added by the Amendment dated September 29, 2004] provides that Mr. Binger made a bequest of:

(4) A life estate in that real estate located in the State of Minnesota used by my friend, Marion Bazal ("Marion") as a residence at my death included in the trust property, if any, to Marion, if living at my death. I expect the remainder owner of said residence to pay its ownership expenses, including insurance and real estate taxes, but not monthly association dues, utilities, routine maintenance and decorating, and other ordinary expenses."

Robina Foundation will receive the trust residue (which would include the remainder interest in the residence following Marion's death), under the residuary devise in section 3.07 of the Trust Agreement.

The issue I would like you to consider is whether Robina Foundation, as a private foundation, if it pays the "ownership expenses, including insurance and real estate taxes", would be deemed to be making a non-charitable taxable expenditure for the benefit of an individual. It seems to me the question may depend upon whether the payment is within Robina's discretion; that is, if it could decline to pay, but pays voluntarily, it might be a taxable expenditure, whereas if the payment were mandated, perhaps it would not be. So the question may be, should we petition the court for a construction of the bequest, to interpret the words "I expect the remainder owner to pay . . ." to be a condition or mandatory obligation" and not just precatory words that leave the ultimate decision to Robina Foundation.

I would be happy to talk further with you about this matter if you wish.

Best personal regards,

Terry L. Slye
Attorney



Briggs and Morgan, P.A.
Direct 651.808.6580
Fax 651.808.6450
tslye@briggs.com
W2200 First National Bank Building
332 Minnesota Street
St. Paul, MN 55101

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Date: Monday, May 7, 2007
To: File
From: Gordon Aamoth
Subject: BAZAL CONDOMINIUM

I talked to Marion Bazal about her condominium on Monday, May 7, 2007. Ed called her and left a phone message. She is in Tucson during the winter months and doesn't collect her phone messages until she returns. She usually comes back once a month. She spends her summers in Minnesota. The original condo was in Wayzata and I think after Jim died she moved to the Clifton condo which is new.

At any rate, she is a very nice woman who sounds sophisticated and was a friend of Ginny Binger, first by being her seamstress and her interior decorator and then as a very close friend. She also decorated Jim Binger's condominium on the river. She stated her relationships with Jane Mauer were good and that she felt Jane took good care of Jim in the last couple of years when he was not well and fading. She understood that the condominium which is on Clifton in the area near 110 Groveland is hers until she died and then it would be returned to the Estate. She said the taxes and insurance had been paid by the Estate but she had paid the condominium fees and her expenses.

I reassured her that we did not intend to take the condo from her but that she probably would have to talk to Tom Crosby about the life estate which is not written correctly for Minnesota law.

Robina Foundation
Talking Points
Visits to CRF and Yale

- **Purpose/Nature of Visit**
 - Informal
 - Initial face to face meeting
 - Put a face with a name for future conversations as work together progresses
- **Brief History of Robina**
 - Established by Jim Binger, present bio of Jim Binger as needed
 - Refer to excerpts of bylaws pertinent to four institutions to be supported
 - Briefly discuss the mission and focus of Foundation: to support major initiatives that have the potential for major institutional and societal impact, transformational yet practical, with potential for long term impact
- **Update on Robina Foundation**
 - Gordon Aamothe appointed chair and CEO earlier this year
 - Board recently expanded, share written information on board members
 - Assets are slowly being moved from Mr. Binger's estate into foundation
 - Limited grantmaking to date and for 2007
 - Planning grants now in place for all four institutions
 - Robina Foundation expects more clarity about the future of its grantmaking program (e.g. priorities, size of grants available, grant terms, etc) within the next year and will share that information when it is available
- **Planning Grant Update**
 - How has the institution used the recent planning grant made at end of 2006
 - Robina Foundation is fine if the institution wants to hold onto that grant for a period of time until things become more clear regarding Robina's longer term funding plans
- **Future Communication/Next Steps**
 - Later this year (September) another conversation or visit to discuss next steps as board gains clarity
 - 2007 funding cycle to be determined early this fall, likely will focus on continuing planning efforts, possibly moving into the "pilot" phase of a project that the institution may want to see develop as a major project
 - Encourage institution to 1) explore a number of different ideas that would meet Foundation priorities and to 2) consider whether they would be open to collaboration with one or more of the institutions to be funded by Robina Foundation

DATE: June 13, 2007
TO: File
FROM: Gordon Aamoth
SUBJECT: MEETING WITH ABBOTT NORTHWESTERN FOUNDATION
ATTENDEES: Sid Mallory, Jeff Peterson, Mike Tedford, Richard Meyer,
Jean Sazevich, Tom Crosby, Gordon Aamoth

Since there were new people at the table, we all introduced ourselves with a brief bio background. Sid Mallory, Executive Vice President of the Allina Office of Philanthropy, started the meeting by explaining what they had done, why they had done it, and that they felt their proposal was consistent with what Jim Binger and Jane Mauer had wanted. It was a large program requesting \$20,000,000 over a three year period.

I then brought the Abbott NW group up-to-date on what has happened in the Robina office. I explained that we now have an office, phones, website, and a full contingency of Board Members. They had received bios of our Board Members in advance of this meeting. I further explained that the original amount of the Foundation which Jane and Jim had explained to Sid and Denny Denarivez was between \$150M - \$200M; whereas, after the life gifting to Jane Mauer, the Foundation will probably end with a little over \$100M. We advised that there was a settlement of the lawsuit between the family and Jane Mauer today, and we will be receiving some of the money in the Estate by the year's end. I also advised that there was further contest between the IRS, the State of Minnesota, and the Foundation going forward which will most likely take two years to settle.

We next talked as a group that it was unlikely that Robina would have sufficient monies to fund the grant proposal from Abbott NW as it was originally submitted. At least for the next two to three years we asked that they consider breaking out part of the request so as to need less money. Also we suggested that if they had immediate needs for specific projects that would be consistent with the mission, vision, and goals of Robina that they should make a request. In other words, the Robina Board when it meets in August with Abbott NW, would like a menu prioritizing their needs including a pilot program of their original proposal. Sid asked the question, "How could they consider requesting grants if they didn't know how much money could be distributed?" He also asked, "Would it be in the range of \$5M or more?" We answered that they should plan to entertain larger projects, but that we were unwilling to commit because of our not having a fully funded foundation, and that is an unknown. Mike Tedford asked if there were criteria on which we were going to base our smaller grants.

Finally, we laid out the plans for the afternoon of the 28th of August. We would have lunch, we would tour their facility, and we would have a presentation from them to our Board to include what they have done, their grant proposal including what they have spent, and the menu of requests. We told them this would not have to be in the form of a formal grant, but should have a description of the grant and the money and budget requested. We also asked them to include what has been done with the \$125,000 that the Robina Foundation has given to them. Sid Mallory said that he, Rich Meyer, President of the Abbott Northwestern Hospital Foundation, Penny Wheeler, MD, Chief Clinical Officer of the Allina Hospital and Clinics, and Kenneth Paulus, Chief Operating Officer of the Allina Hospitals and Clinics, would be at the meeting. I suggested that there should be someone from the medical staff such as Dr. Mike Tedford or Dr. Mark Migliori. The incoming President from the Abbott NW Foundation will be Chris Morrison would also be a good invitee as well. They'll have to limit it to six.

We would like a room at the end of our meeting to address their proposal. They asked if we would be interested in a cocktail party and dinner hosted by one of their Board of Directors who supports the Abbott NW Hospital. We responded that would probably not be something we would like at this time.

Finally, Sid was asked to explain the overall makeup of the Allina Foundation and his role. He stated that all of the Allina Hospitals have their own foundations and their own directors, but that the business aspect of all of the foundations is run through the Allina office as a matter of economies of scale. This is helpful because the various hospitals go to the same donors for gifts which is detrimental to the overall effort so that they would be coordinating the effort through the Allina office. I asked him who the point person would be going forward, and he said it would be himself and Rich Meyer (that is somewhat in conflict to the answer given by Ken Paulus who said it would be Paulus and Penny Wheeler, both of whom are Allina people, not Abbott NW people).

2925 Chicago Avenue
Minneapolis, MN 55407-1321
www.allina.com

Mailing Address:
P.O. Box 43
Minneapolis, MN 55440-0043

file: ANW



June 14, 2007

Gordon M. Aamoth, MD
President
Robina Foundation
4900 IDS Center
80 South Eighth Street
Minneapolis, MN 55402

Dear Gordon,

Thank you so much for taking the time to meet with us yesterday. We appreciated the opportunity to receive an update on the current status of the Robina Foundation. We particularly appreciated the opportunity to hear your thoughts on potential next steps in the Foundation's granting process. All of the information received was very much appreciated.

Abbott Northwestern Hospital Foundation will forward an outline of a revised proposal to the Robina Foundation by August 1 and will be prepared to discuss the fully revised proposal with the Robina Foundation Board on August 28. We look forward to introducing the Robina Foundation Board to the Abbott Northwestern Hospital campus in August.

Thank you again.

Sincerely,


Sid Mallory
Executive Vice President
Office of Philanthropy

Thank you Gordon!

May 24, 2007

Suzanne E. Helm
Vice President for Development
Council on Foreign Relations
58 East 68th Street
New York, NY 10021

Dear Ms.Helm:

The Robina Foundation is dedicated to working with four institutions to which the founder, James Binger, was committed: Abbott Northwestern Hospital, the Council on Foreign Relations, the University of Minnesota Law School, and Yale University.

Mr. Binger intended that the resources of the Robina Foundation impact the institutions and address critical social issues. Overall, the resources of the Foundation are intended to support transformational projects. The Foundation intends to fund major initiatives that have the potential to bring about change not only in the involved institution but in the larger world.

I have enclosed a copy of relevant portions of our bylaws to provide additional background on the goals and structure of the Foundation.

We expect that substantive grants will be made in 2008. At that time, we anticipate that our annual giving will be in the range of \$5 to \$10 million. While we are dedicated to working with the four named institutions, we expect that our grant-making process will be a competitive one as is encouraged by Mr. Binger's initial bylaws. Each of the institutions will have the opportunity to apply for a grant but decisions on how to allocate funds will be based upon the Board's evaluation of each proposal and its potential to meet the objectives of the Foundation.

The Foundation has awarded planning grants to each institution to support an internal strategic process to identify major projects. It is our expectation that the initiatives identified through this planning process will:

- Align with the mission and vision of the institution and its overall long-range plan
- Be innovative and ambitious
- Have the potential to have a significant impact on the institution or the involved department or school
- Have the potential to have a significant impact on the issue being addressed

We expect that each institution will identify a choice of major initiatives as a result of this initial planning and that the choices in outline form will be submitted to the Foundation. The Foundation will respond to these ideas and concepts as they are presented to it and help guide next steps in this planning process with the objective of further developing those projects that best meet the objectives of the Foundation.

The Robina Foundation intends to establish a collaborative relationship with each institution and the key people who are involved with these priority initiatives.

Information on the Board of Directors of the Foundation and others associated with it is attached. Correspondence should be directed to Gordon Aamoth, President and Chief Executive.

We would also appreciate your furnishing us with contact information for those in your organization who will serve as the primary contact(s) for the Foundation.

Sincerely,

Gordon Aamoth, President

cc: Richard H. Haass, President, CFR

Attachments: Excerpts from the Bylaws
Board Member Information

DATE: June 7, 2007
TO: File
FROM: Gordon M. Aamoth
SUBJECT: COUNCIL ON FOREIGN RELATIONS MEETING – New York City - 3-4 p.m.

The attendees were Gordon M. Aamoth from Robina, Richard Haass, President of CFR, Gary Samore, Director of Studies, CFR, and Suzanne Helm, Vice President of Development of CFR.

The agenda was introductions, explanation of Robina Foundation, our mission vision, goals, and they were well briefed on this.

Secondly, I explained why I was there and that Peter Karoff could not be present because of a conflict. Suzanne Helm has known Peter from previous work. The Robina Board of Directors was introduced to them and they had copies of the Directors bios.

I explained to them that we would likely have a five to ten million dollar payout beginning in 2008 depending on the settlement of the lawsuit and the tax consequences. I then described to them that our mission was to accomplish changes in society locally, regionally, nationally, or internationally, and that at some point we would like to entertain a project that included one or more of the designees. Dr. Haass felt this would be difficult considering the broad nature of the four designees and felt that unless there was a specific subject that Robina wanted all to address, it would be difficult.

Dr. Haass then spoke about CFR. As of 6/7/07 Peter Peterson completed his tour as Chairman of the Board and that day they had elected new co-chairs, Robert Rubin and Carla Hills. They have a forty-five million dollar annual budget, two hundred fifty employees, and are about to break ground for a new office in Washington, DC which will be a block from the Senate Office Building. They intend to have their New York headquarters and an office in Washington. Dr. Haass asked if the Robina money could be used for the new building and I advised him that the intent of the Robina Foundation was not bricks and mortars, but rather project oriented.

We then talked about the possible programs that CFR would be involved in and they range from quite specific international relations subjects to larger issues such as Muslim religion in the world order and the global business model. They are actively pursuing research in world health, nuclear energy, and the global economy. I asked who would use the research and he said most is independent research that is used by our government and governments of the world.

Gary asked if the Robina grant could be used to support hiring new staff. I advised that depending on the project and the CFR needs for staffing it would be part of a grant consideration by Robina. I did not think administrative staffing to support the overall mission of CFR would be of our interest.

We concluded by my asking that they present to us by early August what they have done with the planning grant of \$50,000 last year, a menu of projects that they have interest in that fit with our goals. They fully understand that until we are fully funded we really don't know the amount of gifts available. Dr. Haass acknowledged that this would be an issue; however, with the broad depth and spectrum of their projects and with the possibilities of the five to ten million per annum to the four institutions could give us some initial proposals.

I advised that we would like to meet as a Board either in New York or Washington within the next two years. Our Board would like to be acquainted with CFR and those people in CFR who will be leading the grant proposals. Dr. Haass suggested that the CFR leadership would be in Minneapolis prior to the Republican National Convention, September 1-4, 2008, and would be willing to give us some time. It would be a good time for our Board to convene and meet with them.



COUNCIL ON FOREIGN RELATIONS

58 EAST 68TH STREET • NEW YORK • NEW YORK 10021
Tel 212 434 9540 Fax 212 434 9880 Email president@cfr.org
www.cfr.org

Richard N. Haass
President

June 14, 2007

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Chairman

Carla A. Hills
Vice Chairman

Robert E. Rubin
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Maurice R. Greenberg
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Richard N. Foster

Ann M. Fudge

Helene D. Gayle

Maurice R. Greenberg

Richard N. Haass, ex officio

Richard C. Holbrooke

Karen Elliott House

Alberto Ibargüen

Henry R. Kravis

Michael H. Moskow

Joseph S. Nye, Jr.

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James W. Owens

Thomas R. Pickering

Colin L. Powell

David M. Rubenstein

Richard E. Salomon

Anne-Marie Slaughter

Joan E. Spero

Laura D'Andrea Tyson

Vin Weber

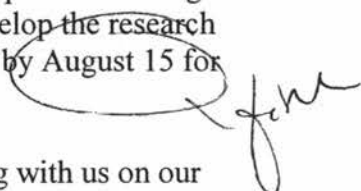
Christine Todd Whitman

Reed Zakaria

Dr. Gordon Aamoth
President
Robina Foundation
80 South 8th Street
Suite 4900
Minneapolis, MN 55402

Dear Dr. Aamoth:

It was a pleasure for Gary Samore, Suzanne Helm, and me to meet you while you were in New York last week. Thank you for accommodating our hectic schedule here at the Council.

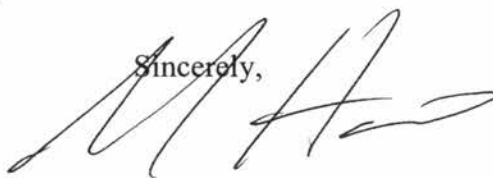
We appreciated hearing directly from you about the possible timing of the Robina Foundation grants process. We will further develop the research ideas we discussed and submit something to you in writing by August 15 for your board to review on August 28. 

I also appreciate your interest in possibly partnering with us on our events at the 2008 Republican National Convention in the Twin Cities. We will begin to confirm our plans for that next winter, and will be in touch. As you suggested, I would like to have the opportunity to meet with your board while I am there.

We have begun your subscription to *Foreign Affairs* and will keep you apprised of the progress of the Campaign for the Council as well as our other activities. I hope that you will plan to visit with us whenever your schedule brings you to New York.

The Council is most fortunate to be named one of the Robina Foundation's recipient organizations, and we look forward to working with you and the board in the future.

Sincerely,



Leslie H. Gelb
President Emeritus

DATE: June 13, 2007
TO: File
FROM: Gordon Aamoah
SUBJECT: MEETING WITH U of M LAW SCHOOL
ATTENDEES: Dean Guy-Uriel Charles, Tom Crosby, Jean Sazevich, Gordon Aamoah

After introductions, Gordon Aamoah gave them the Robina office location, phone number, website, and email addresses. Dr. Aamoah then introduced Jean Sazevich, Management Consultant, and explained the governance structure, and the Members of the Board.

We advised the Dean the purpose of the meeting was to let him know the Foundation's current status with regard to the litigation and the inability of the Foundation to go forward with grant-making because of the payout of the Estate to the Foundation, and we told him that it would likely be 2008 before any substantial grants were awarded. We also advised that there would be less total monies because of the gifting of the Estate's money and the tax consequences.

Robina then explained our desire to have grant proposals (based on the mission, vision, and goals presented to the Law School originally) made at the August Board of Directors Meeting. We would like them to include a menu of their needs in their grant proposal. We explained that the Robina funds could be spent to further the directives and the immediate needs of the Law School as well as substantial proposal that would be more long-reaching.

We then heard from the Dean who explained the University of Law School set its goals on becoming one of the top ten to twenty law schools in the country. This is based on the GPA and the LCATs of the students coming in as well as the quality of their program rankings of their different Departments.

They will host us on August 29th for breakfast at the Law School, and a presentation describing what they have done with the \$125,000 already given to them by Robina, and their proposal in the form of a menu for future grants. They will then provide us with a room for Robina Board debriefing and discussion of their proposal. We will meet at 8:00 a.m. and be done with their presentation by 10:00 a.m. and be finished with the room by 11:00 a.m.

It was a very open and general discussion and I think at the end of the hour the Dean and Robina members present understood the Law School as did he understand what we are doing and where we are planning to go.

May 24, 2007

Dr. Richard C. Levin
Office of the President
Yale University
105 Wall Street
New Haven, CT 06520-8229

Dear Dr. Levin:

The Robina Foundation is dedicated to working with four institutions to which the founder, James Binger, was committed: Abbott Northwestern Hospital, the Council on Foreign Relations, the University of Minnesota Law School, and Yale University.

Mr. Binger intended that the resources of the Robina Foundation impact the institutions and address critical social issues. Overall, the resources of the Foundation are intended to support transformational projects. The Foundation intends to fund major initiatives that have the potential to bring about change not only in the involved institution but in the larger world.

I have enclosed a copy of relevant portions of our bylaws to provide additional background on the goals and structure of the Foundation.

We expect that substantive grants will be made in 2008. At that time, we anticipate that our annual giving will be in the range of \$5 to \$10 million. While we are dedicated to working with the four named institutions, we expect that our grant-making process will be a competitive one as is encouraged by Mr. Binger's initial bylaws. Each of the institutions will have the opportunity to apply for a grant but decisions on how to allocate funds will be based upon the Board's evaluation of each proposal and its potential to meet the objectives of the Foundation.

The Foundation has awarded planning grants to each institution to support an internal strategic process to identify major projects. It is our expectation that the initiatives identified through this planning process will:

- Align with the mission and vision of the institution and its overall long-range plan
- Be innovative and ambitious
- Have the potential to have a significant impact on the institution or the involved department or school
- Have the potential to have a significant impact on the issue being addressed

We expect that each institution will identify a choice of major initiatives as a result of this initial planning and that the choices in outline form will be submitted to the Foundation. The Foundation will respond to these ideas and concepts as they are presented to it and help guide next steps in this planning process with the objective of further developing those projects that best meet the objectives of the Foundation.

The Robina Foundation intends to establish a collaborative relationship with each institution and the key people who are involved with these priority initiatives.

Information on the Board of Directors of the Foundation and others associated with it is attached. Correspondence should be directed to Gordon Aamo, President and Chief Executive.

We would also appreciate your furnishing us with contact information for those in your organization who will serve as the primary contact(s) for the Foundation.

Sincerely,

Gordon Aamo, President

cc: Inga Reichenbach

Attachments: Excerpts from the Bylaws
Board Member Information

YALE UNIVERSITY

OFFICE OF THE PRESIDENT

105 WALL STREET, PO BOX 208229

NEW HAVEN CT 06520-8229

June 20, 2007

Gordon M. Aamoth, M.D.
President and Chief Executive
Robina Foundation
4900 IDS Center, 80 South 8th Street
Minneapolis, MN 55402

Dear Dr. Aamoth:

Thank you for your recent letter and for sending a description of the Board members along with a copy of the bylaws stating the Robina Foundation's purpose, mission, and objectives. Yale is honored to have been named a beneficiary and to have the opportunity to work with the Foundation to design initiatives that reflect the vision of its founder, James Binger.

I was disappointed that my schedule prevented me from meeting with you during your recent trip to New York. Alternatively, I had hoped to be able to travel to Minneapolis this summer to discuss with you and the Board how we ought to proceed. Unfortunately, at present, my plans are too constrained to allow it. To expedite matters, therefore, I have asked Inge Reichenbach, Vice President for Development, with whom you have spoken, and Patty Pedersen, University Director of Corporate and Foundation Relations, to visit with you in Minneapolis, if your schedule permits.

We are very pleased to work with the Robina Foundation in designing initiatives that are far-reaching in scope and potentially transformative in their impact. I hope that we can meet in person in the coming months. In the meantime, I look forward to hearing of the discussions and reviewing our next steps.

With my best regards,

Sincerely yours,



Richard C. Levin

RCL:mg

Date: June 28, 2007 (10 to 11 a.m.)
To: File
From: Gordon Aamoth
Subject: CONFERENCE CALL WITH INGA REICHENBACH, VICE PRESIDENT OF
DEVELOPMENT FROM YALE UNIVERSITY

The participants were Inga, Jean, and Gordon. The purpose of the call was to discuss with Yale what the Foundation has been doing and what our expectations are of Yale for the upcoming Board Meeting in August.

The structure of the Robina Foundation was discussed with the emphasis on funding of the Foundation and grantmaking going forward. We advised that the law suit has been settled and now it's a matter of us obtaining the money from the Estate so that we can go forward.

Inga was advised that for the years 2008 and 2009 the likely total funding would be between \$5M and \$10M. We are asking Yale to inform us by the end of July of what they have done with the \$50,000 planning grant from 2006, and a general overall perspective on what their plans are going forward considering the mission, vision, and goals of the Robina Foundation. And it was also stated that if they have immediate needs they can get these to us for our consideration at the August Board Meeting.

We also advised that they could hold the planning grant until there is a need or until we can better clarify our grantmaking plans.

Finally, we talked to her about visiting Minneapolis this summer or early fall. We also talked about the Robina Board meeting in New Haven in 2008 or 2009.

We then spoke about collaboration with one or more of the institutions for a grant to be funded by the Robina Foundation.

ROBINA FOUNDATION GRANTS AND GRANT REQUESTS

ORGANIZATION	DATE and AMOUNT REQUESTED/ Date of Request	PURPOSE	AMOUNT GRANTED	AMOUNT/DATE PAID	BALANCE DUE	DATE OF NEXT PAYMENT	REPORT DUE/RECD
Abbott Northwestern	7/31/07 \$5M/3 years	Project: Transforming Health Care Delivery					
Council on Foreign Relations	No additional funds at this time Future years: \$1- 2M per year for 3-5 years	Project: International Institutions and Global Governance					
UofM Law School	8/10/07 \$2M Phase I \$3.5M Phase II \$5M Phase III	Project: New Directions in Legal Education					
Yale University 1	8/08/07 \$2M/1-3 years \$30M/5 years	Program: Yale Center for New Theatre Capital: Yale School of Drama and Yale Rep Facility					

Yale University 2 (continued below)	8/08/07	Project and Capital: Functional Genomics					
	\$3M/Phase I/1 st year						
Yale University 2 (continued from above)	\$30M Phases II and III/years 2- 15	Project and Capital: Functional Genomics					
Yale University 3	8/08/07	Project and Capital: Nanoscience					
	\$1.95M Years 1-4						
	\$30M Years 5-15						
TOTALS	\$112,450,000						

EDSON W. SPENCER
4900 IDS CENTER, 80 SOUTH EIGHTH STREET, MINNEAPOLIS, MN 55402
TELEPHONE 612/333-3650
FAX 612/333-3719

DATE: August 28, 2007
TO: Robina Board Members
FROM: Ed Spencer
SUBJECT: **FINANCIAL SUMMARY**

The following two pages will update you on our financial status.

The first page shows the total assets that are and will be available to the Foundation. The final amount and the timing of receipt of distribution from the Estate depends entirely on the IRS audit.

The second page shows the availability of assets, expenses to be paid, and the minimum payout to meet the required 5%, and thus avoid additional taxes on our assets.

Assets in the Money Market Fund at USBank are yielding 4.9%, and we will be receiving a 5% payout from TIFF based on average annual assets. We will decide how to invest the cash as it is received, but at this stage I was thinking of putting about 40% in the USBank Managed Fixed Income Fund, earning more than the money market fund. The balance will go in the TIFF Multi-Asset Fund.

I will look forward to questions and discussion at the Board Meeting.

ROBINA FOUNDATION – POTENTIAL ASSETS AVAILABLE – 6/30/07

USBank, Minneapolis		
Money Market Account	\$7,045,445	
Checking Account	43,882	
TIFF Investment Account	2,507,594	
Lake Robina Property (Estimated Value)	3,000,000	
TOTAL		\$12,596,921
Binger Estate, JP Morgan, Chicago		
Revocable Trust and Misc. Accounts	\$69,836,392	
32% of Tartan L.P. Investment Funds	28,921,901	
Venture Capital and Private Equity	9,160,649	
Misc. Assets	402,084	
TOTAL		\$108,321,026
Other Potential Receipts and Expenditures		
Mauer Settlement – Cash 9/07	\$15,000,000	
Letter of Credit – Due 2010	1,000,000	
Potential Estate tax recovery – Due 2008	16,000,000	
TOTAL RECEIPTS	+\$32,000,000	
Payments per settlement – Due 9/07		
Family legal fees	1,539,676	
To Mauer	1,000,000	
Other Payments – Due 2008 and 2009		
Balance of J.P. Morgan fees	2,300,000	
Due on Venture and Equity Funds	1,500,000	
TOTAL PAYMENTS	\$6,339,676	
TOTAL NET		+\$25,660,324
GRAND TOTAL		\$146,578,271

Note: It is assumed that earned income will cover asset management costs. The grand total may be reduced by any tax settlement resulting from the IRS audit.

ASSETS, EXPENSES, AND MINIMUM PAYOUT

4th Quarter 2007

Beginning Assets (6/30)		\$12,000,000
Estate distributions per McDermott letter		
Venture Capital and Private Equity Funds		9,000,000
Tartan L.P. Investments		29,000,000
Cash from Estate including Mauer payout		27,000,000
TOTAL ASSETS		\$77,000,000
Expenses		
Operating expenses @ \$50k per month for 6 months	\$300,000	
Possible capital calls from Funds	500,000	
Payments to Mauer and to family for legal fees per lawsuit settlement (*1)	2,539,676	
Grants and operating costs per our accountant (*2)	872,000	
TOTAL EXPENSES		\$4,211,676
YEAR ENDING ASSETS		\$72,788,324

*1 – It is uncertain whether these expenses will be paid by the Estate or the Foundation.

*2 – Includes a shortage of \$322,064 from prior years + \$550,000 (including operating costs) before December 30, 2007.

2008

Estate distribution of tax refund	+\$16,000,000	
(Operating expenses \$600,000)		
5% Grant Distribution based on 2007 average assets including operating expenses plus grants	-1,200,000	
Addition to assets		+\$14,800,000
YEAR ENDING ASSETS		\$87,588,324

2009

Additional distributions from the Estate and timing will depend entirely on the IRS Estate tax audit. Based on 2007 assets, distributions in 2009 (including operating costs) would be in the range of \$4,000,000 to meet the 5% minimum.

From: "Crosby, Thomas M." <TCrosby@faegre.com> [Save Address](#) | [Headers](#)
To: "Gordon Aamoth" <gaamoth@robinafoundation.org>, <Nosde2@aol.com>
CC: "<Kastel>, Gina M." <GKastel@faegre.com>
Date: Fri, 3 Aug 2007 15:27:05 -0500
Subject: **FW: Scanned document**

Attached is my letter mostly accepting the McDermott Will offer of asset distribution.

The illiquid assets are held in, essentially, family partnerships. As such, there could be some self dealing issues because the other family members would all be disqualified persons as far as Robina is concerned. Does this make sense: no. Is it the law: apparently, yes.

Gina can give use more details on this feature.

In any event, it makes sense to start the documentation which will be relevant and required on any distributions from the estate.

-----Original Message-----

From: lexmarkdd@faegre.com [mailto:lexmarkdd@faegre.com]
Sent: Friday, August 03, 2007 3:18 PM
To: Crosby, Thomas M.
Subject: Scanned document

Your scanned document is attached.

I counted 1 pages in your document.

[Scan.pdf \(Binary attachment\)](#)



UNITED STATES | ENGLAND | GERMANY | CHINA

THOMAS M. CROSBY, JR.
TCrosby@faegre.com
(612) 766-8605

August 3, 2007

Mr. David A. Baker
Attorney At Law
McDermott, Will & Emery
227 West Monroe Street
Chicago, IL 60606-5096

Dear Mr. Baker:

Thank you for your letter of July 26, 2007.

Robina Foundation would like to proceed as suggested in your letter. Accordingly, I would appreciate your sending to me a draft of the refunding agreement proposed in your last paragraph.

The Board of Robina meets the last week of this month. If at all possible, we would like to have the refunding agreement in final form so that it may be approved by the Board.

We are looking at issues related to the nature of the assets as suggested by you in the penultimate paragraph. We agree that there may be some issues related to the illiquid assets.

Sincerely,

Thomas M. Crosby, Jr.

CROTM:giacf

cc: Gordon M. Aamoth
Edson Spencer

fb.us.2214832.01

2200 WELLS FARGO CENTER | 90 SOUTH SEVENTH STREET | MINNEAPOLIS MINNESOTA 55402-3901

TELEPHONE 612-766-7000 | FACSIMILE 612-766-1600 | WWW.FAEGRE.COM

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Boston Brussels Chicago Düsseldorf London Los Angeles Miami Munich
New York Orange County Rome San Diego Silicon Valley Washington, D.C.
Strategic alliance with MWE China Law Offices (Shanghai)

David A. Baker
Attorney at Law
dbaker@mwe.com
312.984.7597

July 26, 2007

Thomas M. Crosby, Jr.
Faegre & Benson LLP
2200 Wells Fargo Center
90 South Seventh Street
Minneapolis, MN 55402-3901

Dear Mr. Crosby:

As you know, on June 14, 2007, the Minnesota District Court signed an order approving the settlement agreement among Robina, Mr. Binger's estate and revocable trust, and the Binger Family. Execution of that order was delayed pending a period of time for objections. No objections were filed. Pursuant to the settlement agreement, Jane Mauer will pay \$15,000,000 to the estate. After receiving such payment, J.P. Morgan proposes to distribute to Robina the following assets, with an aggregate value of approximately ~~\$65,100,000~~: (i) certain venture capital investments (valued at approximately \$9,100,000 for federal estate tax purposes and subject to outstanding capital calls of approximately \$1,500,000, as of June 30, 2007); (ii) Mr. Binger's trust's interest in Tartan I L.P. (valued at approximately \$29,000,000, as of June 30, 2007, using undiscounted liquidation value, while the fair market value remains unresolved pending estate tax audit); and (iii) \$27,000,000 in cash (which includes the \$15,000,000 due from Jane Mauer). Please let me know if you would prefer not to receive any of the above-mentioned assets at this time.

The trust's Limited Partner interest in Tartan I L.P., which consists of A Units in three funds, is subject to certain transfer restrictions. We will seek approval for the transfer from the other partners (Binger Family members and the trustees of one or more of the trusts created under Virginia Binger's revocable trust).

J.P. Morgan also will work with the various venture capital funds to transfer the trust's interests in those funds to Robina. We expect that this will require the involvement of Robina's counsel, as the funds likely will ask Robina to sign subscription agreements and other documentation.

Finally, we ask that Robina's counsel analyze the proposed distributions from Robina's perspective to determine whether any of these assets raises adverse tax or other consequences for Robina, including consequences arising from potential jeopardy investments, self-dealing, excess business holdings and unrelated business taxable income. We will work with Robina to minimize or eliminate any such consequences if possible. If, for example, Robina were interested in selling any of the assets designated for distribution to a disqualified person, J.P.

Thomas M. Crosby, Jr.
July 26, 2007
Page 2

Morgan might be able to eliminate the self-dealing implications of the sale by selling the asset directly to the disqualified person prior to distributing it to Robina pursuant to the exception to indirect self-dealing for transactions during the post-death administration of a revocable trust.

Before making the proposed distributions, J.P. Morgan will need to obtain a receipt and refunding agreement from Robina to cover potential tax liabilities (including interest and penalties, if any) payable by Mr. Binger's estate and revocable trust. We will forward a receipt and refunding agreement to you for your review in the next couple of weeks.

Cordially,



David A. Baker

DAB/ca

cc: Anita Medina Tyson
James P. Largey

CHI99 4853240-3.071212.0015

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gaamoth@msn.com

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From : Crosby, Thomas M. <TCrosby@faegre.com>

[Inbox](#)

Sent : Monday, August 13, 2007 10:01 PM

To : "Gordon Aamoth" <gaamoth@msn.com>, Nosde2@aol.com

CC : "JEAN SAZEVICH" <JMS_PC@msn.com>, "Kastel, Gina M." <GKastel@faegre.com>

Subject : FW: Robina McDermott Will Issues

[Attachment](#) : ROBINA-Memorandumregardingexcisetaxissuesraisedbyproposeddistribution.doc (0.07 MB)

You may remember that in David Baker's letter to me of July 26, 2007 suggesting on behalf of McDermott Will & Emery a proposed distribution program by the estate, he stated: "we ask that Robina's counsel analyze the proposed distributions from Robina's perspective to determine whether any of these assets raises adverse tax or other consequences for Robina, including consequences arising from potential jeopardy investments, self-dealing, ..."

The caution arises from the fact that the venture capital and Tartan investments which aggregate approximately \$38,100,000 are held in partnerships and entities with other members of Jim's family, all of whom are "disqualified persons" in the eyes of the IRS. The IRS self dealing rules bar direct and indirect transactions between Robina and disqualified persons.

The attached memorandum describes the issues and indicates, at least in my view, that the Corporate Transaction Exception applies and that such assets can be distributed to Robina.

Gina's memorandum will be relevant going forward. For example, if a 5% distribution is desired to permit Robina to make contributions, it would be best if the partnerships distributed 5% to all partners in Robina's status. Were Robina to raise cash to sell 5% of its interest to another partner (who, as a family member, would be a disqualified person), self dealing problems could arise.

Gina makes certain assumptions about the nature of the partnership investments in arriving at her conclusion. I think it important that the two of you, particularly Ed, read the memorandum carefully to ensure that her assumptions are correct.

The same self dealing issues come up in the case of the payment of legal fees to the family. While Gina can see some indirect benefit to disqualified persons arguments being made by the IRS, she believes that the facts that payment of legal fees is permitted under the Minnesota Probate Code and that such fees are approved by the probate court would give very strong arguments to Robina if the issue were raised by the IRS.

From: Kastel, Gina M.**Sent:** Friday, August 10, 2007 10:09 AM**To:** Crosby, Thomas M.**Subject:** Robina McDermott Will Issues

Tom, here's an analysis of the issues raised by McDermott Will. You'll be relieved to know there is an executive summary. We won't be able to draw final conclusions on some of these issues until we know more about the investments Robina will receive. We will have to deal with self-dealing issues for sure with respect to the family limited partnership. Excess business holdings and UBIT may be an issue. I believe we are unlikely to have jeopardizing investment problems.

Robina Foundation
Budget 2007
1/01/07-12/31/07
Draft

Expenses

Administration

Contract Services

Gordon Aamoth	175,000	
Jean Sazevich	38,875	
Baker Management	15,150	
Nancy Gilberg	3,000	
Consultants	<u>15,000</u>	247025

Directors' Fees 40,000

Bank Fees 1,000

Legal Fees 200,000

Accounting/Audit Fees 15,000

Rent 7,680

Telephone/Internet 3,200

Office Equipment 8,000

Office Supplies 1000

Office Expense 500

Parking and Mileage 500

Postage and Delivery 300

Printing/Web Design and Maintenance 8,000

Membership Dues 965

Publications and Subscriptions 500

Insurance

Directors and Officers 4,800

Property 1,800 6,600

Meeting Expense 20,000

Board Education 5,000

Professional Development 5,000

Taxes

Excise Tax 4,600

Property Tax 2,200 6800

Miscellaneous 1,000

Subtotal - Operating Expenses 578070

Grants

Paid

Pledged 0

Total Expenses 578070

**Robina Foundation
Budget Narrative
1/01/07 – 12/31/07
(Prepared 8/15/07)**

Operating Expenses

Administration

Gordon Aamoth – annual contract \$175,000, began January 1, 2007
Jean Sazevich – annual contract \$50,000, began April 1, 2007
Baker Management - contract employer for Nancy Gilberg, \$1,250/mo x 3, 1,900/mo x 6
Nancy Gilberg - estimate of additional work hours paid directly
Consultants - technology, grant due diligence, etc. estimated at \$15,000 for 2007

Directors Fees: \$40,000 to cover four Directors receiving annual fee of \$10,000

Bank Fees: estimated at \$1,000 annually

Legal Fees: estimated at \$200,000 for 2007

Accounting/Audit Fees: estimated at \$15,000 for 2007

Rent: six months at \$630/month, three months at \$1,300/month, totaling \$7,680

Telephone/Internet: installation and services, including conferencing, estimated at \$3,200 annually

Office Equipment: purchase of computers, printer, and other start-up items estimated at \$8,000 for 2007

Office Supplies: estimated at \$1,000/year

Office Expense: (not related to supplies or equipment): estimated at \$500/year

Parking and Mileage: reimbursements budgeted at \$500 annually

Postage and Delivery: budgeted at \$300 annually

Printing, Web design and maintenance: estimated at \$8,000 per year for external vendors

Membership Dues: \$965 represents MN Council on Foundations membership for 2007

Publications and Subscriptions: estimated at \$500/year

Insurance

Directors and Officers: annual premium of \$4,800
Property: annual premium to insure Lake Robina property of \$1,800

Board/Meeting Expense: board meetings/retreats, grantee visits, estimated at \$20,000 for 2007

Board Education: includes conference fees for board members, estimated at \$5,000/yr

Professional Development: includes conference fees, skill development for the Foundation's team of professional consultants, estimated at \$5,000/yr

Taxes

Excise Tax: estimated at \$4,600 for 2007

Property Tax: paid to Hennepin County for Lake Robina property of \$2,200 in 2007

Miscellaneous: budgeted at \$1,000 for 2007



Accounting, Tax & Advisory Services, LLC

1700 Campbell Mithun Tower
222 South Ninth Street
Minneapolis, MN 55402-3382

MEMO

To: Robina Foundation
From: Anne Ledwein
Date: July 12, 2007
Re: 2006 Form 990-PF and 2007 Distributions

We have completed the 2006 Form 990-PF for Robina Foundation.

The return shows an overpayment of \$2,691 that is being applied to the 2007 tax liability.

The foundation made a \$4,000 2nd quarter 2007 estimate payment. The total estimates for 2007 amount to \$6,691. **There are no remaining estimated tax payments required for 2007.**

The return reports the distribution requirements for 2006 and presents a clear picture of the distribution requirements for 2007.

A Private Foundation is required to annually distribute approximately 5% of the average fair market value of the assets held by the Foundation. If a Foundation distributes more than the required amount, the excess distributions are carried over and used to offset distributions required for the next five years. If a Foundation fails to distribute the required amount by the end of the tax year, they have until the end of the next year to make the required distributions.

At the beginning of 2006, the foundation still had a distribution requirement of \$114,910 from 2005.

For the year 2006, the Foundation was required to distribute \$483,889. This amount was based on average cash assets of \$9,892,546 and land of \$23,014 (held for 6 days).

During 2006, the Foundation distributed \$301,046; \$200,000 was to charitable organizations and \$101,046 for administration expenses necessary to maintain the tax exempt status. Included in this amount is only \$15,049 of attorney fees paid to Gray Plant Mooty. We did not include as administration expenses the \$345,077 paid to Oppenheimer for litigation expenses relating to the Binger Estate (see discussion below). Also included in this amount is the \$20,000 of director fees paid to Gordon Aamoth and Steven Schroeder. Only 90% of the consulting fees paid to Gordon were deemed for charitable purposes; the remaining 10% was allocated to net investment income.

The first \$114,910 of distributions were used to satisfy the remaining 2005 distribution requirement. The \$171,968 balance was used to partially satisfy the 2006 distribution requirement.

At the end of 2006 there is a remaining distribution requirement of \$297,753. This amount must be paid prior to December 31, 2007.

Based on the \$11,006,143 fair market value of assets held at December 31, 2006, the Foundation will be required to distribute approximately \$550,000 for 2007. This amount must be paid prior to December 31, 2008.

Should the foundation receive an additional \$16,000,000 during 200, the required distribution amount will be significantly different. The new amount will depend on when the funds are received. If the funds are received in September, the additional distribution requirement will be about \$265,000 (for a total of \$815,000). Again, these distributions will need to be paid prior to December 31, 2008.

The following is a summary of required distributions reported and when they were paid out:

Year	Required Distributions	Actual Distributions*
2004	\$142,777	\$30,566
2005	\$491,160	\$488,461
2006	\$483,889	\$301,046
Totals	\$1,117,826	\$820,073
Shortage		\$297,753

*Actual distributions include disbursements to charitable organizations as well as administration expenses. For 2005, \$303,000 of litigation expenses were reported as disbursements for charitable purposes on the tax return.

Although we have determined that beginning in 2006 litigation expenses will not be deemed disbursements for charitable purposes, the amounts reported for 2005 will not be changed or amended.

Worst case scenario would be that the IRS would audit the tax return and determine that the 2005 disbursements were not for charitable purposes. This would reduce the actual charitable disbursements through 2006 to \$517,073; a shortage of \$600,753. Any adverse consequences would be minimized if the foundation distributed at least \$600,753 prior to December 31, 2007.

The foundation must distribute \$297,753 prior to December 31, 2007; however it is recommended that the foundation pay out at least \$600,753 prior to December 31, 2007.

It is my understanding that the foundation has projected charitable administrative expenses of \$285,000. This amount will be close to the \$297,753 required based on the 2005 tax return as filed.

It should be noted that in order to qualify for the reduced excise tax rate of 1%, the foundation should distribute approximately \$330,000. This amount is based on the ratio of 2007 distributions to assets. To the extent additional assets are received by the foundation during the year, the level of distributions will be increased in order to qualify for the reduced rate.

To the extent that this communication and any attachments contain any federal tax advice, such advice is not intended or written to be used, and cannot be used, for the purpose of avoiding penalties that may be imposed under the Internal Revenue Code or promoting, marketing, or recommending to another person any transaction, arrangement or matter addressed herein.

MEMORANDUM

To: Board of Directors, Robina Foundation
From: Steve Schroeder, Chair, Grants Committee
Date: August 13, 2007
Re: Robina Grantmaking Program

Background

Dates/amounts of planning grants

Grantee	Date	Amount
Abbott Northwestern Hospital	2005	\$75,000
	2006	\$50,000
University of Minnesota Law School	2005	\$75,000
	2006	\$50,000
Council on Foreign Relations	2006	\$50,000
Yale University	2006	\$50,000

Results of planning grants to date

Abbott Northwestern Hospital:

2005 and 2006 grants: Conducted research and developed full proposal for consideration by the Robina Foundation. Positive fund balance of \$32,379 reported.

University of Minnesota Law School:

2005 grant: Completed a series of workshops and a retreat to develop focus of future proposal. Positive fund balance of \$3,471 reported.
2006 grant: has not been used, being held in reserve for application to future projects.

Council on Foreign Relations:

2006 grant: not used as of 6/30/07, unknown planned use

Yale University:

2006 grant: not used as of 6/0/07, unknown planned use

Communication to grantee institutions this year:

- Meetings/conversations held with grantees (Gordon, Jean and Tom)
- Each institution has been asked to submit a proposal by mid-August that will present a few funding opportunities focused on shorter-term, smaller scale initiatives.
- These proposals may be for new efforts or expansion of existing programs.
- It has been suggested that one or more options presented may be for projects that could be scaled up with future, larger grants (by Robina and/or others).
- Robina has not asked grantee institutions to formally pursue collaborative proposals, but has planted the seed for future discussion.
- A few grantees have specifically asked to not have to collaborate on proposals, at least at this stage.
- No specific thematic areas/priority issues have been suggested to grantee institutions.
 - Note that shorter term proposals may present an opportunity for the board to identify common issues/themes among two or more of the institutions around which future collaboration could be developed.
- No specific range for the size of grant funds to request has been provided to grantee institutions. Instead, they have generally been informed of a rough estimate of the assets available to the Foundation and those anticipated in future years.
- No specific grant term (start and end date) has been provided to grantee institutions.
- It will be up to the Robina board to determine if it wants to fund any of the proposals presented in August at its November 2007 board meeting or to defer or decline these proposals.

Financial Considerations

- Founder directed the board to spend down assets rather than create a perpetually endowed foundation. Therefore, the 5% distribution traditionally used by endowed foundation is not a requirement for this board.
- Guiding documents recommended a 20 year sunset for Robina, which was based on an assumption of roughly \$200M in assets. We are now in the third year of foundation operations and have completed two years of initial grantmaking.
- Assets projected for current year and following two years
 - o 2007 – \$72,788,324 in hand and projected distributions to Foundation
 - o 2008 - \$14,800,000 additional assets distributed to Foundation
 - o 2009 – unknown additional distributions, dependent on tax audit
- Unknown impact of IRS audit on estate and potential tax consequences and/or tax payment recovery. It is anticipated that the tax issues will not be resolved for at least two years.
- Required charitable distribution for 2007 is roughly \$298K. There is projected to be at least \$285K in administrative expenses that can be applied to the charitable distribution required this year.
- Lake Robina property

- If donated to a public charity or governmental organization in 2007, no additional payout will be required for this year and, very likely none will be required in 2008. It is unclear whether or not the land donation could be completed in the remaining months of this year, but it is likely it could be placed on a fast track.
- If sold as a non-charitable asset, the foundation stands to gain roughly \$3M in assets this year, which would impact the charitable distribution required in 2008.

Fundamental Issue to Discuss

Given that the corpus is going to be considerably less than originally planned by founder, should the Foundation continue to focus on the original strategy of:

- sun-setting in 20 years,
- funding four institutions, and
- focusing on grants for transformational activities?

Need for an Interim Strategy - Options for Discussion

2007

- Do not award grants to the selected institutions in 2007.
 - This option is available to the board due to the higher level of administrative expenses this year (start-up costs) that can be counted towards the required charitable distribution.
 - This option may be preferred if the Robina land is donated prior to the end of the current fiscal year.
 - Defer funding for proposals that the board would like to support until sometime in 2008.
- Determine a specific amount available for 2007 grantmaking.
 - This amount would be based on current and projected assets and the spending policy determined by the board (*see Financial Considerations above*). *To be meaningful to the selected recipient(s), it is recommended that the amount be no less than \$1M.*
- Select and research thematic focus areas for Robina.
 - Select specific issue areas that could become funding priorities for Robina based on the key interests of the founder and allocate funds to research effective grantmaking opportunities within these issue areas (those that will lead to transformative outcomes). The findings of this research would be used to shape future grantmaking program with grantee institutions. Funds spent on this effort would qualify towards required charitable distribution.
 - Key question: best practices and if/how to consult/engage grantee institutions in this step.

2008 – 2009

- Determine a specific amount available for annual grantmaking.
 - o Amount should be based on projected assets and spending policy determined by the board. *It has been initially suggested to grantee institutions that this amount could range from \$5-10 million per year based on Foundation assets.*
- Determine whether Foundation will take a more active/directive approach to grantmaking by creating thematic/focus areas and requesting that proposals address selected issues.
- Determine if and how to initiate collaborative proposals from institutions.
 - o Need to consider best practices in convening and facilitating collaboration, as well as willingness of Robina to fund costs of collaboration.

ROBINA FOUNDATION
PROPOSAL REVIEW QUESTIONS
DRAFT FOR DISCUSSION

Fit - how well does the proposal fit with Robina Foundation objectives?

- Major initiative
- Addresses critical social issue
- Transformational yet practical
- Long-term impact

Field of Work - is the proposed project an outgrowth of, or similar to, work being done by other institutions in the same field? If so, how is the project designed to collaborate with and/or leverage the work of others that seek the same outcomes?

Centrality to the institution's long range plan and inclusion in overall business strategy - is proposed project seen as a future core activity and priority for the institution?

Feasibility of proposed project - are there major policy, funding or other barriers to implementation? If so, how are they being addressed? Is the timeline for the project realistic?

Financial Plan - is the budget for the proposed project complete with clear designations for use of Robina grant funds and other sources of needed revenue? Are the overhead costs included in the budget reasonable? How will a grant from Robina leverage other support? What are ongoing/future funding needs and plans for period after Robina grant ends?

Evidence of leadership for this effort within the institution - who is the visionary leader and who will be the leader/leadership team driving this effort?

Staffing Plan - is there a clear and adequate staffing plan?

External partners - does the success of this proposal rely on establishing partnerships with other institutions? If so, is there evidence that these partnerships have been secured?

Evaluation - is the plan for evaluating the outcomes of the project clear and comprehensive? Who will be involved in evaluation and how will findings be used?

External Review - does the proposal need an outside review?

Other

August 21, 2007



Mr. Edson Spencer
4900 IDS Tower
80 South 8th Street
Minneapolis, MN 55402

Steven A. Schroeder, MD
3333 California Street, Suite 430
San Francisco, CA 94143-1211

Mr. Peter Karoff
The Philanthropic Initiative, Inc.
77 Franklin Street
Boston, MA 02110

Gordon Aamoth, MD
4900 IDS Tower
80 South 8th Street
Minneapolis, MN 55402

Re/ Robina Foundation Board of Directors Meeting

Dear Directors of the Robina Foundation:

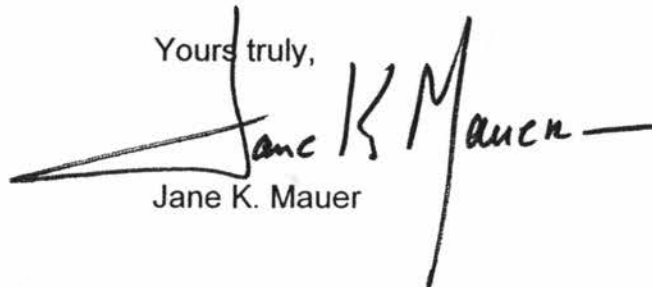
Gordon Aamoth and I recently met to discuss the upcoming Robina Foundation Board meeting, my participation at the meeting, and topics the Board would like to have me address.

The topics coincided with seven synopses I had prepared during the past year: one each relating to the four named institutions; one relating to the real property known as Robina; one relating to the matters of foundation administration; one related to the vision of Robina. The synopses are enclosed.

The synopses are a brief overview of my involvement, commitment, and preparedness, as envisioned by Jim Binger.

I am looking forward to seeing each of you August 29, 2007 at the University of Minnesota Law School.

Yours truly,



Jane K. Mauer

Encl.

4542 IDS Tower
80 South 8th Street
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Minnesota 55402
612-349-2800
Fax 341-3501

Robina Foundation Through the Eyes of Jim Binger
Reflections and Actions by Jane Mauer

The Council on Foreign Relations

In 2005 I met Peter G. Peterson, Chairman of the Council on Foreign Relations (CFR) in his office in NYC. To prepare for the meeting I read three of Mr. Peterson's books. The books focus on national and global issues facing the United States and the world today:

- *Running on Empty* – July 2004
- *Grey Dawn* – January 1999
- *On Borrowed Time* – May 1999

Mr. Peterson and Jim Binger sat on the Board of Directors of 3M during Desi De Simone's tenure. The interconnection was very apparent in Mr. Peterson's reminiscences about the three of them as Directors and the triumphs and tribulations of the time. It was clear why Jim had asked Desi De Simone to become a Robina Board member.

Along with the 3M reminisces, we had a chance to discuss the challenges put forth in the above-mentioned books. The books illustrate why Jim wanted Robina to be deeply involved with CFR and its thinkers who focus on national and global issues. At the end of the meeting Mr. Peterson gave me his book, *Will America Grow Up Before it Grows Old*.

Mr. Peterson and I also had the chance to discuss David Rockefeller, CFR Honorary Chairman, who was a friend and colleague of Jim Binger. Mr. Binger and my friends who work at Rock & Co., the Rockefeller family office, had introduced me to Mr. Rockefeller over the years. CFR invited me to attend a symposium in honor of Mr. Rockefeller's birthday.

Mr. Peterson arranged for me to meet CFR President Richard N. Haass, and Senior Vice President Janice Murray. President Haass and Sr. V.P. Murray were skeptical at first of Robina and its major premise of collaboration with four named institutions. They recognize how often institutions compete with one another. I am grateful that I had already read Mr. Haass' book *The Bureaucratic Entrepreneur, How to be Effective in Any Unruly Organization*. His insights prepared me for dealing with their doubts. By the end of the meeting they offered to help arrange the first meeting of the named institutions.

It was a wonderful feeling of success and as I was leaving, President Haass gave me an advance copy of his then forthcoming book, *The Opportunity, America's Moment to Alter History's Course*.

To deepen this on-going connection, I have studied materials written by colleagues of the Chairman, and President as well as material authored by CFR President Emeritus, Leslie Gelb whose seminars I have attended.

The above books are a must read for Robina Board members who want to create momentum between Robina and the Council on Foreign Relations. The books, ideas and momentum lend themselves to in-depth discussions related to the work of Robina.

University of Minnesota Law School

After Mr. Binger's death and in my role as President of the Robina Foundation, Gordon M. Aamoth, MD and I met with Gerald B. Fisher, President of the University of Minnesota Foundation. We discussed Robina, the named institutions, ideas for collaboration among the named institutions, and the expected timing of funding. From early 2005 through September 2006, I continued my relationship with Mr. Fisher. He and I met several times over the years and talked regularly on the phone about many topics including the retreats being planned at the University of Minnesota Law School.

In the spring of 2006, Robina funded six workshops that were sponsored by the Law School. The subject of the workshops include:

- Law and Science
- Equality
- Public Interest/Legal Education
- * Public Health and Biomedicine
- * Environment
- * International Law

These workshops provided integration from several institutions and included scholars from Georgetown University, Johns Hopkins University, Brookings Institution, University of California, Berkeley School of Law and New York University School of Law. As President of Robina I was invited to all of the retreats, which were videotaped. Each of the six videotapes are available and have provided specific content for on-going discussions with President Fisher as well as various friends and professors at the University of Minnesota and elsewhere.

Fred Morrison and Guy-Uriel Charles, Co-Deans of the Law School and I continued to meet throughout 2006. We discussed collaborative ideas, various paths we might explore, and generally to brainstorm about a number of far-ranging ideas.

The Co-Deans shared with me a recent initiative within the University. The University is made up of many departments, or "silos of knowledge". Each works in its respective area of expertise and professors within the departments do not necessarily interact with one another. The leadership of President Bruininks has challenged these departments to break the segregated thinking, think more holistically and to begin to work together. This opportunity is beautifully interwoven with Robina's goals.

Apropos to Robina, the property, expertise within the various "silos of knowledge" relates to the environment. Environmental issues are studied within many disciplines at the University, including the law school, the medical school, the agricultural school, and the business school. It is only recently the environmentalists from all departments within the University met to share information and realized the incredible depth of knowledge on the subject within the University including *International, Regional and National Environmental Law* authored by Co-Dean Morrison in 2000.

The environmental knowledge at the University of Minnesota and the initiatives discussed in the attached Yale University synopsis provide synergy with Robina, the foundation to make productive use of Robina, the property.

Yale University

Over the years Jim Binger made numerous introductions between his colleagues at Yale and myself. Each of the connections is a potential benefit to Robina. They include Richard C. Levin President of Yale, the Deans of various colleges, several professors, as well as many of Jim's friends who continue to live in New Haven and remain very involved with Yale. Since Jim's death in 2004, I have furthered Robina's interest by discussing Jim's goals and vision for the foundation with a wide-ranging group of alumni and students.

Jim used both social events and more formal educational meetings for my introduction to his connections at Yale. He invited his Yale friends to join us in NYC for Opening Nights on Broadway as well as dinner parties that we hosted. Other times we attended meetings in New Haven, as well as NYC at the Council on Foreign Relations, and the International Peace Academy.

In addition, Jim used travel as a way of widening our connections. Over the years we traveled to various parts of the world with these friends. Our mutual friends stand by ready to help us expand Robina's influence.

In 2006, one opportunity for Robina and Yale to come together, not as competing institutions, but in a synergistic manner has become apparent. In exchanges with Yale, the School of Forestry and Environmental Studies and in particular two professors, Brewer and Nelson have been brought to my attention. Both professors are leaders in the field of natural resources and the environment. Their values and approach present a great opening for connecting Yale with the University of Minnesota through professors who share similar interests and values.

The School of Forestry and Environmental Studies at Yale and the environmental initiatives discussed in the attached University of Minnesota Law School synopsis provide a wonderful opportunity for synthesis guided by Robina.

Abbott Northwestern Hospital

October 5, 2004 Jim Binger and I met with Denny DeNarvaez, President of Abbott Northwestern Hospital and Sid Mallory, President of Abbott Northwestern Hospital Foundation. The purpose of the meeting was for Mr. Binger to communicate information about the Robina Foundation and inform them that Abbott was one of four institutions named as beneficiary of Robina. The meeting took place one month before Jim's death. Since that time, Gordon M. Aamoth, MD and I have met with Mr. Mallory and various members of the Robina Steering Committee within Abbott to discuss various ideas within the Institution.

To deepen the bond between Robina and Abbott, I met, during 2005-06, with the following influential Abbott leaders:

- President and CEO of Allina
- President of Abbott Northwestern Hospital Foundation
- Director of the Minneapolis Heart Institute
- Director of the Neurological Department
- Chairman of the Board of the Robina Steering Committee and
- Various members of the Steering Committee

There have been several meetings with the Chairman of the original fundraising committee for the Virginia Piper Cancer Institute. In these exchanges I was able to learn the history of the organization within Abbott and his vision for the direction of the Institute. Together we met with Allina President Dick Pettingill to discuss his plans, goals, vision, and challenges for Abbott and the various departments within the organization. We discussed how Jim's vision of Robina could interact with their visions.

To ensure Robina had first-hand observation, I have taken extended tours of hospital facilities including the Institute for Health and Healing, the Virginia Piper Cancer Institute, and the Minneapolis Heart Institute.

The Institute for Health and Healing is truly a wonderful place within the hospital. It commenced operation in 2002. Lori Knutson, Director of the Institute visited with me about the Institute and invited me to take part.

Thomas A. Keller, III, past Chairman of the Board of the Minneapolis Heart Institute Foundation arranged for me to go through a battery of tests within the innovative Institute. I was able to watch the surgeon Robert G. Hauser, MD, and the radiologist read my heart scan on the computer screen. Since that time the Chairman and I have met several times to discuss the Institute. In addition, I have met three of the four medical doctors within the Women's Heart Health Program, a part of the Institute.

Abbott hosts seminars at Allina headquarters throughout the year. To enhance the alliance between Robina and Abbott, I have regularly attended the scheduled seminars for over two years. These seminars have substantially increased our contacts throughout the organization. The seminars provide the medical doctors, who speak at the seminars, an opportunity to share their vision and passion for their particular area of specialization. It is apparent that many of their ideas and visions are readily woven into an alliance with Robina.

Robina, the Property

West of Minneapolis, Minnesota Jim Binger owned approximately two hundred acres of land. During the last years of his life, 2002-04, Jim became increasingly interested in making the land available to researchers to "change a paradigm in the world" using the land to make the "world a better place". With organic farms in near proximity, he believed that researches could find fertile opportunities for test and study. He believed the four named institutions had the expertise to push the paradigm.

To further these opportunities for the foundation, I discussed in 2005-06 Robina, the property, with professionals in Minnesota, Wisconsin, New Mexico, Illinois, and Washington. By study of their respective missions, I have been able to better discern the type of research the land may lend itself to. Some were interested in the trees, others the watershed, still others the soil, particularly due to the fact the land has laid fallow for many years, making it of particular interest to certain groups. Collaborative ideas with various institutions and researchers were in the process of exploration through September 2006.

One particularly useful collaboration could be the University of Minnesota Law School and the Yale University initiatives. Co-Dean Morrison's interest and background and our contacts in the five states named above will lend itself to the extraordinary results Jim Binger envisioned for Robina, the institutions, and the world.

Over the years Jim Binger and I spent many hours at Robina. We became so familiar with the land friends would jokingly say we knew "every blade of grass". In the summer we rode our horses every Sunday over the Robina property and the two to three hundred miles of trails in the area. We had picnics on the land, read our books, discussed issues, and dreamed dreams. In the winter we would often take long walks. The land invited various real estate development ideas for the property, but Jim decided that its best use was by the Robina Foundation as a research vehicle.

Robina, the Vision

Early in 2004 Jim Binger began talking about a foundation. His vision of the four named institutions working together in the world never really varied. The vision and dream was so real for him that it continued through the last week of his life.

The year 2004 was spent discussing the dream and developing and analyzing ideas of how to make the dream a reality. We retained experienced experts who asked provocative questions. When the dream was ready for a structure, we engaged Richard Dees at McDermott, Will & Emery in Chicago. Richard drafted the documents, which formally organized the foundation in the summer of 2004.

Jim consciously decided that the original board members should be those closest to the dream: he and I. We were the most likely to hold true to his original vision. During the summer and fall of 2004, Jim described his vision to three more people – Gordy Aamoth, Steve Schroeder, and Desi De Simone. He briefly summarized the mission and part of his dream. He asked them to serve on the board; each agreed to honor his mission and dream for Robina. Jim wanted the life of the foundation to be limited to twenty years – he strongly believed the foundation should spend its way out of existence. The foundation was initially funded by fall, 2004.

We studied and discussed various approaches and structure for the initial meeting of Robina and the four named institutions. The board must seriously consider the importance of an integrated approach to the original meeting and devote considerable time to it.

Robina, the Business

From inception through September 28th, 2006 Robina has been tax compliant. All required reporting has been filed including but not limited to the following:

- State Attorney General's office
- Secretary of State
- Federal estimated tax payments
- Federal income tax returns
- Regular financial statement reporting

Financial matters have been performed in their customary manner.

- A distribution for the year 2005 was determined, made and paid as directed by the board.
- Assets, were managed as they had been for the previous fourteen years whether they were held in the estate or foundation.
- All banking and investment management relationships were maintained.
- Office space was optioned for Robina, in accordance with the direction by the board.
- D & O insurance was obtained.

Nancy Gilberg

From: Nancy Gilberg [ngilberg@robinafoundation.org]
Sent: Tuesday, July 31, 2007 3:13 PM
To: 'Crosby, Thomas M.'; 'H. Peter Karoff'; 'Schroeder, Steve'; Edson W. Spencer (nosde2@aol.com)
Cc: Gordon M. Aamoth (gaamoth@robinafoundation.org); 'jsazevich@robinafoundation.org'; 'Kekich, Kristen'; 'wstaggs@tpi.org'; 'aperry@tpi.org'; 'cgiardina@faegre.com'
Subject: NOVEMBER BOARD MEETING

Dear Board Members,

We had checked with all of you earlier regarding changing the November Teleconference Board Meeting from the 19th to either November 26, 27, or 28. We received responses from all of you and with that in mind, Gordon asked me to have you reserve **Tuesday, November 27 from 9 a.m. to 11 a.m.** (Central Standard Time) for the Meeting. The final decision for that date will be made at the August Annual Meeting.

Gordon also suggested that you **bring your 2008 calendars** to the August Meeting in order to set the future Board dates for that year.

All of you who want to include material in the Board Book, we plan to send them out not later than August 20th.

Gordon and Jean will be out of the office now until August 13th.

Nancy

Nancy Gilberg
Administrative Assistant
Robina Foundation
4900 IDS Center
80 South 8th Street
Minneapolis, MN 55402
Phone: 612-333-2313
Fax: 612-333-0182
Email: ngilberg@robinafoundation.org

2008

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May 24, 2007

Dr. Richard C. Levin
Office of the President
Yale University
105 Wall Street
New Haven, CT 06520-8229

Dear Dr. Levin:

The Robina Foundation is dedicated to working with four institutions to which the founder, James Binger, was committed: Abbott Northwestern Hospital, the Council on Foreign Relations, the University of Minnesota Law School, and Yale University.

Mr. Binger intended that the resources of the Robina Foundation impact the institutions and address critical social issues. Overall, the resources of the Foundation are intended to support transformational projects. The Foundation intends to fund major initiatives that have the potential to bring about change not only in the involved institution but in the larger world.

I have enclosed a copy of relevant portions of our bylaws to provide additional background on the goals and structure of the Foundation.

We expect that substantive grants will be made in 2008. At that time, we anticipate that our annual giving will be in the range of \$5 to \$10 million. While we are dedicated to working with the four named institutions, we expect that our grant-making process will be a competitive one as is encouraged by Mr. Binger's initial bylaws. Each of the institutions will have the opportunity to apply for a grant but decisions on how to allocate funds will be based upon the Board's evaluation of each proposal and its potential to meet the objectives of the Foundation.

The Foundation has awarded planning grants to each institution to support an internal strategic process to identify major projects. It is our expectation that the initiatives identified through this planning process will:

- Align with the mission and vision of the institution and its overall long-range plan
- Be innovative and ambitious
- Have the potential to have a significant impact on the institution or the involved department or school
- Have the potential to have a significant impact on the issue being addressed

We expect that each institution will identify a choice of major initiatives as a result of this initial planning and that the choices in outline form will be submitted to the Foundation. The Foundation will respond to these ideas and concepts as they are presented to it and help guide next steps in this planning process with the objective of further developing those projects that best meet the objectives of the Foundation.

The Robina Foundation intends to establish a collaborative relationship with each institution and the key people who are involved with these priority initiatives.

Information on the Board of Directors of the Foundation and others associated with it is attached. Correspondence should be directed to Gordon Aamoeth, President and Chief Executive.

We would also appreciate your furnishing us with contact information for those in your organization who will serve as the primary contact(s) for the Foundation.

Sincerely,

Gordon Aamoeth, President

Attachments: Excerpts from the Bylaws
Board Member Information

*Labe
Fisher & Wade*

Robina Foundation Site Visit and Tour

August 28, 2007

12:30 – 2:30p.m.

ANW Hospital Board Room, 1st Floor

- | | | | |
|----|---------|--|---|
| 1. | (12:30) | Welcome and Introductions | Jeff Peterson, President
Abbott Northwestern Hospital |
| 2. | (12:40) | Presentation and Discussion | |
| 3. | (1:45) | Adjourn Presentation | |
| 4. | (1:50) | Tour of Abbott Northwestern Hospital | Mark Migliori, MD
Chris Morrison
Jeff Peterson
Mike Tedford, MD
Bob Wieland, MD |
| 5. | (2:30) | Robina Foundation Board Members to Room E-1220 | |



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end
law just
changed

Payor

- UHC

- Moderately for some projects

- S.

- I Ht has hired a research director

to patient pay & to compressed for their information, also formal Focus Group

work as thinkers

Scan

- who else is doing what?

coord $\rightarrow$ gaps in data +
 $\rightarrow$ wrap up @ end

- How selected
NOT RANDOM

Who is funding a collaborative approach to this work would dev't? CONSORT ~~document~~

$\rightarrow \frac{120}{100}$ is $\Rightarrow$ sure is a # that is significant

P.I. $\Rightarrow$ not yet finalized

A collaborative approach for funds (?)

End $\rightarrow$ would market forces bring in help
This choice, who grant / other less exp but compat. system exist
- cost too much, but ~~best interests of patients~~
 $\rightarrow$ Add'l funding? $\rightarrow$ 2 other campaigns underway
 $\rightarrow$ can't see other \$

Abbott Northwestern Hospital
and
Abbott Northwestern Hospital Foundation
present for your consideration

***Transforming Health Care Delivery at
Abbott Northwestern Hospital:
A Proposal for Innovation Submitted to the
Robina Foundation***



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The Robina Foundation

- In June of 2004, Jim Binger created an organization he named the Robina Foundation. Mr. Binger was a St. Paul native, and was the chairman of Honeywell Corporation. He was married to Virginia McKnight Binger, and the family tradition of giving and charity is continued through the Robina Foundation and the McKnight Foundation.
- The Robina Foundation is named after one of Mr. Binger's favorite lakes in Minnesota...




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Abbott Northwestern Hospital

- Provides comprehensive health care for more than 200,000 patients and their families from the Twin Cities area and throughout the Upper Midwest.
- More than 5,000 employees, 1,600 physicians and 550 volunteers work for the benefit of each patient served.



3

Excellence and Innovation

- Cited as one of the country's best hospitals for the sixth year in a row
- Ranked in eight specialty areas (including cardiology and endocrinology) in the 18th annual edition of *U.S. News & World Report's* "America's Best Hospitals" in 2007



4

Excellence and Innovation

- The Centers for Medicare and Medicaid Services (CMS) recently released 30-day mortality rates for heart attack patients at 4,400 hospitals in the United States. Abbott Northwestern was one of only 17 hospitals in the country to have a 30-day mortality rate that was better than the national rate of 16.4 percent. The only Minnesota hospital on the list.



5

Excellence and Innovation

Final Column - Select Hospitals - Select Conditions and Measures - Mortality Table

Hospital 30-Day Risk Adjusted Death (Mortality) from Heart Attack Compared to U.S. National Rate
The rates displayed in this table are from data reported for discharges July 2003 through June 2004
The U.S. National 30-day Death Rate from Heart Attack = 16.4%

HOSPITAL NAME	Better Than U.S. National Rate (Adjusted mortality is lower than U.S. rate)	No Different Than U.S. National Rate (Adjusted mortality is about the same as U.S. rate or difference is uncertain)	Worse Than U.S. National Rate (Adjusted mortality is higher than U.S. rate)
ABBOTT - NORTHWESTERN HOSPITAL INC	✓		
FAIRVIEW SOUTHDALE HOSPITAL		✓	
HENNEPIN COUNTY MEDICAL CENTER		✓	
MERCY HOSPITAL		✓	
METHODIST HOSPITAL		✓	
NORTH MEMORIAL HEALTH CARE		✓	
REGIONS HOSPITAL		✓	
ST JOSEPH'S HOSPITAL		✓	
UNITED HOSPITALS INC		✓	
UNIVERSITY OF MINNESOTA MEDICAL CENTER, FAIRVIEW		✓	

The "total number" of hospitals in the table below may differ from the total number of hospitals that voluntarily submitted process of care quality measure data. See Data Details for additional information about the data collection for the mortality measures.

Out of 4477 hospitals in U.S. →	17 hospitals in the U.S. Better than U.S. National Rate	4400 hospitals in the U.S. No different than U.S. National Rate	7 hospitals in the U.S. Worse than U.S. National Rate
Out of 132 hospitals in Minnesota →	1 hospital in Minnesota Better than U.S. National Rate	103 hospitals in Minnesota No different than U.S. National Rate	22 hospitals in Minnesota Worse than U.S. National Rate



6

Excellence and Innovation

- Level One heart attack program featured on the front page of the August 3, 2007 Wall Street Journal.
- Solucient 100 Top Hospitals Award



7

Widespread Benefits

- Greater patient satisfaction and wellness
- Promote greater employee satisfaction and enhance recruitment
- Assure a continuity of care through our most valuable asset: our people



8

Abbott Northwestern Hospital: Positioned to Lead

- Nationally recognized for its high quality of care
- Extensive electronic medical record system
- Investment in integrative medicine
- Centerpiece of the extensive network of affiliated clinics and hospitals of Allina



9

Alignment with the Allina mission

- Put the patient first
- Make a difference in people's lives by providing exceptional care and service
- Create a healing environment where passionate people thrive and excel
- Lead collaborative efforts that solve our community's health care challenges



10

Excellian



11

Shared Knowledge Platform

- Optimize use of shared electronic medical records:
 - Extend to new clinics
 - Increase patient usage
- Include:
 - Patient preferences
 - Definitions of health
 - Personal care plans



12

Continuity of Care Across the Continuum

Allina's Strategic Vision

Allina will integrate and coordinate patient care to achieve clinical excellence, operating efficiency and optimal patient experiences.



A Community's Response to a Great Vision

2005-2006 Steering Committee

Consultant interviewing hospital constituents

Focus groups

2006 Work Group

Community leaders work with doctors

Founding Principles of the Robina Initiative

- Utilize incredible strengths of Abbott Northwestern Hospital beyond its walls
- Promote a person-centered, holistic approach to healing
- Use and expand the shared knowledge platform of Excellian
- Emphasize prevention and reduce burden of chronic illness to improve lives and reduce costs



15

*A Longer-Term Initiative To
Transform Healthcare*



16

Challenge of Chronic Illness

- Accounts for almost half the population and a majority of the nation's health care spending
- Tremendous expenditure of resources
- Care is fragmented - no processes exist to integrate and to coordinate basic orders

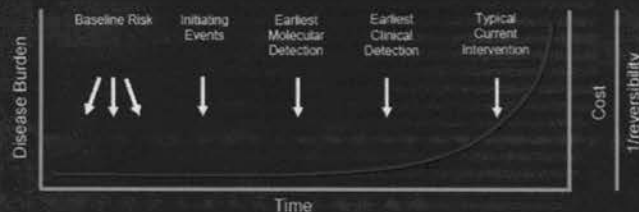


17

Addressing Risk Earlier

Progression of Chronic Disease

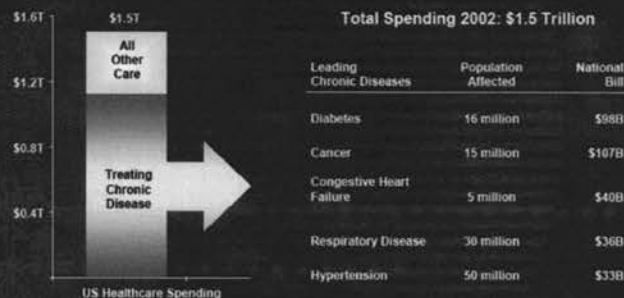
Opportunities for Intervention



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Cutting Costs through Early Intervention

Effects of Reactive Health Care



Source: American Heart Association, American Cancer Society, American Lung Association, National Institute of Diabetes and Digestive & Kidney Diseases
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The Robina Initiative Transforms the Current Culture of Health Care

- From acute illness-focused to wellness orientation;
- From episodic treatment to consistency of care across the continuum;
- From a focus inside our walls to a broader view of patients as the principal agents in their own health.



Phase 1

- Develop and implement a model with congestive heart failure and diabetic patients, as well as with the family members of diabetic patients.
- Move to a patient-focused continuum of care, where patients and care teams jointly create shared care plans and knowledge.



21

Phase 2

- Expand to other chronic conditions, as well as a broader array of patients needing primary preventive care.
- Invite a member of the payer community (e.g., BlueCross BlueShield of Minnesota, UCare, Medica) to join us in a randomized control trial of the model, testing its effectiveness against standard practice with a subset of their patients.
- Disseminate and publish widely the results from Phase I and initial results from Phase II.
- Continue to adjust the model as necessary.



22

Phase 3

- Fully implement the model across all of Abbott Northwestern Hospital, including all of its affiliated referral clinics.
- Partner with the payer community to advocate for changes to reimbursement policies, aligning with the patient-centered approach we have tested.
- Engage the broader community, including public health, social service and education organizations, in enabling ANW to address social determinants of health, including access to medical care, transportation, and housing.



23

Testing the Model's Effectiveness in Phase 1

Focus on:

- Diabetes patients (120)
- Congestive heart failure patients (100)
- Family members of diabetes patients who are currently healthy (120+)



24

Achieving a Common Knowledge Platform

- Clinics will get or expand their use of Excellian EMR
- We will connect dedicated clinics that support extended care of patients with congestive heart failure and diabetes



25

Transformative Change

The patient as partner

From passive subject to active participant

Continuum of care

Ongoing, proactive relationships with patients from wellness through palliative care

Team-based, integrated care

Mobilizing the care, advice and support of a team of professionals

Knowledge and transparency

Access to information and knowledge for both patients and caregivers



26

Implementation of the Model

Personal care services for patients and those who partner in their care will be facilitated by the Institute for Health and Healing at Abbott Northwestern Hospital.

- Navigation of health services
- Promotion of wellness initiatives
- Broader spectrum of health services to patients and caregivers



27

Providing the Infrastructure for Change

Care Teams

- Primary caregivers for prevention patients.
- Chronic disease patients: additional chronic disease and palliative care providers, nursing staff, and adjunct therapy providers such as nutritionists and therapists.
- Patients are active partners.



28

Providing the Infrastructure for Change

Healing guides

- Facilitate seamless movement through the system.
- Develop **shared care plans** that are filed in Excellian EMR.
- Palliative and advanced care plans where appropriate.



29

Benefits of the Model

- Person-centered model of care
- Creates ongoing, proactive relationships with patients that emphasize optimal health and wellness
- Enlists patients as active participants in their own health
- Delivers individualized care across the continuum from birth to death
- Provides accessible information-management tools to facilitate continuity and customization of care
- Enhances decision-making for both caregivers and patients



30

Communication Benefits Caregivers

- Ability to address the patient's health with the benefit of shared knowledge and understanding of a patient's unique situation and preferences
- Allows the physician and other care team members to make wise and efficient use of their expertise
- Knowledge that other professionals are supporting the patient's healing efforts
- Return to a more satisfying, long-term healing relationship with patients
- Ability to participate in the development of an outcomes-based medical model



31

Adaptive Change

While there are several notable precedents for cooperative care at Abbott Northwestern, the Robina model is transformative:

- The PATIENT informs the care group over the long term
- HEALING GUIDES support the patient with navigation through the system and across the continuum



32

Measurement and Outcomes

This model of care should establish a new standard for the measurement of success, and will take place through a unique and creative relationship with the University of Minnesota.



33

Measurement and Outcomes

- I. The participation of patients/ level of engagement/ personalization
 - a. Early risk assessment/genetic assessment
 - b. Primary care team partnership
 - c. Health status



34

*Economic
impact
measurement*

Measurement and Outcomes

II. Evidence based care/ optimization of knowledge

- a. Reliable care that is consistently delivered
- b. Shared knowledge for all members of the team – including the patient
- c. The best outcomes in every measure of quality



35

Measurement and Outcomes

III. Prudent management of resources

- a. The right care at the right place, consistent with patient/family interests
- b. The optimization of health as a means to reduce cost



36

Abbott Northwestern Hospital Foundation

- Key volunteers helped to envision this model and move it forward.
- Board members were integral to the development of the proposal, gaining a deeper appreciation for the role the hospital will play in the future of health care.
- We want to help assure optimum health for all patients as well as the job satisfaction of all hospital personnel.
- Committed to stewardship of the gift.



37

Breakthrough Statement...

Abbott Northwestern Hospital and its key stakeholders are committed to developing an innovative and forward-thinking model of care that will transform healthcare delivery.

We intend to accomplish this transformation by unlocking the power of activated patients, and doing so across an entire community.

Our model of care will be built upon a partnership that is improved through the innovative integration of caregivers and that is catalyzed by the financing of health care such that a real breakthrough is not only possible, but probable.

In pursuing this dream, and that of Jim Binger, we will commit to the highest levels of transparency, measurement, accountability and the sharing of knowledge with our broader community.



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