



[Robina Foundation](#)

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Robina Foundation Retreat

February 20, 2007

Santa Barbara, California

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8 a.m.

Introductions – Gordon Aamoth

- Approval of Minutes of October 24, 2006
- Discussion of Jim Binger's Directive
- Review of Robina Foundation's Objectives, Purposes, and Mission Statement

TAB 1

TAB 2

- *Do we understand what the Founder had in mind?*
- *Is there consensus concerning what these words mean?*
- *Can this mission be effectively carried out by this Board?*
- *Given that the resources are less than envisioned, does that change any of this?*

9:30

Working with the Named Institutions – Joanne Duhl

TAB 3 & 4

TAB 5 & 6

- Discussion of Named Institutions
- Soliciting Proposals

- *How pro-active will the Board be in identifying priorities for funding? ^{across} They will propose we will choose for them*
Will each Named Institution have total discretion concerning what it will choose to propose to the Foundation, or will they be guided in identifying areas of focus and of potential interest to the Foundation?

- *What mechanisms will the Foundation use to interact with the four "Named Institutions"? ^{in process} Invite, letter to them, I visit & another pt person*
How will each Institution communicate its own priorities to the Foundation?
How will the Board ensure that there is a process to identify priority projects at each institution that might otherwise not be funded?

- *Does the Foundation wish to treat all four institutions equally? Why or why not? not to*
What rights do the named institutions have in regards to fund allocations? none say in letter

- To what extent will the Foundation assist the Institutions in developing "forward thinking and futuristic" proposals? ^{+ creative}
How will the Foundation ensure that it is receiving the "best and most thoughtful" proposal from each Named Institution?
How might "think tank" activities play a role in helping the Institutions develop appropriate ideas and proposals?
- Should the Board give consideration to nurturing collaborative projects between two or more of the Named Institutions?
What would be the purpose of this approach?
What role could the Foundation play in fostering such collaborations?

10:30

Grantmaking – Joanne Duhl

- What process will the Foundation use to decide how to allocate its resources among competing proposals to ensure that it is supporting "the most worthwhile projects gleaned from the best proposals"?
- What size grants will the Foundation make? Will these include multi-year grants?

11:15

Monitoring and Evaluation – Joanne Duhl

- How will the Foundation monitor implementation once the grants are made? *staff a committee*
- How will the Foundation learn from its initial grantmaking to inform its future decisions?
- How will the Foundation assess whether projects have had a long-term and significant benefit ~~to the Institution~~?

Noon

Box Lunch

1:00

Reflections on Morning's Discussion/Decisions/Implications for Robina's Operations – Gordon Aamo

2:00

Financial Report/Discussion – Ed Spencer

TAB 7

2:30

Robina Office/Role of the Chair – Gordon Aamo

TAB 8 & 9

3:30

Other Business/Follow-Up Items/Meeting Dates – Gordon Aamo

TAB 10

4:00

Adjourn

1	Minutes of 10/24/06 Robina Fdn. Board of Directors Meeting
2	Bylaws of Robina Foundation
3	January 23, 2007 Memo from Joanne Duhl re: Retreat
4	Duke Endowment Indenture
5	Overview of Named Institutions
6	Prior Business/Reports re: Named Institutions
7	December 7, 2006 Memo from Ed Spencer re: Investment Policy
8	December 20, 2006 Interim Report to Robina Board
9	Robina Foundation Draft Budget/Draft Job Description
10	Miscellaneous Correspondence re: Robina Real Estate
11	
12	
13	
14	
15	

ROBINA FOUNDATION
MINUTES OF
BOARD OF DIRECTORS MEETING
OCTOBER 24, 2006

Attendees:

Gordon Aamoth, Steve Schroeder, Edson Spencer, Directors. Andrew Hanson and Travis Anderson, Attorneys. Peter Karoff, Director via conference call.

All members introduced themselves with summary curriculum vitae. It was obvious that we have a competent, diverse Board with foundation experience and knowledge of James Binger's estate and what he wanted to do with it.

At the October 5, 2006, a meeting by conference call, Gordon Aamoth was elected President, Steven Schroeder elected Secretary/Treasurer, and Edson Spencer as a new Director. Peter Karoff is a Director. During the next year the Board will be expanded by one to three members with a maximum of seven as stated in the Bylaws. The Board will be supported by committees to include an investment committee, audit committee, a grant committee, a legal committee, and whatever other committees are necessary to ensure quality and competence. There will be four meetings of the Board of Directors each year in Minneapolis and one retreat at a location outside of Minneapolis as deemed necessary. Members of the Board of Directors will be compensated \$10,000 plus expenses annually.

The mission, vision and goals for Robina have been set forth by the founder, James Binger, prior to his death in the Bylaws of the Foundation. The Board of Directors feels there is a need for a retreat early in 2007 to set our strategy so that we can go forward with grant making as outlined in the Bylaws. After consideration of the availability of the members, the retreat will be held in Santa Barbara on February 20, 2007 at the Four Seasons Hotel. Thomas Crosby, the Board attorney will be invited.

The President of the Board, Gordon Aamoth, will establish a home office to conduct the business of the Foundation. To that end, Faegre & Benson law office has agreed for us to use one of their offices, an assistant, and their office equipment as necessary. The administration will be in place by the February retreat, to include an administrative assistant with foundation experience.

An accounting firm will be engaged to prepare our financial statements, our tax liability, and a year-end summary.

Directors Edson Spencer and Gordon Aamoth will interview and recommend to the Board an investment advisor. Jeffrey Slocum & Associates, TIFF, and J.P. Morgan are being considered and will be interviewed. Near \$10 Million currently with J.P. Morgan funding Robina will be transferred to an account at the USBank in Minneapolis where a checking

account will be set up to carry out our business. President Aamoth will have \$20,000 check limit over which co-signature by Ed Spencer or Steven Schroeder will be necessary.

We will ask legal for the amount of distribution responsibility we have for 2006 to avoid a penalty tax. The Board of Directors voted equal disbursement to all four designated institutions in the form of a planning grant if necessary.

Andrew Hanson, attorney, reported that the Board of Directors has \$5 Million Directors and Officers insurance with Chubb which is renewable in May of 2007.

Robina has outstanding debt to Oppenheimer law firm; Gray, Plant, Mooty law firm; directors fees; meeting expenses, and these will be paid when the checking account has been established.

The President and Executive Director compensation for Gordon Aamoth was done in his temporary absence. The Board of Directors decided to compensate this position as a consultant at \$175,000 per year starting September 2006 until a decision is made in February 2007 at the retreat on a permanent Executive Director.

At the completion of the agenda the Board of Directors went into executive session. After discussion of the history and considering the merits, they decided to continue the business of the Special Litigation Committee of Robina with the Oppenheimer law firm. The other business of Robina will be transferred to the Faegre & Benson law office under the direction of Thomas Crosby.

The business of this meeting being completed, the meeting was adjourned.

By: _____
Gordon Aamoth, President

6/9/04

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 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.

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 that the Directors (other than the Member) will be more productive if they serve 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, 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, 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 may participate in a meeting through use of conference telephone or similar communications equipment, as long as all individuals participating in such meeting can hear one another. Participation in a meeting in accordance with this Section 15 shall constitute presence in person at that 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 I. 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 shall be appointed 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 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 appointment of other committees of the Board of Directors.
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(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, 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 duties as the Board may prescribe 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. 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.

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 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. 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, have general supervision, direction, and control of the business and affairs of the Corporation. The President shall have 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.

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. 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. 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. 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 by the Board of Directors and, unless so authorized by the Board of Directors no officer, agent or employee shall have any power or authority to bind the Corporation by any contract or engagement or to pledge its credit or to render it liable for any purpose or amount.

Section 5. 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. 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, 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 of the Internal Revenue Code of 1986, as amended, or corresponding provisions of any subsequent Federal tax law.

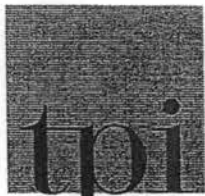
ARTICLE IX

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 of 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.

CIN99 4306969-4.071212.0011



the philanthropic initiative

MEMORANDUM

To: Robina Foundation Board of Directors

From: Joanne Duhl

Date: January 23, 2007

Topic: Preparation for Retreat; Options for Moving Forward

I have been asked by Gordon Aamoth to help with the preparations for the Robina Foundation retreat scheduled for February 20 and to be present at the retreat as a facilitator. As you know, we have scheduled a brief conference call on **Monday, January 29 at 9 p.m. ET to plan the retreat.**

The purpose of the conference call is to receive input from the members of the board that will help us shape the agenda for the retreat. Thus we want to use the conference call to identify the board's goals for the retreat and to frame the "big questions" that need to be answered at the retreat. The information below is intended to provide background for these upcoming discussions. I look forward to meeting you on the phone and then in person.

Overview

The Robina Foundation seeks to challenge its four beneficiary Institutions to be creative and innovative. The emphasis will be on "forward thinking projects and initiatives". The Foundation does not intend to support ongoing operations, but rather is interested in major projects and initiatives. The types of projects that will be funded are those that:

- Have long-term objectives
- Look to the future
- Might otherwise not be funded
- Are practical
- In the long-term promise a significant and positive benefit to the Named Institution

Each of the four Named Institutions will be invited periodically to submit a proposal. Each of the Institutions is limited to one submission at a time. The Board will select one or more of these proposals to fund.

160 Federal Street
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Boston MA 02110

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617.338.2591 F

www.tpi.org

The Board may also fund “think tank” activities at or in conjunction with the Institutions, aimed at assisting them in the development of future proposals.

Some Key Questions

Based upon these goals and objectives, there are certain key questions that will help to inform the operations of the Foundation:

- How pro-active will the Board be in identifying priorities for funding? Will each Named Institution have total discretion concerning what it will choose to propose to the Foundation, or will they be guided in identifying areas of focus (either by institution or across institutions) and potential interest to the Foundation?
- What mechanisms will the Foundation use to interact with the four Named Institutions? How will each Institution communicate its own priorities to the Foundation? How will the Board ensure that there is a process to identify priority projects at each institution that might otherwise not be funded?
- To what extent will the Foundation assist the Institutions in developing “forward thinking and futuristic” proposals? How will the Foundation ensure that it is receiving the “best and most thoughtful” proposal from each Named Institution? How might “think tank” activities play a role in helping the Board and/or the Institutions to develop the best ideas and proposals?
- Should the Board give consideration to nurturing collaborative projects between two or more of the Named Institutions? What would be the purpose of this approach? What role could the Foundation play in fostering such collaborations?
- What process will the Foundation use to decide how to allocate its resources among competing proposals to ensure that it is supporting “the most worthwhile projects gleaned from the best proposals”?
- What size grants will the Foundation make? Will these include multi-year grants?
- How will the Foundation monitor implementation once the grants are made?
- How will the Foundation learn from its initial grantmaking to inform its future decisions?
- How will the Foundation assess whether projects have had a long-term and significant benefit to the Institution?

Potential Options for Structuring the Grant Process

1. Issues and/or Ideas are Generated by the Robina Board of Directors

One method of operation would be to have the Board members identify key issues and challenge the Institutions to address these specific issues. This might mean that the Board engages in an internal process that results in consensus around certain key issues. There might be an overriding broad theme that cuts across Institutions. For example, some themes that are relevant to two or more of the institutions include terrorism, international education, law and public health/biomedicine, access to health care, and global health. Alternatively, the Board could identify a different specific issue that would be appropriate for each of the four institutions to address. Each of the institutions would have the opportunity to put forward a proposal related to this identified priority area.

This approach, which pro-actively narrows the range of issues to which each institution responds, is similar to one method in which the Duke Endowment interacts with its four higher education institutions. The Duke Endowment gives in four areas and in higher education funding is directed to Duke University, Davidson College, Furman University and Johnson C. Smith University. Each of these institutions receives a fixed percentage of the Endowment's income annually, to be used for unrestricted operating funds (Duke gets the largest amount.) In addition, each of the four institutions can apply for competitive grants. There are no specific criteria for what they can ask for. However, according to staff of the Endowment, the trustees often "signal" to the institutions concerning their interests. For example, the trustees may be interested in financial aid or in undergraduate education and the institutions know that applications in these areas are likely to get funded. The institutions are also free to submit applications in other areas and the trustees make case by case decisions on whether or not to fund these.

If the Robina Foundation chose to take this type of pro-active approach it would require the Board to take the time to generate ideas, assess options, and reach consensus on priority areas. The Board might want to engage experts in specific fields to help inform its thinking. Once the Board identified its interest area(s), each institution would then be challenged to respond with a proposal within that area. The Foundation could consider supporting the institutions in their responses – i.e. funding a planning process at each institution, or providing hands-on assistance in developing the responses. What would be most important if the Foundation decides on this approach is to ensure there is an effective symbiosis between the Board's objectives and the institutions' proposals. What ends up being funded should both respond to what the Board has identified as a priority and also be valued by the institutions so that it does have the potential for long-term impact.

2. Institutions are Assisted in Fostering Creativity and Innovation

A key objective of the Robina Foundation is to challenge the four named institutions to be creative and innovative. The Foundation is seeking to receive proposals that promise long-term and significant benefit to the institution and that are forward-thinking. Since the Foundation

intends to accept only one proposal per institution during each "call for proposals", it will be important that each proposal that is submitted is an outstanding one. As stated in the by-laws, the Foundation seeks to ensure that it receives from the named institutions the "best and most thoughtful proposals".

The question is how to most effectively generate such proposals. It could be argued that such proposals are not necessarily "sitting on someone's desk", but rather must be generated through a creative process of "out of the box" thinking. In large institutions, it can also be challenging, both structurally and politically, to identify the individual or department that might have the most innovative ideas. Therefore, the question arises as to how to assist the four institutions in such a process.

One approach would be to support a facilitated process at each Institution (similar to what the University of Minnesota Law School has already done with Robina support), that examines critical internal and external issues with the goal of developing bold, forward-looking, and creative major initiatives. If the Foundation chose to signal its interest in a particular issue or issues, it could then support a response from the relevant individuals or departments to this interest.

3. Each Institution Proposes a Top Priority, Based upon Criteria and Guidelines

This option would offer each named institution an open invitation to put forward its own top priority that meets the criteria of the Foundation. This approach has proven effective for a number of major foundations.

- The W. M. Keck Foundation, one of the nation's largest with assets of over \$1 billion, was created by William Myron Keck, who made his fortune in the oil business, "with the vision of providing far-reaching benefits to humanity through imaginative grants supporting scientific discoveries and new technologies". According to staff of the Keck Foundation, the fact that the Foundation accepts only one proposal from any institution forces the institution to submit bolder and more creative ideas. The Keck Foundation Board also engages in its own exploration and examination of critical issues, including roundtable discussions with the nation's leading scientists. These discussions, according to the Foundation's annual report, "...helped sharpen our focus on funding certain types of science. It also confirmed our belief that the two most important things we can do as a private foundation are to fund the kind of bold, high-potential science that is outside of traditional NIH and NSF funding, and to help foster collaboration among scientists and across disciplines."

The Keck Foundation's annual report credits its success in grantmaking to requiring more deliberation from its applicants. "...the Foundation's reliance on academic institutions and their leaders to bring exciting and risky problems to the fore became a hallmark of the Foundation's approach to finding and funding bold ideas. By seeking priority research projects from colleges and universities, the Foundation had an opportunity to invest early in fields that were emerging onto the scientific scene."

- The Arthur Vining Davis Foundation, which is dedicated to “strengthening America’s Future through Education”, accepts proposals only from the president or other primary executive of an institution – “no development offices, department heads or individual researchers within the institution”. Arthur Vining Davis asks that projects from leading universities focus on undergraduate education, but within this focus it provides presidents with “unlimited flexibility in selecting a high priority for reinforcing institutional excellence”. According to the Foundation’s annual report, “It is assumed that presidents will seek to maximize the potential impact and lasting value of our grants... The board also prefers projects with the potential to influence undergraduate education beyond the university.”
- The Fletcher Jones Foundation provides grants of \$25,000 to over \$1 million. Within higher education, the Foundation states that it is willing “to consider proposals for academic purposes which represent a high priority for the institution. We recognize that each institution is different and that priorities may change over time. It may be useful to discuss several options with the Foundation’s Executive Director before submission of a proposal.”

Clearly, the above options are not mutually exclusive and all require that the Board be clear about its objectives and criteria and that it establish good collaborative relationships and communications with the four institutions, especially their presidents or chief executives.

The Duke Endowment

INDENTURE OF TRUST



J. R. Duke

The Duke Endowment

*I. Indenture of Trust
with additions thereto by Will of James B. Duke*



*II. Excerpts from an Address
by Mr. Duke's attorney, William R. Perkins,
principal writer of the Trust Indenture*

I.
*Indenture And Deed Of Trust
Of Personalty Establishing The Duke Endowment
December 11, 1924*

**Modified by Superior Court for Mecklenburg County
February 3, 1972*

*Affirmed by North Carolina Supreme Court
April 30, 1973*

~

*With Additions Thereto By Will Of
James B. Duke
Probated On October 23rd, 1925.*

**Modified Sections are in italics on pages 5, 6 and 15.*



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University of Minnesota Law School

Location:	Minneapolis
History:	Founded 1888
Degrees Offered:	Juris Doctor (J.D.) Master of Law (LL.M.) J.D./M.B.A.; J.D./M.B.S./J.D./M.P.P., J.D./M.S., J.D./Ph.D., J.D./M.D., J.D./M.P., J.D./M.B.T., J.D./M.U.R.P. J.D./M.P.H. through the Joint Degree Program in Law, Health and the Life Sciences
Student Body:	850 students (807 J.D., 18 international visiting, 4 domestic Visiting, 21 LL.M.) 43% women, 19% minorities 28 states represented, D.C., Puerto Rico, 5 foreign countries 120 undergraduate institutions "The greatest increase in (law school) applications occurred at U of Minnesota, where they shot up 22 percent, to 3,073 from 2,509 last year. The school's incoming class of 276 represents 9 percent of its applicant pool, compared with last year's class, which equaled about 11 percent of its applicants. Alex Johnson Jr., dean of the law school, said it boosted its marketing efforts this year, which included increased direct mailing, a redesigned Web site and more participation in law school forums." (law.com, 2005)
Faculty:	13:1 student to faculty ratio 61 full-time law faculty 38% women, 18% minority 29 college affiliated faculty 110 adjunct faculty
Budget:	\$27 million \$85 million endowment
Law Library:	8 th largest law library in U.S. 1,000,000+ volumes
Clinics:	19 clinical education courses Over 50% of students take at least one live-client clinical course (national average=25%)

Bar Passage Rate:	98.68% (Fall 2005)
Academic Excellence:	Ranked 19 th by U.S. News and World Report Ranked 10 th by Thomas M. Cooley Law School
Deans:	Interim Co-Deans (2 year appointments, '06) Guy-Uriel Charles Fred Morrison Search for permanent dean "Leadership at the law school has been in flux since the spring, when Dean Alex Johnson, who'd been recruited nationally, resigned with a year left in his contract, opting for a paid sabbatical. Neither he nor the university would discuss in detail the reasons behind his resignation." (St. Paul Pioneer Press)
Long-Range Planning: (Report to Robina)	U of Minnesota aims to become one of top three public research universities in the world. University-wide push toward deeper international engagement across professions, problems and disciplines. Law School seeks to "redefine legal education in the 21 st Century". Seeks to make changes to first and third-year curricula; Add world class faculty at Law School. Establish interdisciplinary programs to transform legal education by directly addressing in a timely way, significant economic and social issues.
International Programs:	Beijing LL.M. Program – Earn an American LL.M. degree in China; U.S. LL.M. Program – for foreign lawyers; China Summer Program - Learn Chinese law at China University of Political Science and Law (CUPL) in Beijing. Focus on comparative law, study first hand the Chinese economic and legal system
Health Care Programs:	Unique Joint Degree Program in Law, Health & the Life Sciences to allow students to combine a Law degree (J.D.) with an M.D., M.P.H., Ph.D. or M.S. Students are trained to tackle the toughest problems of the 21st century, the problems that respect no disciplinary borders and demand fundamentally new answers. Students are becoming leaders in areas such as managed care and health policy, intellectual property issues in biotechnology, and environmental law and policy.

Abbott Northwestern Hospital

Location:	Minneapolis
History:	1882 - Northwestern Hospital for Women and Children 1902 - Abbott Hospital for Women founded 1970 - Abbott and Northwestern Hospitals merged 1980 - New campus, consolidated facilities 1982 - LifeSpan Inc. - Parent corporation formed 1993 - Lifespan merged with Health One to form HealthSpan Health Systems Corporation, 2 nd largest not-for-profit secular health care system in U.S. 1993 - Health Span and Medica merged to form Allina Health Systems
Allina Health Systems	Own or manage 17 hospitals, two nursing homes, and clinics in more than 40 locations through Minnesota, Wisconsin, North Dakota. Two independent non-profit entities: Medica - a health plan organization - and Clinics, a healthcare delivery organization Led by Board of community and physician members 23,000 employees, 5,000 physicians Located in revived Sears building, Minneapolis
Abbott Northwestern Employees:	5,331
Medical Staff:	1,586
Inpatient Admissions:	43,061
Outpatient Registrations:	247,636
Lab Tests:	3.1 million
Radiology Procedures:	166,296
Breast Cancer Procedures:	166,296
Emergency Dept. Visits:	24,687
Surgical Procedures:	32,222
Births:	4,525

Abbott Northwestern CEO:	Jeff Peterson, new president, effective Sept. 1, 2006 Previously president and CEO of St. Vincent Mercy Medical Center in Toledo, Ohio
Abbott Northwestern Foundation:	Sid Mallory, President
Net Operating Revenue:	\$696 million
Expenses:	\$687 million
Salaries/Benefits:	\$356 million
Rankings:	U.S. News & World Reports: 24 th in neurology/ neurosurgery; 38 th in heart/ heart surgery; 38 th in orthopedics
Current Foundation: Projects	1. Piper Cancer Institute –Serve rapidly increasing number of people with cancer with patient-centered, multi-disciplinary and effective approach. The goal of the Virginia Piper Cancer Institute Vision Campaign is \$33 million for a one door approach that includes a central clinic with state-of-the-art equipment, nurse coordinators, and access to breakthroughs in clinical research. \$13M toward this goal to date. 2. Institute for Health and Healing - Blends the best of conventional medicine with healing philosophies and therapies. The only way in-hospital patients receive integrative medicine is through private support. For this care to continue, \$11 million is needed. 3. The Medicine Clinic serves community members, regardless of their ability to pay. It provides free medical care for patients at or near the poverty line. New eligibility requirements for government health care programs leave more patients than ever uninsured. 4. Minneapolis Neuroscience Institute - Abbott Northwestern is building a new inpatient environment that fully supports the healing of patients and family members dealing with neurological conditions such as stroke, Alzheimer's Disease and brain tumors. 5. Park House - Provides care and mental health treatment during the day for adults living with HIV and AIDS.

Yale University

Location:	New Haven, CT
History:	Founded in 1701 Yale is the 3 rd oldest institution of higher learning in U.S
Undergraduate Students:	5,316
Graduate/Professional Students:	6,074
International Students:	1,759
Faculty:	3,333
Staff:	8,005
Operating Budget:	\$1.67 billion
Endowment:	\$18 billion
Professional Schools:	Architecture Art Divinity Drama Forestry/Environmental Studies Law Management Medicine Music Nursing
Undergrad Tuition & Fees:	\$43,050
% Students who Receive Scholarships/Grants:	41%
Average need-based Scholarship/grant:	\$24,143
Most popular Undergraduate Majors:	History Political Science Economics

Governance:

The Yale Corporation is the senior policy-making body for Yale University. Compared to the governing boards of other educational institutions, the Yale Corporation is smaller and plays an unusually active role in University governance. The Yale Corporation has 19 members: the President of the University; ten Successor Trustees, who elect their own successors to up to two six-year terms; six Alumni Fellows, who are elected by the alumni for staggered six-year terms; and the Governor and Lieutenant Governor of the State of Connecticut, ex officio.

Officers:

Richard Levin, President
Andrew Hamilton, Provost
Inge Theresia Reichenbauch,
V.P. for Development

Levin, age 59, has been President since 1993. He is the longest serving Ivy League President currently in office. He has been at Yale for 38 years. Levin became an Assistant Professor of Economics at Yale in 1974 and was elevated to Associate Professor in 1979. In 1982, he was promoted to Professor of Economics and Management at the Yale School of Management. In 1992 he was appointed Frederick William Beinecke Professor of Economics. Before becoming president, he served as chairman of the Economics Department and dean of Yale's Graduate School of Arts and Sciences.

Levin has been praised during his tenure for an unparalleled expansion of the University's endowment and for overseeing an ambitious renovation plan. Yale's admissions standards and academic prestige have increased since Levin's appointment. For example, Yale now has the most selective undergraduate program in the Ivy League, with an acceptance rate of less than 9%. Since Levin's appointment, three of his provosts have gone on to head other universities: Judith Rodin as president of the University of Pennsylvania, Alison Richard as vice-chancellor of the University of Cambridge, and Susan Hockfield as president of the Massachusetts Institute of Technology. In addition, Richard Brodhead, the former dean of Yale College, left to become the president of Duke University.

Under Levin's leadership, Yale has been transforming itself into a truly global university, with a new flagship program for undergraduates in Beijing and a dramatic increase in international work/study programs. Closer to home, Levin's administration in 2003 negotiated unprecedented eight-year contracts with the University's unionized workers that provided free health care, extensive paid leave and cumulative raises ranging from 32% to 43%.

In 2004, Levin was appointed to the Iraq Intelligence Commission. He had previously served on a government panel reviewing the U.S. Postal Service and an independent panel appointed by Major League Baseball to examine the sport's economics. Levin is a director of the William and Flora Hewlett Foundation and American Express.

Current Capital:
Campaign:

Yale is in the midst of the largest investment in its facilities since the 1930s. A new School of Art complex has opened, and new science and environmental laboratories, as well as a new athletic center and student residence, have been erected. There have been major renovations of both historic academic buildings and the undergraduate residential colleges. In the decade ahead, the University will invest an equal amount in facility improvements for the benefit of students and scholars alike.

Other Major Initiatives:

The Internationalization of Yale 2005-2008:

1. Prepare students for leadership & services in an increasingly interdependent world
 - Build faculty strength in international studies
 - Provide an opportunity for every Yale College student to go abroad for study
 - Expand work of Yale Center for Study of Globalization
 - Develop new programs for advanced education of established & emerging leaders
2. Attract most talented students & scholars from around the world
3. Position Yale as a global leader of consequence
 - Undertake new initiatives in China

Council on Foreign Relations

- Location:** Headquarters in NYC, office in D.C.
- History:** Founded in 1921
- Mission:** CFR is an independent, national membership organization and a nonpartisan center for scholars dedicated to producing and disseminating ideas so that individual and corporate members, as well as policymakers, journalists, students, and interested citizens in the U.S. and other countries, can better understand the world and the foreign policy choices facing the U.S. and other governments.
- Current Leadership:** Richard Haass has been President of CFR since July 2003. Haass is the author or editor of ten books on American foreign policy. Until June, 2003, he was a principal adviser to Secretary of State Colin Powell. Haass served as U.S. coordinator for policy toward the future of Afghanistan and was the lead U.S. government official in support of the Northern Ireland peace process. From 1989 to 1993, he was special assistant to President George Bush and senior director for Near East and South Asian affairs on the staff of the National Security Council.
- The Chair of CFR Board of Directors is Peter G. Peterson, Senior Chairman and Co-Founder, The Blackstone Group. The Vice-Chairmen are Carla A. Hills, Chairman and Chief Executive Officer, Hills & Company and Robert E. Rubin, Chairman of the Executive Committee, Citigroup, Inc. Other Board members include Madeline Albright, Tom Brokaw, Richard Holbrooke, Henry Kravis, Thomas Pickering, and Colin Powell.
- Membership:** CFR is a national membership organization. There are two groups of members, life and term members. Term members must be between the ages of 30 and 36 at the time of their application. A term membership candidate must be nominated by one Council member and seconded by a minimum of two other individuals. Term memberships are limited to five years.
- A candidate for life membership must be nominated in writing by one Council member and seconded by a minimum of three other individuals.

Membership is restricted to U.S. citizens (native-born or naturalized) and permanent residents who have applied to become citizens.

PROFILE OF THE MEMBERSHIP:

	<u>Total</u>	<u>%</u>
New York Area	1,406	33
Washington, DC, Area	1,292	30
National/International	1,584	37
Total	4,282	100
PROFESSION		
Business	1,367	32
Professors, Fellows, and Researchers	777	18
Nonprofit	646	15
Government Officials	464	11

Budget:

Total Assets = \$276.6 million

According to the annual report, the Council's portfolio increased by 11 percent from '05 to '06.

Operating Expenses = \$35 million

Fellows and Programs:

CFR Fellows include Senior Fellows, Visiting Fellows, and Next Generation Fellows, based in NYC or DC, and Adjunct Fellows working around the country, usually at major universities. Senior Fellows are experienced scholars and practitioners who have spent considerable time in the academic, government, or private sectors. Visiting Fellows – representatives from the military services, the State Department, the intelligence community, and news organizations – spend a year at the Council while on leave from their parent organizations. Next Generation Fellows are younger individuals drawn from the academic, government or private sectors, who spend several years at the Council working on specific research projects.

Washington Program

The Council's Washington Program is "a growing and multifaceted presence in the nation's capital." CFR seeks to use the Council's convening power and intellectual resources to help inform Congress, the administration, the media, and the business community.

Task Forces

The Council sponsors an Independent Task Force when an issue of critical importance to U.S. foreign policy arises that might benefit from in-depth, nonpartisan analysis. A group, diverse in background and

perspective, is convened to reach a policy consensus through private deliberations. The Council published three Independent Task Force reports in 2005–2006:

- In the Wake of War: Improving U.S. Post-Conflict Capabilities
- More Than Humanitarianism: A Strategic U.S. Approach Toward Africa.
- Russia's Wrong Direction: What the United States Can and Should Do

Two additional Task Forces are currently under way:

- U.S. Policy Toward China.
Energy and U.S. Foreign Policy

Foreign Affairs

The Council's bi-monthly journal *Foreign Affairs* has a paid circulation of 144,486. According to the Council's most recent annual report, "over the past year, articles in *Foreign Affairs* not only analyzed events, they frequently made headlines themselves. Particularly noteworthy was the magazine's coverage of Iraq, which continued to influence both the public debate over U.S. policy, and U.S. policy itself." Other recent issues focused on China, presenting a debate among Asian experts over the country's rise and what it means for Asia and the world, and on India's growing power and its implications.

Abbott Northwestern
Hospital Foundation
800 East 28th Street
Minneapolis, MN 55407-3799
Phone: 612-863-4126
www.abbottnorthwestern.com

January 17, 2007

Dr. Gordon M. Aamoth, President
Robina Foundation
c/o Faegre & Benson LLP
2200 Wells Fargo Center, #32006
90 South Seventh Street
Minneapolis, MN 55402-3901

Dear Gordon,

Thank you very much for taking the time to visit with me via telephone on January 16. I appreciated the opportunity to update you on our revised timeline for submitting our initial proposal to the Robina Foundation. As we discussed, we are continuously sharing and testing the concept we shared with you and Ed on November 28 with key internal and external stakeholders. Our goal is to receive thoughts and input from the best minds and sources available as we strive to achieve Mr. Binger's goals and dreams. This could not have been possible without the generous \$50,000 additional planning grant we recently received from the Foundation to help complete this transformational proposal.

I am pleased to report that the excitement and endorsement is building from those who have seen this forward-thinking, innovative and creative concept for healthcare transformation. Our proposal will include many letters of support from both internal and external stakeholders.

I also appreciated your willingness to share the agenda for the upcoming February 2 Robina Foundation Board of Directors meeting. I understand that the board will address organizational issues during this meeting including the direction the board will take in granting the Robina funds to the named beneficiaries of the Foundation. I also understand the board continues to work through potential tax issues that could affect the initial corpus of the Foundation. Please know that all of us appreciate your leadership and the leadership of the entire board in moving this process forward.

We look forward to submitting our initial proposal to you by the end of February. We will make ourselves available to meet with you and the members of the board at any time to receive your thoughts and comments and answer any questions that may arise. All of us appreciate your leadership and encouragement as we have moved through this two-year proposal planning and preparation process.

Thank you again for everything.

Sincerely,


Sid Mallory
President

Abbott Northwestern Hospital Foundation

Thank you again -




ABBOTT
NORTHWESTERN
HOSPITAL

Allina Hospitals & Clinics

Abbott Northwestern
Hospital Foundation

BOARD OF DIRECTORS

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Mark Migliori, MD

William Petersen, MD

Terry Saario, PhD

Morris M. Sherman

T. Michael Tedford, MD

Emily Anne Tuttle

Douglas Yock, MD

Sid Mallory
President

Abbott Northwestern
Hospital Foundation
800 East 28th Street
Minneapolis, MN 55407-3799
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January 18, 2007

Dr. Gordon M. Aamoth, President
Robina Foundation
c/o Faegre & Benson, LLP
2200 Wells Fargo Center #32006
90 South 7th Street
Minneapolis, MN 55402-3901

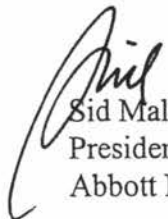
Dear Gordie:

On behalf of the Abbott Northwestern Hospital Foundation, I want to express our appreciation for your gift of \$50,000.00 in support of planning for the Robina Initiative. We received your gift on 1/4/2007.

As required by the Internal Revenue Service, we are informing you that the Abbott Northwestern Hospital Foundation is a 501(c)(3) charity. We have not provided you with any goods or services in exchange for your contribution.

Again, thank for your continued support of Abbott Northwestern Hospital's long tradition of excellence in caring for patients. Your gift directly affects patients every day and makes a world of difference.

Sincerely,


Sid Mallory
President
Abbott Northwestern Hospital Foundation

Thank you again -


Abbott Northwestern
Hospital Foundation

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Douglas Yock, MD

Sid Mallory
President

The Robina Initiative for Healthcare Transformation

November, 2006

Robina
Foundation



Agenda

- History of Abbott Northwestern Hospital
- The Robina Foundation
- Case for Change
- Breakthrough Concept and Key Principles
- Domains of Transformation
- Financial Support – Phase I-III
- Measurement and Outcomes

History of Abbott Northwestern Hospital

It was a cold day in November of 1882 when Harriet Walker summoned 44 women to lay plans for what would become Northwestern Hospital for Women and Children. Opened in a small rented house one month later as a charity hospital, Northwestern Hospital dedicated the first structure built specifically for hospital use on June 10, 1887, at the corner of Chicago Avenue and 27th Street in Minneapolis.



Somewhat prophetically, Dr. Amos Abbott was named consulting physician to Northwestern's first medical staff. Twenty years after joining Northwestern Hospital in 1902 (and less than a mile away), Dr. Abbott left to start a community hospital for women bearing his name. While it was not founded as a charity hospital, Dr. Abbott's kindness often caused him to reduce or waive fees for those who could not afford to pay.



History of Abbott Northwestern Hospital

Abbott Northwestern Hospital is now one of the leading hospitals in the United States, consistently one of the US News and World Report top hospitals, and boasting a vibrant research, teaching and patient care mission.

The hospital has grown to become a network of 'Centers of Excellence' that are built on a solid foundation of patient care excellence.

Key services include...

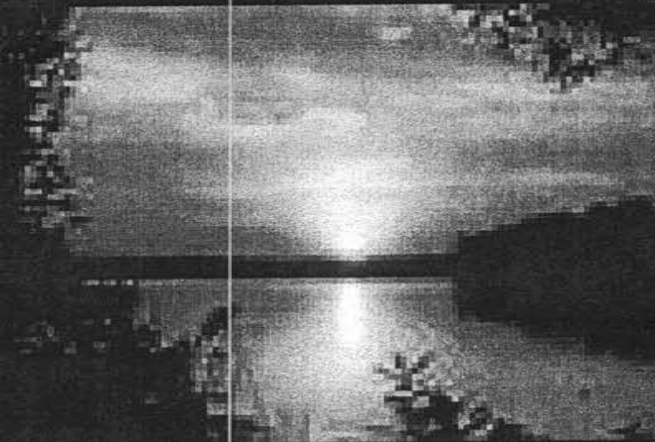
- Minneapolis Heart Institute
- Virginia Piper Cancer Institute
- A top ranked WomenCare program
- One of the regions leading rehabilitation programs – Sister Kenny Rehabilitation Institute
- Behavioral health programs for adults and adolescents



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 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...



The Case for Change...

Mr. Binger created the Robina Foundation as a vehicle to support four organizations that were dear to his heart – Abbott Northwestern Hospital, Yale University, the University of Minnesota Law School, and Council on Foreign Relations. He challenged each organization to initiate innovative programs, services and research that would improve society.

Key facts...

- The health care system of the United States is the most expensive in the world, while it trails other developed countries in quality and performance
- The use of technology to improve patient care is lacking, thus hampering our ability to significantly improve care
- The system's focus on acute care is limiting our ability to drive substantially better outcomes
- The safety of our care is suspect, in spite of huge investments in the latest equipment and systems

At Abbott Northwestern Hospital, our focus is on the development of a new model of patient care that will substantially improve an ailing health care system.

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.

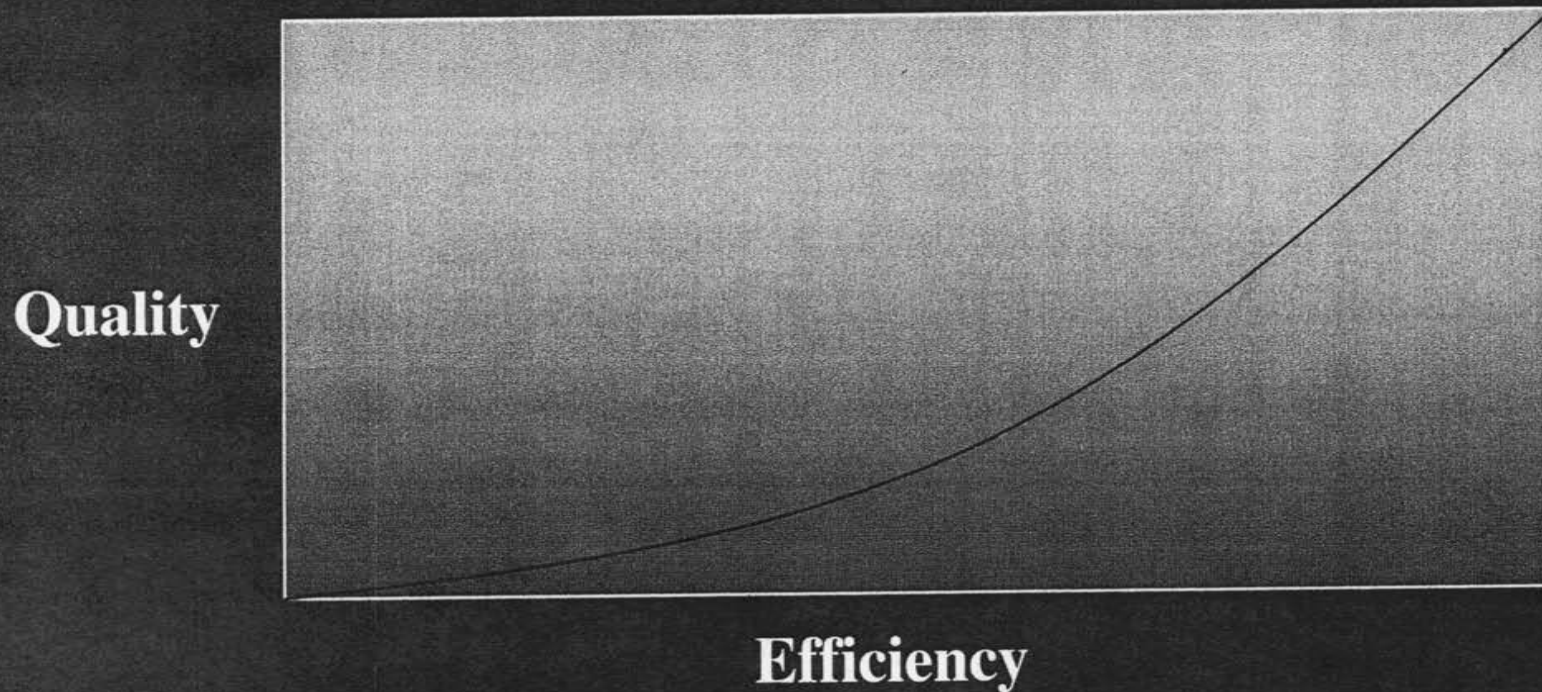
Three Phases of Improvement...

- Phase I (\$20m): Transform the medical industry by engineering quality, illness management, prevention and optimal health into a new model of patient care;
- Phase II (\$10m): Re-align the financing and funding of health care delivery such that optimal health is rewarded and payment practices accelerate change and improvement;
- Phase III (\$10m): Engage public health resources and methods to address the social determinants of health and to extend this model of care to the broader the community.

Domains of Transformation

- ***Patient as Partner.*** The patient is perhaps the most underutilized resource in healthcare today. Rather than treating the patient as a passive subject upon whom healing is performed, we will recruit the patient as an active participant in improving his or her own health.
- ***Continuum of Care:*** We will treat patients across a continuum of care from “wellness” and the prevention of disease through periods of chronic care, acute care, and palliative care. We will manage a cycle of care for patients in which a medical visit is not an isolated event but part of a ongoing, proactive relationship.
- ***Team-Based, Integrated Care:*** We will mobilize healthcare teams of physicians, nurses, health educators, behaviorists and other professionals to partner with patients. These integrated teams will deliver care, advice and support in a variety of settings and through multiple communication channels – including the Institute for Health and Healing, which will be expanded from its current services to include an active nurse ‘communications’ center.
- ***Knowledge and Transparency:*** The basis of the care model will be one of access to information and knowledge. Patients will be guaranteed transparency via secure access to personal health information and will be provided the knowledge necessary to play the leading role in decision-making regarding his own health.

There is a unique opportunity to vastly improve the efficiency of health care by investing in quality



**We hope to make this transformation
occur by breaking down the opportunity
into manageable components...**

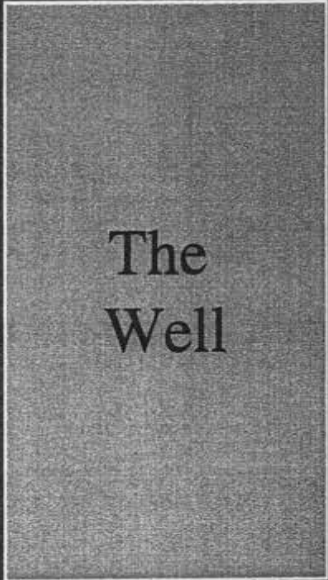
The Well

The
Chronically
Ill

The
Acute

End of
Life

1st Imperative: Prevent illness efficiently



The
Well

- The assessment of health and genetic risk will start before patients start early, and the transfer of knowledge will provide the tools for health improvement.
- A primary care team will partner with the patient to support their care needs and optimize interaction with the health care system
- Information technology has the potential to drive significant improvements in health very inexpensively
 - On-line risk assessment with automated link to provider team
 - Regular 'alerts' to patients to drive health improvement

2nd Imperative: Aggressively manage chronic illness through the primary care team

The
Chronically
Ill

- The management of chronic illness will be the domain of the primary care team
- These teams will be provided the information needed to assess their panel of chronic illness patients and measure performance
- Re-define the roles of the team so that each team member is ideally suited for the task at hand and fits with the patients needs
- Develop centralized and virtual disease management programs that improve outcomes efficiently

3rd Imperative: Concentrate acute and tertiary care at Centers of Excellence

The
Acute

- Drive tertiary care centrally to reap the benefits of volume and expertise – Abbott Northwestern Hospital
- Establish clear performance metrics for outcomes and cost and optimize through simulation training
- Link acute care Emergency and ICU with community providers effectively
 - Level I program
 - eICU

4th Imperative: Provide effective critical and palliative care

End of
Life

- Respond to the wishes of chronically ill patients and develop proactive palliative care plans
- An effective palliative care program reduces costs and improves perceived quality
- A program of targeted home and hospice care can will be provided to provide consultation to patients, families, and caregivers

5th Imperative: Integrate care across disease states – Cardiology, Cancer, Neurosciences, Rehabilitation...

- Integrate the Institute for Health and Healing into everything we do – from care team expansion to innovative translational research. Move from 'complimentary therapies' to 'integration of patient care'
- Profile provider and team performance by episode and disease treatment effectiveness
- Integrate disease management activities across the entire care system – CHF program
- Drive to high levels of evidence based care by specialty using EMR and data warehouse

Patient Care Integration

6th Imperative – Build the patient care model on a solid foundation

- Engaged Employees: Engage our staff in the work of breaking new ground in health care delivery – treating patients as family members
- Physician Collaboration: Two models of collaboration – independent alliance/or employment. Meet standards of evidence based medicine and use standard order sets 70% of time
- Knowledge & Information: Develop a data warehouse and 'knowledge utility' that is available to all components of the system – providers and patients alike (MyChart)
- Performance Excellence: 90th percentile of national HCAPS standard for patient satisfaction

Engaged
Employees

Physician
Collaboration

Knowledge &
Information

Performance
Excellence

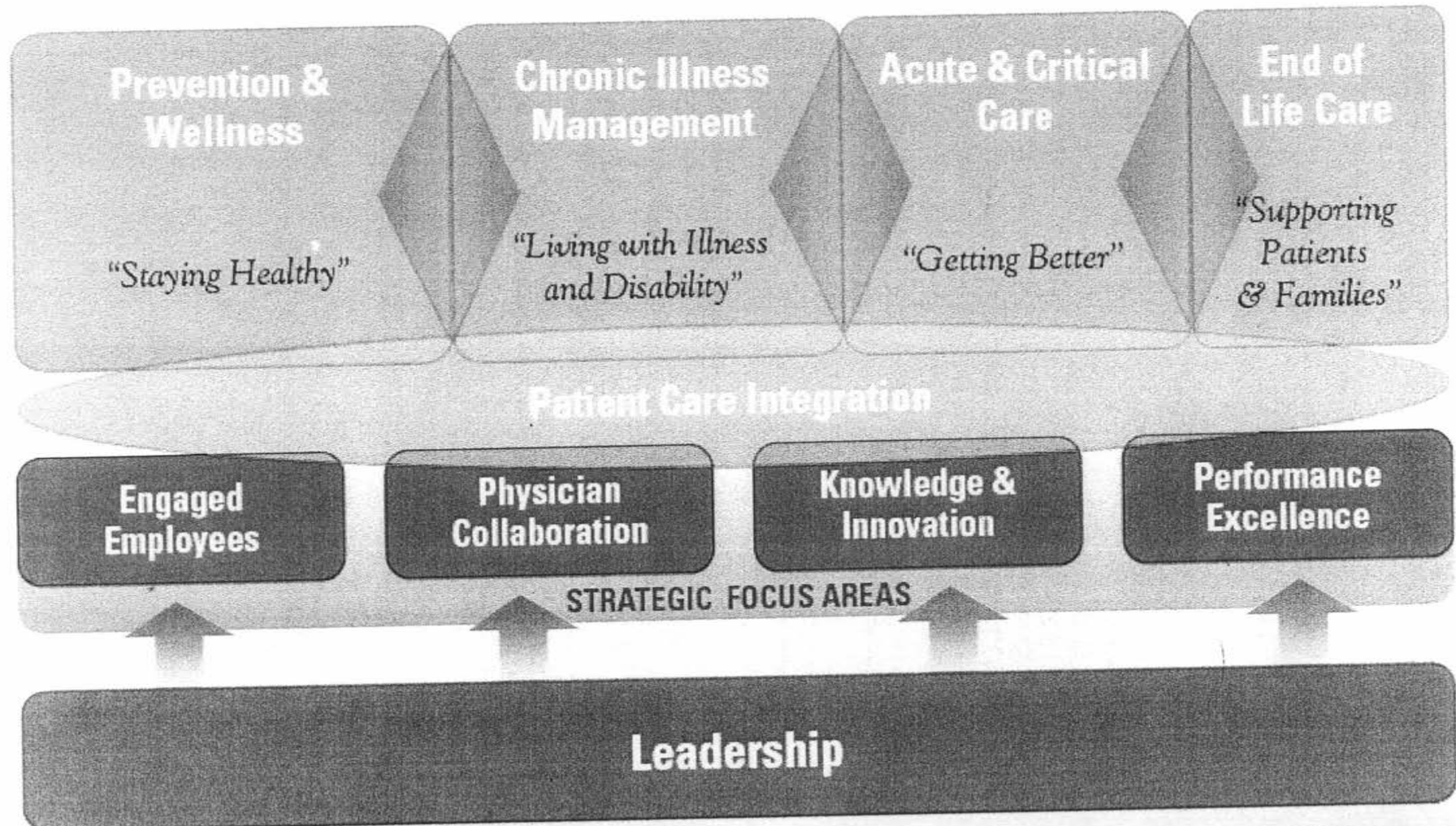
Leadership

With the support of the Robina Foundation, Abbott Northwestern Hospital can play a critical leadership role in the improvement of health care in this country...

Leadership

Allina Health Care

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



Measurement and Outcomes

This model of care should establish a new standard for the measurement of success

- The participation of patients/ level of engagement/ personalization
 - Early risk assessment/genetic assessment
 - Primary care team partnership
 - Health status
- Evidence based care/ optimization of knowledge
 - Reliable care that is consistently delivered
 - Shared knowledge for all members of the team – including the patient
 - The best outcomes in every measure of quality
- Prudent management of resources
 - The right care at the right place, consistent with patient/family interests
 - The optimization of health as a means to reduce cost

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*

18 January 2007

Gordon M. Aamoth, M.D.
President
Robina Foundation
c/o Faegre & Benson LLP
2200 Wells Fargo Center, #32006
90 South Seventh Street
Minneapolis, Minnesota 55402-3901

Dear Dr. Aamoth:

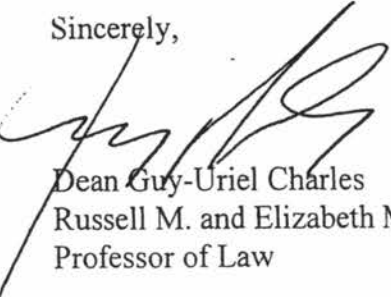
On behalf of the University of Minnesota Law School, I extend our sincere gratitude for the Robina Foundation's recent grant of \$50,000. We are proud to be a part of Jim Binger's generous legacy.

In accordance with the terms of your letter dated December 26, 2006, the Law School will use this ongoing support from the Robina Foundation to explore the feasibility of the strategies proposed in our December 2006 progress report entitled "New Frontiers for Legal Research and for the Delivery of Legal Education."

We look forward to continuing to work with you and the other entities the Robina Foundation benefits in our efforts to fulfill Jim Binger's philanthropic vision.

Again, thank you for this ongoing support.

Sincerely,



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



Dean Fred Morrison
Popham, Haik/Lindquist & Vennum
Professor of Law

UNIVERSITY OF MINNESOTA

<i>Twin Cities Campus</i>	<i>Office of the Dean</i>	<i>Room 381</i>
	<i>The Law School Walter F. Mondale Hall</i>	<i>229-19th Avenue South Minneapolis, MN 55455 Office: 612-625-4841 Fax: 612-625-2019</i>

December 15, 2006

Dr. Gordon M. Aamoth
Chair, Robina Foundation Board of Directors
Faegre & Benson LLP
2200 Wells Fargo Center
900 South 7th Street
Minneapolis, MN 55402-3901

Dear Dr. Aamoth:

It was a pleasure to make your acquaintance at our recent meeting with Tom Crosby. As you may know, on June 1, 2006, we were appointed Interim Co-Deans of the Law School for two years. We anticipate that a search for a permanent Dean will begin in spring 2007 at the earliest. Notwithstanding our interim status, the Provost has charged us to aggressively lead the Law School forward and to take full advantage of the tremendous opportunities presented.

On November 10, 2005, the University of Minnesota Law School received an invitation from Jane Mauer, then Chair of the Foundation's Board of Directors, to submit a grant request. The purpose of the grant would be to explore ideas that would serve as the foundation for subsequent major proposal or a series of proposals from the Law School, as one of the named potential beneficiaries of the Robina Foundation, for consideration by its Board.

The Board generously provided a grant of \$75,000, and the Law School's Robina Foundation Committee set out to organize methods for faculty to examine areas in which we might be able to make transformative proposals. First, six workshops were convened, at which leading scholars offered their expertise. Next, the Committee hired an outside consultant, InnovationLabs, to facilitate a retreat for faculty members to discuss findings of the workshops and identify some important next steps.

We are grateful for the Foundation's financial support, which was extremely helpful in permitting us to address the issues in an organized way. Enclosed are an executive summary, a list of workshop topics and speakers, highlights from the retreat, and a financial report. For further information about the workshops and retreat, please contact Cynthia Huff at 612.625.6691 or huffx070@umn.edu.

The Law School has done important work as a result of the grant from the Robina Foundation, and we intend to build on our momentum. Going forward, we would like to

explore two ideas that came out of the retreat. First, we would like to leverage the effect of potential Robina funding by encouraging other donors to further enrich the Law School's transformational opportunities. Second, we would like to use Robina funding to establish distinctive programs that transform legal education by directly addressing, in a timely way, significant economic and social issues. To efficiently pursue these options, we would appreciate a grant for 2006-07.

We welcome the opportunity to meet with you and the Foundation directors at your convenience and welcome any further suggestions about the timing and form of proposals. We anticipate a close working relationship with you as we transform the Law School into a world-class legal institution. Thank you for your guidance and support.

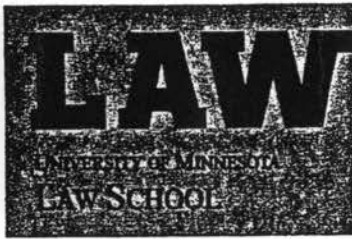
Sincerely,



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



Fred L. Morrison
*Dean & Popham, Haik & Vennum
Professor of Law*



Robina Report
December 15, 2006

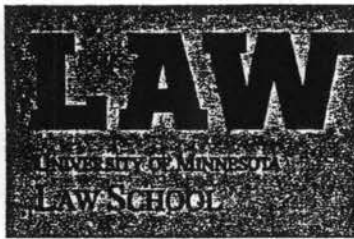
Robina Foundation Committee Progress Report

***New Frontiers for Legal Research
and the Delivery of Legal Education***

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
Grant: \$75,000
Dates: November 10, 2005-December 15, 2006



Executive Summary

The Robina Foundation made a \$75,000 grant to support the University of Minnesota Law School in its exploration of initial ideas that can be developed into a major proposal or a series of proposals for consideration by the Foundation's Board of Directors.

The Law School's Robina Foundation Committee organized six workshops to examine areas in which we believed the Law School might be able to make transformative proposals:

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

Consistent with James Binger's vision and the Foundation's mission, the Law School focused workshop discussions on the theme of redefining legal education for the 21st century by addressing pressing real-world problems. This goal is consistent with the University's broader aim of becoming one of the top three public research universities in the world. Achieving this goal would involve, in particular, changes to the first- and third-year curricula and adding world-class faculty at the Law School. A list of workshop topics and speakers is attached.

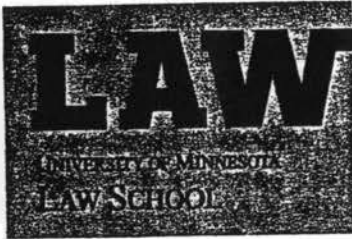
After the workshops were completed, the Committee hired an outside consultant to facilitate an all-day retreat, at which the faculty examined the thoughts and suggestions raised at the workshops and identified some important next steps. Highlights from the retreat are attached.

The Foundation's grant was extremely helpful in enabling the Law School to develop some preliminary ideas regarding the exciting but challenging mission of the Robina Foundation. Our expenditures are shown in the attached financial statement.

Going forward, we envision two possible approaches to developing a bold, forward-looking, and creative major initiative:

- Leverage the effect of potential Robina funding through challenge gifts from other donors to endow transformational opportunities
- Use Robina funding to establish interdisciplinary programs to transform legal education by directly addressing in a timely way, significant economic and social issues.

We seek the support of the Robina Foundation in continuing our exploration of the best method to bring Mr. Binger's vision to life.



Retreat Highlights

On May 1, 2006, University of Minnesota Law School faculty attended an all-day retreat to discuss ideas for the future of legal education, which were generated at the workshops organized by the Robina Foundation Committee. The retreat was facilitated by an outside consultant, InnovationLabs LLC.

The retreat included a series of activities, each to be accomplished by an individual, a pair, a small group, or a large group. Each participant was asked to create a poster expressing his or her vision of what the Law School could be in 2018. Teams were established to develop core ideas and programmatic elements of a proposal that could be advanced.

Team Deliberations

One team focused on the student experience--how to enable greater access and a deeper pool of student applicants. Proposals included:

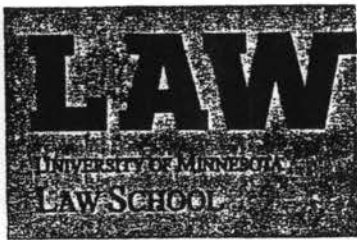
- Scholarships
- Postgraduate fellowships
- A Robina Public Interest Fund setting up a loan-forgiveness program
- A requirement that all third-year law students engage in experiential learning through clinics, internships, and real-world placements in response to community needs and overseen by faculty

Another team envisioned the Law School as a problem-solving institution: Law would be taught in a new way, and students would be equipped with problem-solving processes and tools. As a result, Law School education would be:

- Dynamic: adaptable to changing external conditions
- Organic: all constituents--students, faculty, community, the bar, other subject matter experts--would be deeply interconnected
- Grass roots driven: ideas flowing from edges of school instead of central plan and curriculum
- Open to new teaching models: seminars, colloquia, summer institutes, workshops, TAs, fellowships, instructors

A third team envisioned the Law School as a transformative agent for real-world change and called their theme "law for a changing world." This group's initiative would transform legal education, which has mirrored the failures of the rule of law to address crises, globalization, and basic rights. In this group's proposal, the student body would become more diverse and global, and the faculty would become more interdisciplinary and develop broader connections within the University. Projects would be created to make connections with communities, judges, and legislators, and students would be supported through internships and mentoring. Among the problems identified:

- War and genocide
- Pandemics
- Environmental crises
- Displaced peoples



Take-Aways

A session on teaching and training in conferences and symposia made the following recommendations to overcome current assumptions about legal education:

- Emphasize problem-solving
- Rethink entire structure of teaching
- Incorporate modern theory on how learning works
- Use pathway model
- Move away from value-neutral pedagogy
- Break down barriers between clinical and nonclinical faculty through collaboration
- Ensure that graduates have basic, minimum skills to practice law

The team exploring scholarships and fellowships recommended offering all incoming students public service summer internships in accordance with the Robina themes. Recommendations from this group:

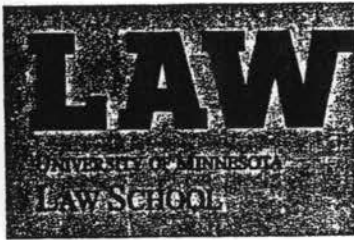
- Significant increases in funding for internships, fellowships, and support staff
- Extending Law School's loan-forgiveness program
- Offering 20 public-interest work opportunities each year, which would not have to be repaid

A team exploring research initiatives recommended focusing on particular research problems. They proposed topics such as:

- Race, equality, and urban development
- Public health
- Tort reform/medical malpractice
- Human rights/public international law
- National security, use of force
- Law, democracy, and political development
- Global warming
- International economic development

Discussions of capital campaigns, endowments, and improvement of student life generated the following suggestions and ideas:

- Collaborate with other colleges in fund raising
- Create endowments to support research clusters, visiting faculty, post-docs, public interest scholarships, global diversity in student body
- Increase specialized training
- Increase mentoring
- Allow credit-transfer from other institutions
- Develop life-long connection between Law School and alumni
- Design mixed-use physical space for multiple disciplines and colleges



Overall Goal

The outcome of the retreat's several activities was an overriding goal: transforming the Law School's curriculum to facilitate exciting new research that focuses on pressing socio-economic issues. The Law School would develop, through research and further discussion, new concepts of legal education that can address identifiable problems and transform political, legal, and policy discourse to resolve important issues being faced at the moment and in the future.

Achieving this goal will involve changes to the first- and third-year curricula and the addition of world-class faculty. Apprenticeships might be included to give students practical experience. In general, it would mean teaching students to become good, innovative problem-solvers. The Law School's final objectives and responsibilities would be to train superior lawyers who serve clients better and to develop policy solutions for important public issues.

Future Development

The following outline provides a tentative thumbnail sketch of the plan for attaining the overall goal:

Startup

- Establish framework criteria emphasizing projects for real-world impact
- Promote faculty-student collaboration
- Promote interdisciplinary collaboration among Law School, University, and the other three potential Robina beneficiaries
- Add funding for teaching, new faculty positions, student scholarships, and support staff

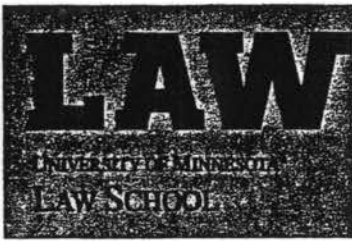
Themes and subject areas

- Overarching theme: law for sustainable societies
- Address governance at all levels (local, state, national, global) and in private sector
- How law can ensure quality of and access to healthcare
- Environmental law and issues of sustainable development
- Equality, justice, and human rights
- Management of crises (e.g., warfare, genocide, pandemics)
- Problems of metropolitan systems

Possible approaches

- Leverage Robina funding to create a focus for additional endowments from external sources

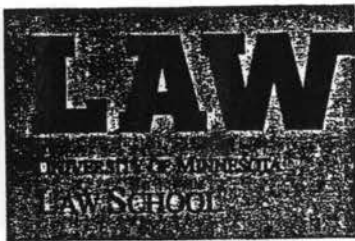
We would like to maximize the potential of Robina funding by challenging alumni, law firms, businesses, and other external constituencies to make a significant contribution toward the transformational changes begun as a result of the Foundation's support. This strategy would have the obvious effect of increasing monies for future progress.



- Use Robina funding to establish distinctive programs, possibly across disciplines, that address specific economic issues to facilitate transforming legal education

We hope to encourage the faculty to identify particular interdisciplinary projects that address pressing socio-economic problems. These projects would be funded by a significant Robina Foundation grant.

We would appreciate receiving a grant for 2006-2007 to explore the feasibility of the strategies described.



Financial Statement

Account Summary

Fiscal Year: 2006

Area Class: TLAW

Account Number: [REDACTED]

Prior Year Carry Forward Balance: 0.00
Plus Year to Date Revenues: 75,000.00
Plus Net Transfers: 0.00
Minus Year to Date Expenses: 71,528.00
Cash Balance: 3,471.76
Minus Encumbrances: 0.00
Ending Balance: 3,471.76

	Actual
Revenue: Gifts	75,000.00
Total Year to Date Revenue	75,000.00
Expenses	
Consultant Travel Expenses	12,927.21
Conference Room Rental	1,865.00
Mailing	17.26
Meals & Operating Supplies	5,009.58
Misc.	50.00
Refreshments	167.19
Speaker Consultant Fees	51,492.00
Total Year to Date Expenses	\$71,528.24
Ending Balance:	3,471.76

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

December 7, 2006

Mr. Peter G. Peterson, Chairman
Council on Foreign Relations
58 East 68th Street
New York, NY 10021

Dear Pete:

I have just gone on the Board of a new foundation, The Robina Foundation. It grew out of the estate of Jim Binger, my predecessor as CEO of Honeywell.

The Council on Foreign Relations is specified in the Foundation Bylaws as one of the organizations designated for supporting grants.

Mr. Binger's intent is spelled out as follows in the Foundation Bylaws:

"The Robina Foundation is to engage in international relations activities that support the Council on Foreign Relations of New York. These activities include the following:

"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."

Mr. Binger further specified in his guidelines that charitable gifts should be devoted to encouraging innovation and creativity, should emphasize forward thinking projects and initiatives, with an emphasis on major projects.

It is a pretty broad brush under which the Foundation operates, with future thinking being the principal guideline.

I would be glad to talk to whoever we need to start a dialogue, leading to a grant request. Probably some phone exchanges will get us both started. Then in the early months next year, Dr. Gordon Aamoth, Chair of the Foundation, and I would pay a visit to your offices in New York to pursue the project further.

Sincerely,



cc: Dr. Gordon Aamoth

COUNCIL ON FOREIGN RELATIONS

58 EAST 68TH STREET • NEW YORK • NEW YORK 10021

Tel 212 434 9781 Fax 212 434 9832 Email sbhel@cfre.org

WASHINGTON OFFICE • 1779 MASSACHUSETTS AVENUE, N.W. • WASHINGTON, D.C. 20036

Tel 202 518 3440 Fax 202 986 2984 www.cfre.org

Suzanne E. Helm

Vice President for Development

F41

failed 1/16

January 9, 2007

Mr. Edson W. Spencer
President
Spencer Associates
4900 IDS Center
80 South Eighth Street
Minneapolis, MN 55402

Dear Ed:

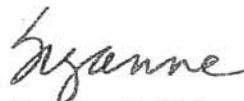
Our conversation last Tuesday morning was a terrific way to begin my 2007 work year! The Council is most fortunate that Mr. Binger so generously included us as a beneficiary of the Robina Foundation. And we are also fortunate that you are personally interested in our work.

I have told Richard Haass about our conversation and am sure he is already beginning to formulate some ideas to discuss with you. Once we receive the planning grant I will be in touch regarding immediate and long term steps.

I welcome having the chance to meet when you and Dr. Aamoth head to New York later this year. In the meantime, I am enclosing two books that I think you may find of interest. *The Shia Revival* by Council Fellow Vali Nasr has received stellar reviews for its analysis of the political and religious aspects of the Shia/Sunni conflict. Also enclosed is a copy of Richard Haass's most recent book, *The Opportunity*, which will give you insight into his views on U.S. foreign policy.

Happy new year to you and yours. I look forward to working with you on this exciting partnership.

Sincerely,



Suzanne E. Helm

Enclosures

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

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Leslie H. Gelb
President Emerita

December 21, 2006

Mr. Edson W. Spencer
4900 IDS Center
80 South Eighth Street
Minneapolis, MN 55402

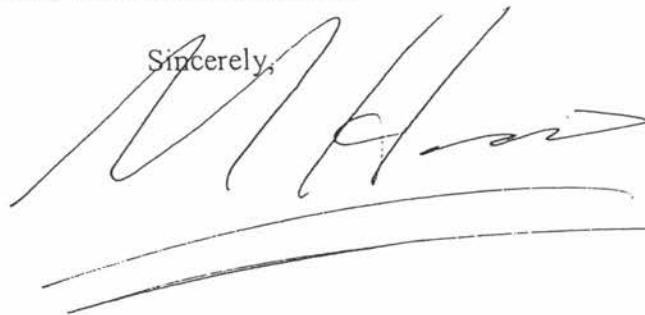
Dear Mr. Spencer:

Pete Peterson has shared with me your kind letter of December 7. We are indeed honored that Jim Binger chose to include the Council as one of the beneficiaries of the Robina Foundation. As you know, he was an active member of the Council for over 30 years.

There are many activities and projects that may be of interest to the Foundation given the international relations activities specified by the guidelines. As a starting point, I have enclosed a copy of our general information brochure and fiscal year 2006 annual report to give you an overview of some of our activities. You may also want to visit our website, CFR.org. I have asked Suzanne Helm, our vice president for development, to be in touch with you to answer any preliminary questions you may have. And, of course I would be delighted to meet with you and Dr. Aamoth when you visit New York.

Thank you again for the good news about the Foundation. I hope this is the beginning of a long and beneficial partnership between our two organizations. I know that Jim would have liked that.

Sincerely,



Encl.

YALE UNIVERSITY

OFFICE OF THE PRESIDENT

105 WALL STREET, PO BOX 208229

NEW HAVEN CT 06520-8229

January 16, 2007

Gordon M. Aamoth, M.D.
President
Robina Foundation
c/o Faegre & Benson LLP
2200 Wells Fargo Center, #32006
90 South Seventh Street
Minneapolis, MN 55402-3901

Dear Dr. Aamoth:

I was delighted to receive your recent letter and accompanying check from the Robina Foundation for \$50,000. The Foundation's benefactor, the late James Binger '38 was an extraordinarily generous and distinguished Yale alumnus. The University is grateful for this award and honored to have been designated by him as a partner in the Foundation's philanthropic mission.

We are currently deliberating over possible project options for which we will seek the Foundation's support, any number of which meet the criteria of being forward-thinking, innovative, and creative. With this tremendous opportunity, we will strive to apply the Robina Foundation's funds to further causes that may bring far-reaching benefit to humankind.

I will be in touch shortly with our project decision and hope to visit with you in person before too long to gain a better understanding of the Foundation's future directions. In the meantime, you have our profoundest gratitude.

With my best regards,

Sincerely yours,

Richard C. Levin

Richard C. Levin

RCL:mg

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

DATE: December 7, 2006
TO: Gordie Aamoth cc: Tom Crosby
FROM: Ed Spencer
SUBJECT: INVESTMENT POLICY

I would like to recommend to you and the Investment Committee that we make the following decisions at this point in time:

1. \$300,000 to the checking account at U.S. Bank. I believe Tom Crosby has this underway. This can be used to meet immediate obligations.
2. The balance of the present Robina assets, approximately \$9.6 million to an investment in a money market account at U.S. Bank earning about 4.8%. These assets are now earning 4.6% at J.P. Morgan Bank. Nancy Clark has let us know that a money market investment account at U.S. Bank is available. We can then transfer funds to the checking from the money market account as needed to make grants and meet additional obligations in 2007. Transfer between accounts can be done with a phone call. (I believe you have this transfer underway.)
3. We look on TIFF as our investment account to build asset value for the later life of the Foundation, and to distribute 5% to the Foundation annually, plus or minus capital gains.
 - When we meet with J.P. Morgan bankers on December 14th, we ask them for a preliminary distribution from the estate of \$10 million to be transferred to TIFF for investment in their Multi-Asset Fund.
 - We also ask for an additional preliminary distribution transfer to the U.S. Bank account of \$10 million in the early part of 2007, before the full estate is transferred to Robina.
4. When the entire estate is distributed, and the payments from Maurer are received, we can decide on the longer term investment policy. I'll have recommendations for the Santa Barbara meeting.
5. Using Tom Lund's required IRS distribution table, I calculate that we will have to have distributed approximately \$7 million in grants and costs by the end of 2008, when the 4-year startup period ends.

Let me know if you want to proceed along these lines, and how you want to involve our other two Directors.

EA

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gaamoth@msn.com

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From : <Nosde2@aol.com>

[Inbox](#)

Sent : Tuesday, January 2, 2007 4:34 PM

To : anita.m.tyson@jpmorgan.com

CC : gaamoth@msn.com

Subject : Robina

Anita,

We are getting grantmaking opportunities for 2007, and don't want to wait for the results of the tax audit and any settlement to respond.

Last July 21st, David Baker offered an interim distribution of about \$45 million, including \$11.4 million cash, plus the Binger assets in the Tartan funds, and venture capital investments. We declined the latter two investments as the assets would penalize us on the 5% distribution requirement without being able in the short run to liquify the investments. At our December meeting, you offered us the \$11.4 million and thought the distribution could be made in January.

Through Becky McClung, I got the message to you that we would like you to increase that distribution if possible. The Binger estate report shows \$67 million available in cash, which would appear to be far beyond any unforeseen liabilities that might occur. Please consider increasing the \$11.4 million number.

Sincerely,

Ed Spencer

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ROBINA FOUNDATION CUSTODY

This statement is for the period from
December 8, 2006 to December 31, 2006

ROBINA FOUNDATION
ATTN: GORDON AAMOTH, PRESIDENT
629 FERNDAL RD W
WAYZATA, MN 55391-0629

QUESTIONS?

If you have any questions regarding
your account or this statement, please
call your Relationship Manager:

Timothy S Towle
BC-MN-H04H
800 Nicollet Mall
Minneapolis MN 55402
Phone 612-303-3258

Portfolio Manager:
Trd Svcs ST Paul New Ac

ASSET SUMMARY AS OF 12/31/06

	<u>Market Value</u>	<u>% of Total</u>	<u>Est Annual Income</u>
Cash/Money Market	\$9,525,932.45	100.0	\$465,941.96
Total Market Value	\$9,525,932.45	100.0	\$465,941.96

ASSET DETAIL

<u>Shares/ Par</u>	<u>Security Description</u>	<u>Tax Cost</u>	<u>Price</u>	<u>Market Value/ Accrued Inc</u>	<u>% Of Total</u>	<u>Est Ann Income Curr Yield</u>
Cash/Money Market						
9,500,000.000	First Amer Prime Oblig Fund CI Y	\$9,500,000.00	1.000	\$9,500,000.00 \$25,932.45	100.0	\$465,941.96 4.90
	Total Cash/Money Market	9,500,000.00		9,500,000.00 25,932.45		465,941.96 4.90
	Total Assets	9,500,000.00		9,500,000.00 25,932.45		465,941.96 4.90
	Total Account Accrued Income	25,932.45		25,932.45		
	Grand Total	9,525,932.45		9,525,932.45		465,941.96 4.89

Publicly traded assets are valued in accordance with market quotation or valuation methods from services believed by us to be reliable. Assets, which are not publicly traded, may reflect values from other external sources or special valuations prepared by us. Assets for which a current value is not available may be reflected as not valued, at Par Value, or at a nominal value of \$1.00. Values shown do not necessarily reflect prices at which assets could have been bought or sold. Values are updated based on internal policy and may be updated less frequently than statement generation.

ROBINA FOUNDATION CUSTODY

ACCOUNT SUMMARY

MARKET RECONCILIATION

	Current Period 12/08/06 - 12/31/06	Year-To-Date 12/08/06 - 12/31/06
Beginning Market Value	\$0.00	\$0.00
Contributions	9,700,000.00	9,700,000.00
Distributions	- 200,000.00	- 200,000.00
Change In Accrued Income	25,932.45	25,932.45
Ending Market Value December 31, 2006	\$9,525,932.45	\$9,525,932.45

[REDACTED]
[REDACTED]
ROBINA FOUNDATION CUSTODY**CURRENT PERIOD TRANSACTION DETAIL**

<u>Date Posted</u>	<u>Description</u>	<u>Income Transactions</u>	<u>Principal Transactions</u>
Receipts			
	Total Income Collected	0.00	0.00
	Current Accrued Income	25,932.45	
	Previous Accrued Income	0.00	
	Change In Accrued Income	25,932.45	
	Total Income Earned	25,932.45	0.00
Miscellaneous Receipts			
12/12/06	Cash Receipt Recd From US Bank [REDACTED] Received IN Account Via Ach Due 12/12/06 Deposit By Donor		9,700,000.00
	Total Receipts	\$25,932.45	\$9,700,000.00
Disbursements			
To/For Beneficiaries			
12/26/06	Cash Disbursement Paid To US Bank [REDACTED] Ach Trf To U.S. Bank Checking Transfer Per Request		- 200,000.00
	Total Disbursements	\$0.00	- \$200,000.00

[REDACTED]
[REDACTED]
ROBINA FOUNDATION CUSTODY**CURRENT PERIOD TRANSACTION DETAIL (continued)**

<u>Date Posted</u>	<u>Description</u>	<u>Cost</u>	<u>Proceeds</u>	<u>Estimated Gain/Loss</u>
Assets Acquired				
Principal Portfolio				
	First Amer Prime Oblig Fund CI Y			
	Combined Purchases For The Period 12/ 1/06 - 12/31/06	9,700,000.00	- 9,700,000.00	
	Total Assets Acquired	\$9,700,000.00	- \$9,700,000.00	\$0.00
Assets Disposed				
Principal Portfolio				
	First Amer Prime Oblig Fund CI Y			
	Combined Sales For The Period 12/ 1/06 - 12/31/06	- 200,000.00	200,000.00	
	Total Assets Disposed	- \$200,000.00	\$200,000.00	\$0.00

Important Notice: Effective January 1, 2007, termination fees for personal trust accounts will be based upon time and effort, with a minimum charge of \$1,000. If a new account closes within one year of inception, the full annual fee will be charged prior to closing.

Mutual Fund Compensation Disclosure

U.S. Bancorp, or its affiliates, (hereafter "U.S. Bank") have entered and will, from time to time, enter into agreements with mutual funds and/or their sponsors, service providers and affiliates (collectively "Funds") whereby U.S. Bank receives fees as compensation for performing shareholder and administrative support services and other services to clients and the Funds if client assets are invested in Funds under the agreements. The compensation we receive does not increase the fees paid by any account beyond the fees paid under the current account fee schedule and the fees described in the prospectuses of the Funds. This Disclosure describes the compensation Funds have agreed to pay to U.S. Bank for services it performs. This Disclosure is not intended, nor should it be considered, as investment advice.

COMPENSATION SCHEDULE

Under agreements with the Fund Families, U.S. Bank receives a maximum annual percentage compensation (based on a percentage of average daily net assets) for investment advisory, administrative and other services rendered to the following mutual funds and our clients. As described in the prospectuses, U.S. Bank may voluntarily waive a portion of the Total Annual Fund Operating Expenses it is entitled to receive for providing services to the First American Funds. Total Annual Fund Operating Expenses equal the Advisory Fees and Other Fees & Expenses stated before any waivers. Net Fees & Expenses below are stated after any waivers and expenses paid to third parties. Fee waivers may be terminated at any time, as described in the prospectuses. Other Fees & Expenses may vary slightly based on charges for services rendered, but the basis for calculating these amounts does not change. U.S. Bank may also receive fees from the Funds for securities lending services; these fees are not included here but are addressed in the prospectuses. By authorizing investment in these Funds, you authorize the fees paid by the Funds and received by U.S. Bank up to the Total Annual Fund Operating Expenses disclosed in the prospectuses.

Fund Name	Advisory Fees	Other Fees & Expenses		Net Fees & Expenses Received by U.S. Bank	
FIRST AMERICAN FUNDS	Class Y/A Shares	Class Y Shares	Class A Shares	Class Y Shares	Class A Shares
Real Estate Securities	0.70%	0.30%	0.55%	1.00%	1.25%
International	1.00%	0.29%	0.54%	1.27%	1.52%
Small Cap Growth Opportunities	1.00%	0.31%	0.56%	1.22%	1.47%
Small Cap Select	0.70%	0.30%	0.55%	1.00%	1.25%
Small Cap Value	0.70%	0.31%	0.56%	1.01%	1.26%
Small-Mid Cap Core	0.70%	0.37%	0.62%	1.07%	1.32%
Mid Cap Growth Opportunities	0.70%	0.29%	0.54%	0.99%	1.24%
Mid Cap Value	0.70%	0.30%	0.55%	1.00%	1.25%
Large Cap Growth Opportunities	0.65%	0.30%	0.55%	0.95%	1.20%
Large Cap Select	0.65%	0.32%	0.57%	0.97%	1.22%
Large Cap Value	0.65%	0.30%	0.55%	0.95%	1.20%
Equity Index	0.25%	0.29%	0.54%	0.37%	0.62%
Mid Cap Index	0.25%	0.32%	0.57%	0.50%	0.75%
Small Cap Index	0.40%	0.38%	0.63%	0.58%	0.83%
Balanced	0.65%	0.31%	0.56%	0.85%	1.10%
Equity Income	0.65%	0.29%	0.54%	0.94%	1.19%
Strategy Aggressive Growth Allocation	0.25%	1.46%	1.71%	1.16%	1.41%
Strategy Growth Allocation	0.25%	1.40%	1.65%	1.10%	1.35%
Strategy Growth & Income Allocation	0.25%	1.35%	1.60%	1.05%	1.30%
Strategy Income Allocation	0.25%	1.31%	1.56%	0.91%	1.16%
Income Builder	0.25%	1.03%	1.28%	0.10%	0.35%
Core Bond	0.50%	0.26%	0.51%	0.70%	0.95%
Total Return Bond	0.60%	0.31%	0.56%	0.75%	1.00%
High Income Bond	0.70%	0.35%	0.60%	0.85%	1.10%
Intermediate Government Bond	0.50%	0.61%	0.86%	0.60%	0.75%
Intermediate Term Bond	0.50%	0.26%	0.51%	0.70%	0.85%
Short Term Bond	0.50%	0.28%	0.53%	0.60%	0.75%
U.S. Government Mortgage	0.50%	0.39%	0.64%	0.70%	0.95%
Arizona Tax Free	0.50%	0.89%	1.14%	0.50%	0.75%
California Intermediate Tax Free	0.50%	0.52%	0.77%	0.70%	0.85%
California Tax Free	0.50%	0.72%	0.97%	0.50%	0.75%
Colorado Intermediate Tax Free	0.50%	0.60%	0.85%	0.70%	0.85%
Colorado Tax Free	0.50%	1.03%	1.28%	0.50%	0.75%
Intermediate Tax Free	0.50%	0.28%	0.53%	0.70%	0.85%
Minnesota Intermediate Tax Free	0.50%	0.32%	0.57%	0.70%	0.85%
Minnesota Tax Free	0.50%	0.35%	0.60%	0.70%	0.95%
Inflation Protected Securities	0.50%	0.30%	0.55%	0.60%	0.85%
Missouri Tax Free	0.50%	0.35%	0.60%	0.70%	0.95%
Nebraska Tax Free	0.50%	0.67%	0.92%	0.50%	0.75%
Ohio Tax Free	0.50%	0.64%	0.89%	0.50%	0.75%
Oregon Intermediate Tax Free	0.50%	0.37%	0.67%	0.70%	0.85%
Short Tax Free	0.50%	0.32%	0.57%	0.60%	0.75%
Tax Free	0.50%	0.29%	0.54%	0.70%	0.95%
Government Obligations	0.10%	0.40%	0.70%	0.45%	0.75%
Prime Obligations	0.10%	0.39%	0.69%	0.48%	0.78%
Tax Free Obligations	0.10%	0.40%	0.70%	0.45%	0.75%
Treasury Obligations	0.10%	0.38%	0.69%	0.45%	0.75%
U.S. Treasury Money Market Fund	0.10%	0.44%	0.74%	0.45%	0.75%

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

January 2, 2007

Dr. Gordon Aamoth
Robina Foundation
c/o Tom Crosby, Faegre & Benson
2200 Wells Fargo Center
90 South 7th Street
Minneapolis, MN 55402-3901

Dear Gordie:

Attached are three pages of figures showing under one set of assumptions what we may be able to give away in the twenty years from founding of the Foundation in 2004 through 2024. Assumptions are follows:

1. In the years 2005-2008 we spend for grants and expenses per Tom Lund's formula which I sent you on December 18th. The total spent over the first four years must be no less than \$3,750,000.
2. We started in 2004 with \$10 million. In 2007 we receive an \$11.4 million distribution from Morgan, plus \$15 million from the settlement with Maurer. (I have asked Tyson to see if they will make a larger distribution.)
3. Tax audit is complete in 2007-8 and we settle any disagreements with the IRS in the course of 2008. So for 2008, we will have all of the Foundation assets, but for part of the year.
4. In 2009 we have \$90 million assets (hopefully more) invested in two accounts:
 - \$40 million in the TIFF account which earns 8% (their estimate) and pays 5% to the Foundation.
 - \$50 million in the fixed income account at USBank account which earns 5%, but we pay out 8%.
 - The payout, therefore, is the sum of the distribution from the two accounts, or around \$6 million per year.
5. At the beginning of 2018 after 13 years of the Foundation life, we combine the two accounts in a fixed income account earning 5% at USBank. The combined assets would be \$87 million, and we would be giving away about \$15 million a year to run the Foundation assets down to zero at the end of 2024.

What this first look at the numbers tells us is that we could give away more in the early years if we have good opportunities for constructive grants that meet Jim's long-term objectives.

If we have the opportunity to increase grants in the early years, I recommend at this point that we do so out of the USBank account, and build some assets in the TIFF account for later years. But we have to keep in mind that many grants tend to have a longer life than the year in which they are made. (Council on Foreign Relations is already thinking of a multi-year grant, and Allina made similar noises.)

All for discussion in February.

Best regards,

A handwritten signature, likely of the sender, consisting of a stylized 'A' followed by a flourish.

Enclosures

Page 1
T. FF Account

Foundation
Projection of Income & Distributions
Investment Account, 7% return, 5% distribution
December 19, 2006

	Beginning Balance	8% Return	Balance	Distribution - 5%	Ending Balance
2009	40,000,000	3,200,000	43,200,000	(2,160,000)	41,040,000
2010	41,040,000	3,283,200	44,323,200	(2,216,160)	42,107,040
2011	42,107,040	3,368,563	45,475,603	(2,273,780)	43,201,823
2012	43,201,823	3,456,146	46,657,969	(2,332,898)	44,325,070
2013	44,325,070	3,546,006	47,871,076	(2,393,554)	45,477,522
2014	45,477,522	3,638,202	49,115,724	(2,455,786)	46,659,938
2015	46,659,938	3,732,795	50,392,733	(2,519,637)	47,873,096
2016	47,873,096	3,829,848	51,702,944	(2,585,147)	49,117,797
2017	49,117,797	3,929,424	53,047,220	(2,652,361)	50,394,859
2018	50,394,859	Transfer to Short-term Account			

Page 2
U.S. Bank Account

Foundation
Projection of Income & Distributions
Short-term Account, 5% return, 8% distribution
December 19, 2006

	Beginning Balance	5% Return	Balance	Distribution - 8%	Ending Balance
2009	50,000,000	2,500,000	52,500,000	(4,200,000)	48,300,000
2010	48,300,000	2,415,000	50,715,000	(4,057,200)	46,657,800
2011	46,657,800	2,332,890	48,990,690	(3,919,255)	45,071,435
2012	45,071,435	2,253,572	47,325,007	(3,786,001)	43,539,006
2013	43,539,006	2,176,950	45,715,956	(3,657,277)	42,058,680
2014	42,058,680	2,102,934	44,161,614	(3,532,929)	40,628,685
2015	40,628,685	2,031,434	42,660,119	(3,412,810)	39,247,309
2016	39,247,309	1,962,365	41,209,675	(3,296,774)	37,912,901
2017	37,912,901	1,895,645	39,808,546	(3,184,684)	36,623,862
2018	36,623,862	Combine with Investment Account			

Page
Combined Account
Starting in 2018.

Foundation
Projection of Income & Distributions
Combined Short-term Account, 5% return, Exhaust Distributions
December 19, 2006

	Beginning Balance	5% Return	Balance	Distribution per year 15,039,000	Ending Balance
2018	87,018,722	4,350,936	91,369,658	(15,039,000)	76,330,658
2019	76,330,658	3,816,533	80,147,191	(15,039,000)	65,108,191
2020	65,108,191	3,255,410	68,363,600	(15,039,000)	53,324,600
2021	53,324,600	2,666,230	55,990,830	(15,039,000)	40,951,830
2022	40,951,830	2,047,592	42,999,422	(15,039,000)	27,960,422
2023	27,960,422	1,398,021	29,358,443	(15,039,000)	14,319,443
2024	14,319,443	715,972	15,035,415	(15,035,415)	0
End of 2024	0	0	0	0	0

December 20, 2006

Robina Board Members

Re: Interim Report to Robina Board

I have been actively interviewing administrative people, including TPI, Peter Karoff's group in Boston, to get a handle on the best model for our office. I hope to have a recommendation to you before the February retreat.

Ed Spencer has been actively involved with me in interviewing investment managers, including a Minneapolis firm, TIFF, a Philadelphia firm you heard about at the last board meeting and J.P. Morgan in Chicago who currently has the Robina money. We will have a recommendation to you by the February retreat.

I am close to hiring an accounting firm so as to get the year-end tax obligation in order.

This brings me to the 2006 distribution to avoid a tax penalty. We have conflicting legal opinions, but will be okay if we distribute \$75,000 to each of the four designated institutions as was voted at the last board of directors' meeting.

Ed Spencer and I met with Abbott-Northwestern Hospital and their proposal for "innovative and forward-thinking model of health care that will transform health care delivery" was well received. It includes patient centered care, evidence based medicine and pay for performance as well as integration of caregivers to prevent disease in children, improve health of the middle age and prepare the aged for the end of life. This year's grant will allow them to develop a business plan and a grant proposal.

Ed Spencer and I are meeting with the Provost and the Law Deans from the University of Minnesota this week to review their work to date and plans going forward.

I plan to meet with Yale and the Counsel on Foreign Relations in the first quarter of 2007 as a matter of introduction and will better deliver our message to them after our retreat and the development of our strategic plan.

Enclosed is a memo from Ed Spencer regarding investment policy which I endorsed. I am working with a tax lawyer here at Faegre & Benson to determine the amount of distribution after we receive the money from the Binger Estate. This will dictate how we will invest that money. I will have this for the retreat in February of 2007.

Robina Board Members

December 20, 2006

Page 2

If you have any questions or advice, do not hesitate to e-mail, write or call me.

Have a happy, joyful holiday.

Sincerely,

Gordon M. Aamoth

jmm

Enclosure

fb.us.1721645.01

ROBYNA FOUNDATION – Draft Budget

“Qualifying distributions” includes distributions made for charitable purposes, plus a reasonable amount of administrative expenses, plus (in some cases) amounts set aside for future expenditures.

Annual Administrative Expenses:

Executive Director Salary	\$175,000
* Administrative Assistant	75,000
Secretarial support	50,000
Office rent, supplies, etc.	50,000
Board of Directors' costs	75,000
Travel, legal, accounting, etc.	<u>150,000</u>
TOTAL	\$575,000

Assume \$125,000,000 starting assets in 2008.

$\text{x } 5\% = \$6,250,000$ (interest)
 $\frac{575,000}{6,250,000} = 9.8\%$ of grants made
 $= \$5,675,000$ charitable grants

* Administrative Assistant to be knowledgeable about accounting, to keep financial records of grants and investments, to prepare checks and keep bank balances, handle payroll, etc.

ROBINA FOUNDATION

JOB DESCRIPTION

EXECUTIVE ASSISTANT TO THE PRESIDENT

- Program development and monitoring; support the President and the Board of Directors as assigned to the four designated institutions for grant awards, consultants and monitoring grants. It is anticipated the Foundation will need expert advice to translate the strategic direction to the four institutions.
- Financial recordkeeping, bookkeeping, paying the bills and working with the accounting firms for tax and audit. Support the President and the Financial Committee on business with the financial management firm.
- Responsible for correspondence, e-mail and telephone messages, budget management, insurance, website, telecommunications, travel and meeting arrangements, and liaison with external advisors and the Board of Directors.
- Grant development review and monitoring:
 - Write grant guidelines for the institutions and establish grant procedures and timelines. Write grant recommendations for Board of Directors decisions based on the advice from expert consultants. Ensure that measurable outcomes are an integral part of every recommended project with tracking systems. Organize and coordinate grant monitoring with the expert consultants and prepare appropriate outcome information for the Board of Directors.
 - Find and coordinate with other entities with similar objectives.
 - Review, fact check and otherwise investigate proposals made by grant requesting institutions.
- Institutional Relationships:
 - Maintain appropriate on-going relationships with contacts at each institution in coordination with the President.
- Expert consultants:
 - Identify expert consultants and maintain appropriate on-going relations with them while they are doing Robina work.

CGIARDINA@FACQUA.COM

Jean Sazevich
4808 Dowling Street
Minneapolis, Minnesota
55406
612.599-7092 (cell)

Met E. Edrington 1/4/07

Robina Foundation

Preliminary Recommendations 12/28/06:

- Devote time at the upcoming board retreat to begin addressing the question: "***What is the appropriate level of infrastructure needed to effectively manage the foundation?***" The answer to this question should be based on strategic decisions made by the board, including:
 - grantmaking program characteristics --- large, multi-year grants or shorter-term smaller grants, etc.;
 - nature and scope of other non-grant charitable activities to be undertaken by the board, such as convening or research;
 - level of board/committee activity and the roles/responsibilities of board members; and
 - monitoring and evaluation of grantees
- When the board has necessary clarity on the key strategic questions it faces, it should consider how to best staff the organization for effective management. This process could take a number of months.
- One option for the board to consider is hiring an experienced foundation consultant for an interim period of at least six month. The consultant could provide all basic administrative and management needs, as well as strategic work as needed. In addition, this person could provide all necessary support to the existing Foundation President, Gordon Aamoth, who also serves as staff of the Robina Foundation.
- Specific duties of a contractual or permanent employee position should be determined and approved by the full Foundation board of Directors. At a minimum, duties should include:
 - management of day-to-day operations of foundation;
 - creation and maintenance of information management systems;
 - regular communication with board members and key external constituents;
 - preparation of all materials for board and committee meetings;
 - attend and take minutes of all meetings; and
 - coordination of work of other professional advisors as needed.
- The role of the consultant or staff should also be focused on supporting the Chair and CEO in performing their responsibilities as the lead

representative of the Foundation in the community. This could include assistance in preparation for various meetings and other items as requested.

Proposals:

Option I:

- Six – twelve month consulting contract at 50% FTE
- Start date – flexible, prefer first quarter 2007
- Flat rate of \$8,000 per month plus expenses
- Foundation will pay for equipment necessary to carry out duties, such as a lap top computer, Blackberry, etc.
- Work will be performed at either Foundation office or home office

Option II:

- 75-100% FTE staff position, title TBD
- Salary requirement: \$110,000 FTE plus standard benefits (do not currently require health care insurance coverage) and expense reimbursement
- Work will be performed at foundation offices
- Flexible start date



MEMORANDUM

TO: FILE
FROM: Gordon Aamoth
DATE: December 26, 2006
SUBJECT: December 20, 2006 Conversation With Tom Lund of the Oppenheimer Firm
About The Robina Farm Real Estate and the Marian Bazal Condominium

** Next page letter for Bas Lund*

The farm valued at the estate of Jim Binger at \$1,400,000. Tom recalls, he thinks, from conversations with Jane and I think from a conversation with Jim and Jane, that he wanted this land preserved. Therefore, our options are to sell it at the highest bid which means it probably would be developed as real estate or to donate it to The Nature Conservancy or the County park system or something like that to get it off our books.

With regard to the Marian Bazal condominium, she was a companion of Mrs. Binger's and is living in the condominium and Jim Binger was paying the condominium expenses such as the condominium fees and the real estate taxes. Apparently, this woman cannot afford to buy the condominium nor could she afford the taxes and Tom Lund did not feel that there was a way to set up a trust letting her use this and return it to the foundation when she dies with the mechanism to pay for the condo and real estate expenses. Therefore it would be my view as it was Tom's that the foundation should just carry this as an asset and pay the condo and real estate taxes as they come up until she dies and then we can sell it.

This note: Tom had that conference call previously scheduled with Briggs, the attorney's representing the estate in Minneapolis, regarding these two issues this afternoon at 2:00 p.m. and he will send me a memo after that is completed.

GA

GA/cfg
fb.us.1730527.01

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gaamoth@msn.com

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From : <Nosde2@aol.com>

[Inbox](#)

Sent : Thursday, January 11, 2007 6:36 PM

To : tlund@oppenheimer.com

CC : gaamoth@msn.com

Subject : Bazal Condominium

*1st talk about this
then on to Tom lead next page*

Tom,

Your solution for the Bazal condominium is appropriate. However, at some point we will want to convert the asset to cash. How old is Marion Bazal? Do we know she plans to stay in the condominium? For how long?

I talked to Tim Harrison, Jim's nephew, who maintains the Robina property. J.P. Morgan, through the estate, is paying Tim \$15 an hour plus expenses. I told Tim that it was my understanding that Robina ownership would come to the Foundation and we would continue his pay until we decided what to do with the property.

The property is 197 acres, mostly wetlands, with a few rundown buildings including a shed where Harrison keeps his machinery. Jane owns an adjacent 20 acres. It is in Hennepin County. Harrison loves the property and says he had vague promises (nothing written) from Jim to look after his future. Jim's ashes are scattered there. Harrison hopes the property can be preserved in some type of conservation arrangement. I told him that was Jim's expressed wish, and the Foundation has the same intent, but hadn't decided yet how to proceed. Harrison wants to show us (Gordie and me) the property and might be able to help us with the DNR or the County if our choice is to explore giving it to one or the other as a park.

I think you, Tom, have us moving in this direction starting with the 2007 tax payment.

Ed

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Memorandum

To: Robina Board of Directors

Date: December 27, 2006

From: Thomas E. Lund

CONFIDENTIAL: ATTORNEY-CLIENT
AND WORK PRODUCT PRIVILEGED

Subject: Robina Real Estate Issues

Robina Foundation is slated to receive distribution of two interests in real property from the estate of James Binger. Each of these properties is specifically given to the Foundation rather than included with the general assets passing from Mr. Binger or his trust. Each also comes with some issues for decision by the board.

1. Robina Land This vacant land in western Hennepin County was the source of the name for Robina Foundation. My recollection is that "Robina" was the name of a woman who lived on neighboring property. James Binger was strongly attached to this property. According to Jane Mauer, he foresaw the land's being used for research and for public uses, not for development. This is consistent with the language in his trust agreement stating, "I request, but do not direct or require, that the Robina Foundation utilize this real estate for a nature preserve, public park or other similar charitable use."

For this property to be exempt from real property taxes, it must be owned by a charitable organization and used for a charitable purpose. The board could decide to retain the property for use as Mr. Binger requested, develop or sell the property to raise funds for other foundation programs, or convey the property to another organization that would use it for a charitable purpose. Three of the many possible charitable transferees would be the Trust for Public Land, the Nature Conservancy and the Minnesota Department of Natural Resources. The board could solicit proposals from a number of charitable organizations to help it make the decision.

If the board decides to retain the land for a charitable use, an application for exemption from property tax should be filed by February 1, 2007. This application must describe the charitable purpose for which the land will be used. If the property is conveyed to another charitable organization, the recipient has a longer period in which to file the exemption application.

2. Bazal Condominium Mr. Binger owned a condominium that is occupied by Marion Bazal, who I understand was a long-term companion of the late Mrs. Binger. Mr. Binger's trust gives Ms. Bazal a "life estate" in the condominium. The remainder interest passes with the trust residue to Robina Foundation. The trust agreement states, "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."

The issue presented by this language is that it changes the attributes of a "life estate," which is an interest in real estate recognized in Minnesota law. The law, generally established in court cases, allocates ownership obligations and privileges between the holders of the life estate and the remainder. The life tenant is responsible for current expenses, such as general maintenance, mortgage interest, utilities and property taxes. The remainder owner is responsible for longer term

expenditures, such as capital improvements and mortgage principal. Each party may insure its own interests in the property. Mr. Bingers' gift would obligate the foundation to pay taxes and full property insurance, which are, in part, an obligation of the life tenant.

I have discussed this matter with Terry Slye, local counsel for JP Morgan, and believe the board has three possible courses of action. First, it could request the court to partition the interests, which would require one of the owners to buy out the other's interest or require a sale of the property and a division of the proceeds. I understand that this course would probably force Ms. Bazal to vacate the condominium. Second, it could request the court to construe the trust agreement in a manner that allocates the responsibilities of the owners in accordance with established law. Such a request may well not be granted, given the language of the trust agreement. Third, it could accept the remainder interest as a "conditional gift," i.e. one given on the condition that the foundation agree to comply with the additional obligations. This would be the simplest course, since it would not require a court proceeding. It would also comply with Mr. Binger's intent.

If the board agrees, I will prepare a letter to JP Morgan that describes the additional responsibilities the foundation accepts in order to receive the remainder interest in the property. This letter would establish a contractual obligation to Ms. Bazal, outlining specifically the expenses that Robina would bear. I believe that this course would be the most efficient and cost effective way of dealing with the condominium.

3. Decisions

- a. Should the foundation convey the "Robina land to another organization, sell it or hold it for a charitable use?
- b. Should the foundation accept the Bazal condominium as a conditional gift and undertake the additional obligations imposed by Mr. Binger's trust agreement?

Ms. Anita Medina Tyson
JP Morgan Private Bank
227 West Monroe Street, Suite 2700
Chicago, Illinois 60606

Re: Robina Foundation / James H. Binger Revocable Trust

Dear Ms. Tyson:

The board of Robina Foundation ("Robina") has discussed the provision of Mr. Binger's trust agreement that gives a condominium to Robina, subject to a life estate in Ms. Marion Bazal. The provision states, in part, "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's counsel has informed the board that Mr. Binger's "expectation" does not coincide precisely with the division of responsibilities between a life tenant and a fee owner under Minnesota law and may impose obligations on Robina that exceed those normally borne by a remainder owner. The board believes, however, that the present value of remainder interest still exceeds the present value of the obligations imposed on the remainder owner. The board further believes that the costs of a court proceeding to construe the provisions of the trust agreement or to partition the interests in the real estate outweigh the additional obligations.

Therefore, the board of directors of Robina now agrees to accept the remainder interest in the Bazal condominium subject to the obligations imposed on the remainder owner by the James H. Binger Revocable Trust Agreement. Robina will, following receipt of the real estate title from the trustee, undertake to pay, when due, premiums for insurance against loss or damage of the property, real property taxes, and the costs of capital improvements normally chargeable to the owner of the remainder interest in real property under Minnesota law. Robina's commitment is, however, subject to the life tenant's timely performance of her obligations with respect to the property, and Robina reserves the right to take such action as it deems advisable to preserve its interests in the property.

Sincerely,

Robina Foundation

By: _____
Director

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

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Leslie H. Gelb
President Emeritus

January 18, 2007

Dr. Gordon M. Aamo
President
Robina Foundation
c/o Faegre & Benson LLP
2200 Wells Fargo Center, #32006
90 South Seventh Street
Minneapolis, MN 55402-3901

Dear Dr. Aamo:

The Council on Foreign Relations is pleased to acknowledge receipt of a planning grant of \$50,000 from the Robina Foundation. We are indeed honored to be included among the recipient organizations identified by the Foundation.

We look forward to working with you and Mr. Spencer to develop an innovative project proposal that addresses a current or emerging foreign policy issue in a creative and forward-thinking way. We understand that no part of this grant may be spent without the approval of the Robina Foundation. We have begun our internal conversations about the possible direction and scope of a project, and will be back in touch with you in the near future to discuss some ideas.

Thank you again for your grant, an important endorsement of the work of the Council on Foreign Relations.

Sincerely,



cc: Edson W. Spencer

COUNCIL ON FOREIGN RELATIONS

58 EAST 68TH STREET • NEW YORK • NEW YORK 10021
Tel 212 434 9400

THANK YOU

for your recent contribution to the
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No goods or services are provided in exchange for your contribution.

Name of Contributor:

Robina Foundation

Date of Contribution:

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Amount Received:

\$50,000.00

Please keep this receipt for tax purposes.

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A copy of the Council's last annual report filed with the Attorney General may be obtained from us or from the Attorney General, Charities Bureau, 120 Broadway, New York, NY 10271

ROBINA FOUNDATION

c/o FAEGRE & BENSON LLP
2200 WELLS FARGO CENTER, #32006
90 SOUTH SEVENTH STREET
MINNEAPOLIS, MINNESOTA 55402-3901

DR. GORDON M. AAMOTH, PRESIDENT
TELEPHONE: (612) 766-7989
FACSIMILE: (612) 766-1600
C/O CARMELA GIARDINA
E-MAIL: GAAMOTH@MSN.COM

December 26, 2006

Mr. Peter G. Peterson, Chairman
Council on Foreign Relations
58 East 68th Street
New York, NY 10021

Dear Mr. Peterson:

Enclosed is a check in the amount of \$50,000 from Robina Foundation. The grant is subject to the terms of this letter.

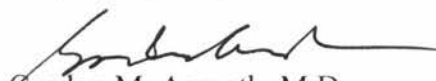
Robina Foundation focuses its grant making on several organizations, including Council on Foreign Relations, and seeks to support major projects and initiatives that are forward-thinking, innovative, and creative. The Foundation requires that the enclosed grant be used for such a project. The grant may not be used to support general operating expenses.

If Council on Foreign Relations has a project that you believe would appropriately be supported with this grant, please send me a description of the project, an explanation of the features of the project that are forward-thinking, innovative and creative, and a budget for the project. I will then let you know whether the Foundation agrees to support the project. Alternatively, you may use this grant to plan a project that meets Robina Foundation's funding criteria and to develop a proposal for further funding from the Foundation. This grant may not be spent until you inform Robina Foundation of the planned use of the funds and the Foundation has agreed to that use.

Robina Foundation is pleased to support the work of Council on Foreign Relations. If you have any questions or would like to discuss this grant further, please do not hesitate to contact me.

CR# 1013

Very truly yours,



Gordon M. Aamoth, M.D.
President

COUNCIL ON FOREIGN RELATIONS

58 EAST 68TH STREET • NEW YORK • NEW YORK 10021
Tel 212 434 9400 Fax 212 434 9880 www.cfr.org

Peter G. Peterson
Chairman

December 15, 2006

Mr. Edson W. Spencer
4900 IDS Center
80 South Eighth Street
Minneapolis, MN 55402

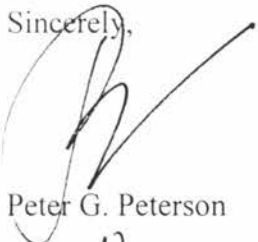
Dear Ed,

Thank you for your letter. I was thrilled to originally hear of Jim's generous bequest and heartened to read the specifics of The Robina Foundation's mandate and designation of the Council on Foreign Relations.

Jim and I had served on the 3M Board together and he had often told me of his enthusiasm for the Council and its work.

I have shared your letter with Richard Haass and asked that he follow up with you to determine the best way for us to move forward. I am truly grateful for Jim's commitment. I and we look forward to establishing a solid relationship between The Robina Foundation and the Council.

Sincerely,


Peter G. Peterson

Hope you are well Ed

77 Franklin Street
Boston, Massachusetts
617.338.2590
Fax 617.338.2591
get2us@tpi.org



MEMORANDUM

TO: Jane Maurer
FROM: Joanne Duhl
CC: Peter Karoff
DATE: February 3, 2005
RE: Attached Report

The attached report provides background on the Council on Foreign Relations, as well as other organizations with similar missions. The information included here is based upon what was easily accessible. If we had additional time, we could conduct further due diligence into the Council and/or other organizations.

We did not attempt to assess the ideology of any of these organizations, but did try to provide examples of the affiliations of individuals associated with each organization and specific projects in which each organization is engaged and products they have recently produced.

I hope this is helpful. Please let me know if you would like any additional information on any of this or related matters.

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The Council on Foreign Relations

Structure and Mission

Founded in 1921, the Council on Foreign Relations is a nonprofit and nonpartisan membership organization, devoted to promoting improved understanding of international affairs through the free exchange of ideas. The Council does this by sponsoring studies on international politics, economics, and foreign affairs. It publishes its findings; convenes meetings in which officials, leaders, and thinkers debate and discuss major foreign policy issues; and publishes a journal on international relations, *Foreign Affairs*.

The Council is governed by a standard corporate structure, with the Chairman of the Board providing overall direction and the President leading daily operations. Peter G. Peterson, Chairman of the Blackstone Group, a private investment firm, is Chairman of the Council. The Vice Chairs are Carla Hills, Chair and Chief Executive Officer of Hills & Company, an international consulting firm and Robert Rubin, a Director and Chairman of the executive committee of Citigroup. There are 4,000 members of the Council, divided almost equally among New York, Washington, D.C., and the rest of the nation. Every candidate for membership must be formally proposed in writing by one member and seconded by a minimum of three other members.

The Council also offers corporate membership, with over 200 international companies participating in the Corporate Program. Executives of member companies participate in meetings, small dinners, and interactive conference calls on topics of interest to the business and financial communities. Over the past year corporate members were invited to private dinners with Argentina's minister of economy and the Malaysian Foreign Minister and to a series of small embassy luncheons in Washington, D.C., hosted by the ambassadors of Germany, Argentina, and Japan. Businesses that participate at the President's Circle Level (the highest of three levels) receive an annual presentation on a topic related to their business by a member of CFR's research staff, participation in CFR study groups and trips, and invitations to private dinners with world leaders, as well as other benefits.

The Council is headquartered in New York City and has an office in Washington, D.C. Its annual operating budget is approximately \$30 million. In 2004 the Council's total assets were \$205.2 million, including \$169 million of investments (securities, bonds, and funds) and \$25.1 million of land, buildings, and equipment. According to CFR's annual report, fiscal year 2004 was a year of solid growth for the organization, especially *Foreign Affairs*, the Corporate

The Philanthropic Initiative, Inc.

Program, and annual giving. In 2004 CFR's assets included \$3.3 million in grants and contributions receivables and \$2.7 million in contributions receivable for endowment.

Fellows and Programs

The Council's Studies Department, which they refer to as their "think tank" seeks to add value to the foreign policy debate. The Department concentrates on issues that are vital in shaping the international agenda, with a focus on three key areas:

- International economics
- The changing nature of national security
- Asia

Much of the Department's work is inter-disciplinary, concentrating on the convergence among the three focus areas. For example, Council Fellows have conducted research on topics such as U.S. foreign policy and the middle class, globalization, and the future of border control.

The members of the Council's Studies Department proactively seek opportunities to inform the public and opinion leaders about the work of the Council and their research. Fellows regularly publish commentary, opinions, and scholarly articles in the media, testify before Congress, and provide advice to government agencies. For example, CFR staff were the primary commentators on National Public Radio's evening news on the night following the recent election in Iraq.

CFR Fellows include Senior Fellows, Visiting Fellows, and Next Generation Fellows, based in New York or Washington, D.C., and Adjunct Fellows working around the country, usually at major universities. Senior Fellows are experienced scholars and practitioners who have spent considerable time in the academic, government, or private sectors. Visiting Fellows—representatives from the military services, the State Department, the intelligence community, and news organizations—spend a year at the Council while on leave from their parent organizations. Next Generation Fellows are younger individuals drawn from the academic, government, or private sectors, who spend several years at the Council working on specific research projects. CFR has two objectives for the Next Generation Fellows: to bring fresh insights to the Council and its activities and to nurture individuals who will become leading policymakers and thinkers on foreign policy.

The Council's website lists Senior Fellows by topic and region. They include Senior Fellows Leslie Gelb, previously a foreign correspondent for the *New York Times* and a senior official in the state and defense departments and Gene Sperling, who served as National Economic Adviser to President Clinton and as head of the National Economic Council from 1996-2000. The current Edward R. Murrow Visiting Press Fellow is Mary Anne Weaver, veteran foreign correspondent for *The New Yorker* magazine, who reported from some 30 countries over the last twenty years. The Director of the Council's *Center for Preventive Action* is Retired Army General William L. Nash, who commanded armored brigade in Operation Desert Storm and led U.S. troops into Bosnia after the Dayton accords and served as the regional U.N. administrator in Kosovo. The Director of CFR's Asia Studies program is Elizabeth Economy, author of "The River Runs Black," a major book on the environmental challenges to China's future.

The Council sponsors an annual series of meetings in New York City and Washington, D.C. on diverse topics related to its mission and current events. Some of last year's topics included

“Balancing Civil Liberties”, “United Nations Reform”, “Islam and Human Rights”, and “The Invisible People: How the U.S. Has Slept through the Global AIDS Pandemic”.

Task Forces

The Council also sponsors independent task forces related to issues of current and critical importance to U.S. foreign policy with the goal of bringing together people of diverse backgrounds and perspectives to reach a meaningful consensus. Task forces operate independently from the Council. Recent task forces include the Independent Task Force on Transatlantic Relations, co-chaired by Henry A. Kissinger and Lawrence H. Summers, which called on the U.S. and Europe to revitalize the Atlantic alliance, adapt the North Atlantic Treaty Organization to meet today’s threats from outside Europe, and launch a major initiative to bring about political and economic reform in the greater Middle East. Task force members included former senior government officials, business leaders, and policy experts from both sides of the Atlantic.

The Independent Task Force on Iraq was co-chaired by Thomas R. Pickering and James R. Schlesinger. Its report, released in March 2004, called on the Bush administration and the presumptive Democratic nominee to reaffirm Washington’s commitment to security and reconstruction in Iraq. It also recommended that the U.S. sustain a multi-billion dollar commitment to Iraq for at least the next several years and ensure the broad involvement of Iraqis and a leading role for the U.N. in the political transition in Iraq.

Former National Security Advisor Zbigniew Brzezinski and former Director of the CIA Robert M. Gates co-chaired the Independent Task Force on Iran and former National Security Advisors Samuel R. Berger and Brent Scowcroft are currently leading a Task Force on Post-Conflict Capabilities that will evaluate the arguments for building a stronger international capacity for stabilizing and rebuilding post-conflict societies.

Foreign Affairs and Reports

The Council’s bi-monthly journal *Foreign Affairs* has a circulation of 130,000. The current (January/February 2005) issue includes articles on President Bush’s second term, the war in Iraq, and North Korea. The Iraq article is written by James Dobbins, Director of the International Security and Defense Policy Center at Rand and former U.S. envoy to Kosovo, Bosnia, Somalia, and Afghanistan. He argues that by losing the trust of the Iraqi people the Bush administration has already lost the war and the U.S. should help moderate Iraqis by reducing and ultimately eliminating its military presence, training Iraqis to beat the insurgency on their own, and getting the support of Iran and European allies. CFR provides on-line access to the last 30 years of *Foreign Affairs* articles.

In the past year the Council has begun publishing concise briefs designed to respond rapidly to a developing crisis or contribute to an emerging policy debate. These included a report on the Republic of Georgia and “Challenges for a Post-Election Philippines”.

Organizations with a Similar Mission

Brookings Institution

The Brookings Institution is an independent, nonpartisan organization devoted to research, analysis, and public education, with an emphasis on economics, foreign policy, governance, and metropolitan policy. Brookings traces its beginnings to 1916 and is named for Robert Somers Brookings, a businessman, civic leader, and philanthropist. The Chairman of Brookings is John Thornton and Strobe Talbott is President. Members of the Board also include Theresa Heinz, Laura D'Andrea Tyson, Dean of the London Business School, Zoe Baird, President of the Markle Foundation, and Lawrence Summers, President of Harvard University. The Brookings Institution is based in Washington, D.C.

Brookings annual operating expenses are approximately \$39.7 million. Their assets are \$258.1 million, including \$219.3 million of investments.

More than 140 Brookings resident and nonresident scholars research issues; write books, papers, articles, and opinion pieces; testify before congressional committees; and participate in public events. Recent Brookings initiatives covered diverse foreign policy and domestic issues, including:

- Global Poverty – Brookings' Poverty and Global Economy Initiative is interdisciplinary, drawing expertise from Brookings scholars in foreign policy, economics, and governance, to development, law, and environmental science. Twenty Brookings scholars, working in collaboration with experts from 10 countries, are involved in the initiative. According to Brookings, "The goal is to offer compelling recommendations, founded on fact-based research and sound analysis. We hope our work will materially shape the policy debate on how to reduce global poverty, lead to practical recommendations, and capitalize on the opportunities presented by globalization in the areas of trade, investment, and economic development". In collaboration with the Aspen Institute and others, the Initiative brought together international leaders from the public, private, and nonprofit sectors for a conference titled "America's Role in the Fight Against Global Poverty". The Initiative is also looking at offshoring – the loss of American jobs to lower-wage countries. The Initiative was funded by Richard C. Blum, the William and Flora Hewlett Foundation, the G.E. Foundation and the Alfred P. Sloan Foundation.
- China Initiative – The objective of this Initiative is to do something different from the normal think-tank focus on U.S.-China relations by seeking a greater understanding of internal issues facing China's leadership and the consequences of these issues for China, the U.S. and the world at large. The Initiative was spearheaded by Brookings Board Chair John L. Thornton, who contributed \$1 million annually for five years to support it. It is structured as a partnership through which Brookings seeks to establish deep ties with "the new generation of Chinese leaders". Brookings hopes to position itself as a key U.S. source of information and understanding about China.
- Education Analysis – Brookings' Brown Center on Education Policy recently issued a study on math education based on student data from the National Assessment of

Educational Progress (NAEP). According to the researchers, many middle school math teachers lack sufficient formal training in mathematics. The report also charged the NAEP with “false rigor”; according to the researchers, the math required is extraordinarily easy (for instance, eighth grade NAEP items are taught at the end of the third grade).

- Last month the Brookings Institution sponsored an event on “Moral Values, Politics and the Faith Factor” moderated by their Senior Fellow E.J. Dionne, Jr. with a panel that included Jim Wallis, author of *God’s Politics: Why the Right Gets It Wrong and the Left Doesn’t Get It*, Dr. Richard Land, President of the Southern Baptist Convention’s Ethics & Religious Liberty Commission, the Reverend J. Bryan Hehir of Harvard University, and Marion Wright Edelman, President of the Children’s Defense Fund. The focus of the panel was whether common ground can be found on the role of religion in public life during the president’s second term.

Brookings also delivers programs in executive education for government and corporate executives. Upcoming programs include “Managing the Federal Employee Discipline and Performance Process” and “Inside Washington: Business and Public Policy.”

Brookings’ Metropolitan Policy Program works on issues of concern to cities, including topics of general concern (“Space Available: The Realities of Convention Centers as Economic Development Strategy”) and those relevant to specific cities. Recent local presentations include “Connecting Cleveland’s Low-Income Workers to Tax Credits” and “Pennsylvania’s Housing Challenge”.

In 2004 Brookings published over 50 books, covering a range of topics including President Bush’s foreign policy and the role of religion in American life. Pakistan and India were each subjects of a Brookings book, including *Engaging India: Diplomacy, Democracy, and the Bomb*, by Strobe Talbott. Brookings books also covered the issue of welfare reform and poverty and government operations.

Center for Strategic and International Studies

The Center for Strategic and International Studies (CSIS) is dedicated to providing world leaders with strategic insights on – and policy solutions – to issues related to global security. CSIS is a nonprofit, bipartisan public policy organization established in 1962 by David M. Abshire and Admiral Arleigh Burke. Former U.S. senator Sam Nunn became chairman of the CSIS Board of Trustees in 1999, and since April 2000, John J. Hamre, former Deputy Secretary of Defense (1997-99), has led CSIS as president and chief executive officer. CSIS members include Henry A. Kissinger, Zbigniew Brzezinski, William S. Cohen, and Brent Scowcroft. CSIS is headquartered in downtown Washington, D.C.

CSIS is organized around three broad program areas. First, it operates programs on the international financial and economic system, foreign assistance, energy security, technology, biotechnology, demographic change, the HIV/AIDS pandemic, and governance. Second, CSIS proposes reforms to U.S. defense organization, policy, force structure, and its industrial and technology base and offering solutions to the challenges of proliferation, transnational terrorism, homeland security, and post-conflict reconstruction. Third, CSIS has resident experts on all the

world's major populated geographic regions. CSIS has a staff of 190 researchers and support staff.

CSIS' annual operating budget is \$22 million. Contributions from corporations, foundations, and individuals comprise 85 percent of CSIS revenues, with the remaining funds coming from endowment income, government contracts, and publication sales. Publications include the *Washington Quarterly*, books, and reports. CSIS' current endowment is \$25 million.

CSIS helps to develop national and international public policy in four ways:

- Generating strategic insights – CSIS analyzes regional affairs throughout the world and develops responses to vital issues.
- Convening strategic networks – CSIS convenes current and future world leaders,
- Crafting policy solutions – Engages in projects to provide solutions to global trends
- Developing leaders – Serves as an organizing body to facilitate discussions on leadership, provides experiential learning opportunities, and connects aspiring and experienced leaders with their counterparts in other countries and other institutions.

CSIS' work is organized by regions of the world as well as by key defense and security issues. For example, the key mission of the CSIS Africa Program is "to conduct sustained and timely applied research and analysis on the major elements of U.S. policy toward Africa, with the aim of substantially shaping discourse in Congress, the executive branch, and among interested groups". The program seeks to fill a critical need in Washington for Africa policy that is centrist, activist, and forward looking. The CSIS Task Force on HIV/AIDs is co-chaired by Senators Bill Frist and Russell Feingold and is primarily funded by the Bill and Melinda Gates Foundation.

The Task Force outlines strategic choices that lie ahead for the U.S. in fighting the global HIV/AIDS pandemic and seeks to emphasize to senior U.S. policymakers, opinion leaders, and the corporate sector the centrality of U.S. leadership in strengthening country-level capacities to enhance prevention, care, and treatment of HIV/AIDS. The project is a collaboration with the Centers for Disease Control and Prevention, UNAIDS, and U.S. AID. With ongoing funding from the Gates Foundation, the Task Force has expanded its scope, with a special emphasis on enhancing U.S. engagement with second wave countries – China, Ethiopia, Nigeria, and Russia – that will account for the largest number of new HIV infections over the next decade.

CSIS' Middle East Program covers all aspects of U.S. policy towards the region, concentrating on identifying new voices, framing emerging challenges and developing opportunities for positive change in the region. One current project is "Charting a New Policy Toward the Arab World", which is working to develop a dialogue with leaders, opinion makers and emerging voices. CSIS' Arab Media project is working with the Salzburg Seminar in American Studies and other organizations to establish a dialogue between U.S. and Arab news professionals on matters of common concern, focusing on issues like bias, judgment, and responses to external pressures on newsgathering. The plan is to create a set of multimedia teaching materials in Arabic and English for use in journalism schools and training programs.

The Middle East program recently held a series of seminars, in cooperation with the U.S. AID, to explore "The Idea of Philanthropy in the Arab and Muslim Worlds". A collaboration between this program and CSIS' Global Aging Initiative is executing a significant study of the impacts of demographic change on the Middle East. Another project, in collaboration with the CSIS Freeman Chair in China Studies, is studying China's emerging strategy in the Middle East.

CSIS' Middle East Program also includes a think tank on key states (Egypt, Saudi Arabia, Iran) and key conflicts (Arab-Israel, U.S.-Iranian, U.S.-Iraqi) that appears on leading national and international news outlets and publishes in the academic and popular press.

CSIS also operates a Congressional Forum on Islam, with the goal of developing policies towards the Muslim world that are better suited to advancing U.S. interests. The Forum offers historical and current perspectives for congressional staff and the chance to interact with prominent scholars and experts.

RAND Corporation

The RAND Corporation is a nonprofit institution that helps improve policy and decision making through research and analysis. RAND has its origins in Project RAND, a World War II project under a special contract from the U.S. military to the Douglas Aircraft Company of Santa Monica, California. The first RAND report was produced in 1946, "Preliminary Design of an Experimental World-Circling Spaceship". In 1947 the Chief of Staff of the U.S. Air Force approved the evolution of RAND into a nonprofit corporation and RAND was incorporated as a California non-profit corporation in 1948, with an initial interest free loan being provided by the Ford Foundation. The initial trustees included the President of the Carnegie Corporation of New York, the President of the California Institute of Technology, the director of research laboratories of Westinghouse Electric Corporation, and a physicist from MIT.

The name "RAND" is a contraction of the term "research" and "development". RAND seeks to blend scrupulous, nonpartisanship with rigorous, fact-based analysis to tackle society's most pressing problems.

The current Chairman of RAND is Ann McLaughlin Korologos of the Aspen Institute and former Secretary of Labor. Members include Carl Bildt, Former Prime Minister of Sweden; Harold Brown, Counselor for the Center for Strategic and International Studies; Frank C. Carlucci, Chairman Emeritus of the Carlyle Group; Karen Elliott House, Publisher, The Wall Street Journal; Senior Vice President, Dow Jones and Company, Inc.; and Paul H. O'Neill, Former Secretary of the Treasury. The President and CEO is James A. Thomson, who has been in that position since 1989. From 1977-1981, Dr. Thomson was a member of the National Security Council staff at the White House, where he was primarily responsible for defense and arms control matters related to Europe. From 1974 to 1977, he was an analyst in the Office of the Secretary of Defense.

RAND's annual revenues are over \$170 million. Its assets are \$357.5 million, including \$141 million in long term investments. The RAND Corporation has four principal locations: Santa Monica, California; Arlington, Virginia (just outside Washington, D.C.); Pittsburgh, Pennsylvania; and RAND Europe's main office in Leiden, The Netherlands. RAND Europe also

has offices in Berlin, Germany, and Cambridge, the United Kingdom. RAND's other offices in the United States include the Council for Aid to Education in New York City and several smaller sites. The RAND-Qatar Policy Institute is located in Doha, Qatar.

A 50 year history of the RAND corporation, written in 1996, highlighted significant accomplishment, including providing the foundation for America's space program and important contributions to digital computing and artificial intelligence. RAND is known for systems analysis, whose objective was "to provide information to military decision makers that would sharpen their judgment and provide the basis for more informed choices". As RAND's agenda evolved, systems analysis was applied to social policy, planning and analysis across disparate areas, including poverty, education, and health care. RAND developed the planning, programming and budgeting system that Robert McNamara's "Whiz Kids" promoted throughout the federal government in the early 1960s.

RAND currently conducts RAND-initiated research as well as fee for services projects for public and private clients. Clients include the U.S. AID, Department of Defense, Department of Education, Department of HHS, and Department of Justice. Foreign clients include the Dutch Ministry of Education, Italian Ministry of Defense, People's Republic of China Ministry of Health, and the State of Qatar. RAND also has contracts with state governments, universities, foundations, and corporations, including the University of California campuses, Merck and Company, Pfizer, Inc., the Ford Foundation, and the Pew Charitable Trusts.

RAND has a staff of 1600. Its research falls within 13 areas:

- Child Policy
- Civil Justice
- Education
- Energy and Environments
- Health and Health Care
- International Affairs
- National Security
- Population and Aging
- Public Safety
- Science and Technology
- Substance Abuse
- Terrorism and Homeland Security
- Transportation and Infrastructure

RAND's research is disseminated through books and publications. The Fall 2004 issue of the *RAND Review* featured a story "A Matter of Class" which concluded that the most important factors associated with the educational achievement of children are not race, ethnicity, or immigrant status. Instead, the RAND researchers found, the most critical factors appear to be socioeconomic ones, including parental education levels, neighborhood poverty, parental occupational status, and family income. RAND argues that national and statewide efforts intended to boost educational achievement should place a heavier weight on improving socioeconomic conditions and educational opportunities. Another story in the *Review* focused on an imbalance between public industry and public policy in regards to easing worldwide

hunger. According to RAND there is too little public policy focused on addressing global food issues.

A recent RAND publication was "The Muslim World After 9/11" which examined the dynamics that drive changes in the religious-political landscape of the Muslim world, the effects of 9/11, the global war on terrorism, and the war in Iraq. The report identifies the factors that produce religious extremism and violence; assesses key cleavages along sectarian, ethnic, regional, and national lines; and identifies possible strategies and military options for the United States to pursue in this critical and volatile part of the world.

RAND's 2003 annual report featured stories on long-term transformation of the U.S. army, the history and future of military aircraft, and Latino immigration to the United States.

RAND staff produces commentary and opinions for news media. Recent examples are a commentary on Doctors Without Borders pulling out of Afghanistan that appeared in the *Wall Street Journal* and on tribes in Afghanistan and Iraq that appeared in the *Los Angeles Times*.

The Hudson Institute

The Hudson Institute is a nonprofit dedicated to innovative research and analysis that promotes global security, prosperity, and freedom. Hudson seeks to challenge conventional thinking and help manage strategic transitions to the future through interdisciplinary and collaborative studies in defense, international relations, economics, culture, science, technology, and law. Through publications, conferences and policy recommendations, Hudson seeks to guide global leaders in government and business.

The Hudson Institute was founded in 1961 by Herman Kahn. The current Chairman of Hudson is Walter Stern, who is associated with Capital Group Companies, Inc., a large investment management firm. He also serves as Chairman of the New Perspective Fund and the Emerging Markets Growth Fund, both global funds. Other board members are Conrad Black, Chairman of Argus Corporation Limited and Hollinger Inc. in Canada and Chairman of Telegraph Group Limited in London and a member of the British House of Lords and Robert H. McKinney, chairman of First Indiana Corporation who served as chairman of the Federal Savings & Loan Insurance Corporation and the Neighborhood Reinvestment Corporation under President Carter. The President of the Hudson Institute is Herbert I. London. He is the John M. Olin University Professor of Humanities at New York University, where he is a tenured professor of social studies.

As funding for military research projects decreased, Hudson started examining domestic, social, and economic issues. The Hudson Institute's 1987 study *Workforce 2000* was very influential in forecasting the demographic changes in the American workforce.

The Hudson Institute's expense budget for 2002 (the last year available on their website) was \$7 million. Their assets were \$6.8 million and their excess of revenue and support over expenses showed a loss of \$1 million.

Hudson's headquarters were in Indianapolis until last year, when it moved to Washington, D.C. in an effort to focus its research on foreign policy and national security issues. Hudson's current research agenda includes:

- The War on Terror and the Future of Islam

- The Rise of Asia and U.S.-Asian Relations
- Human Rights in Asia and Africa
- Civil Justice Reform and Judicial Policy
- Agricultural and Biotechnology Policy
- Civil Society and Global Philanthropy
- Market Reforms and the 21st Century Welfare State

Hudson focuses on 11 policy areas, including:

- Beyond Workforce 2020 - Relying on research from the Center for Economic Competitiveness, Welfare Policy Center, and a number of stand-alone projects, Beyond Workforce 2020 aims to help employers, workers, policymakers, and educators build the vibrant workforce of tomorrow
- Center on Islam, Democracy, and the Future of the Muslim World – The purpose of this Center is to research and analyze the ideological dimension of Islamism and radical Islam and to encourage and support moderate and democratic alternatives within the Muslim world. The Center’s research program includes conferences, seminars, and publications
- The Center for Middle East Policy – This Center “seeks to present a frank and accurate account of developments in the Middle East utilizing primary sources both from Israel and the Arab world to provide thorough credible, and timely analysis of events and ideas”.

The Hudson Institute publishes *American Outlook*, whose Winter 2004 issue featured stories on “America’s Lost Manufacturing Jobs” and “Bush’s Immigration Myopia” by Marc Levin, President of the American Freedom Center. The Hudson Institute also has a list of fellows and scholars who are available as resources for the media. Recent Hudson events in Washington, D.C. focused on such issues as the United Nations, U.S. policy towards North and South Korea, and philanthropy.