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**UNIVERSITY OF MINNESOTA
BOARD OF REGENTS**

**MINUTES
BOARD OF REGENTS' MEETING
AND
REGENTS' COMMITTEE MEETINGS**

March 7-8, 1985

**Office of the Board of Regents
220 Morrill Hall**

Year 1984-85

UNIVERSITY OF MINNESOTA

BOARD OF REGENTS

Minutes of the Board of Regents' Meeting
and Regents' Committee Meetings

March 7-8, 1985

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Year 1984-85

UNIVERSITY OF MINNESOTA

BOARD OF REGENTS

Faculty, Staff & Student Affairs Committee

March 7, 1985

A meeting of the Faculty, Staff and Student Affairs Committee of the Board of Regents was held on Thursday, March 7, 1985, at 3:40 p.m. in Room 300, Morrill Hall.

Regents present: Regent Schertler, presiding; Regents Casey, Dosland, Hilke, Long and McGuiggan.

Staff present: Interim President Keller; Vice Presidents Vanselow and Wilderson; Associate Vice Presidents Murthy, Perlmutter, Robinett, Thomas and Zander; Provosts Heller and Imholte.

Student Representatives present: Thomas Daniels and Mel Hendrickson.

VICE PRESIDENT'S MONTHLY REPORT

Interim President Keller presented the Vice President's Monthly Report to the committee for approval.

The committee voted unanimously to recommend approval of the Vice President's Monthly Report.

CIVIL SERVICE CLASS CHANGES

Associate Vice President Thomas presented the following Civil Service Class Changes to the committee for approval:

1. Pay range change of Class No. 1460, Systems Analyst, from \$1733-2575 (A08) to \$1926-2868 (A11), effective July 1, 1985.
2. Pay range change of Class No. 1462, Senior Systems Analyst, from \$1991-3073 (A12) to \$2137-3299 (A16), effective July 1, 1985.
3. Pay range change of Class No. 1464V, Principal Systems Analyst, from \$2212-3417 (A17) to \$2292-3544 (A19), effective July 1, 1985.

4. Pay range change of Class No. 5129V, Telecommunications Supervisor, from \$1926-2868 (A11) to \$2137-3299 (A16), effective March 16, 1985.

The committee voted unanimously to recommend approval of the Civil Service Class Changes.

INTERCOLLEGIATE ATHLETICS COMPARATIVE FUNDING STUDY

Vice President Wilderson reviewed information comparing the total funding of men's and women's intercollegiate athletics between each University of Minnesota campus and the conference within which each campus competes. He stated that the information was discussed with the Provosts and the Athletic Directors from each campus, and he noted that they had expressed reservations about the accuracy of the comparisons. He indicated that the information is the Administration's best estimate on where the various University campuses stand in comparison with respective conference teams.

An extensive discussion ensued. Following the discussion, Vice President Wilderson stated that he has asked Assistant Vice President David Berg, Director of Management Planning & Information Services, to work with his colleagues at other institutions to establish a better systematic method of reporting this type of data.

STUDENT INDEBTEDNESS AND IMPACT OF FINANCIAL AID FUNDING PROPOSALS

Vice President Wilderson reviewed a background paper on Student Loan Indebtedness, including the various trends which affect student loan indebtedness. Vice President Wilderson introduced Robert Misenko, Director of the Office of Student Financial Aid; Ron Matross, Assistant Director of Information Systems & Services; and Robert Vikander, Director of Admissions & Financial Aid on the Morris Campus.

Dr. Misenko discussed the federal proposals regarding financial aid and the impact those proposals will have if enacted. Through the use of visual aids, Dr. Matross presented information on student indebtedness.

Through the use of visual aids, Vice President Vanselow reviewed the results of a Financial Aid Survey of Health Sciences students, which was conducted in November of 1984. Dr. Vanselow stated that he believes there are problems ahead because of higher tuition, less financial aid and a dramatic change in the type of positions available in the health professions and the income students can

expect to earn. He noted that one section of the survey asked for personal comments about each student's financial situation, and he distributed a sample of the responses.

An extensive discussion followed the presentations, and several committee members expressed concern regarding the federal proposals and the potential impact on students. Regent Schertler urged the Administration to develop a unified lobbying effort for maintaining the financial aid programs, stating that the University is at a disadvantage not having an individual in Washington to lobby only for the University of Minnesota.

Regent Schertler invited Dr. Vikander to speak on the financial aid issue, and Provost Imholte asked that his comments be delayed until the May meeting in Morris.

FACULTY SEPARATION POLICY TERMINATION

The discussion of the proposal to terminate the Separation Pay, Phased Retirement and Early Retirement Options was delayed until April due to time constraints.

NEW BUSINESS

Associate Vice President Zander reported that the Higher Education Division of the Senate approved a bill eliminating age 22 as the criteria for being considered independent for financial aid purposes.

The meeting adjourned at 5:10 p.m.



DUANE A. WILSON, Secretary

Year 1984-85

UNIVERSITY OF MINNESOTA

BOARD OF REGENTS

Physical Plant & Investments Committee

March 7, 1985

A meeting of the Physical Plant & Investments Committee of the Board of Regents was held on Thursday, March 7, 1985, at 3:30 p.m. in the Regents' Room, 238 Morrill Hall.

Regents present: Regent Lebedoff, presiding; Regents Drake, Goldfine, Krenik, and Roe.

Staff present: Vice President Lilly; Secretary Wilson; General Counsel Dunham; Associate Vice Presidents Des Roches and Hewitt;

Student Representatives present: Jim Halstead and Liz Kranz.

VICE PRESIDENT'S MONTHLY REPORT

The committee voted unanimously to recommend approval of the Vice President's Monthly Report for the month of March, 1985.

REFINANCING OF HOSPITAL BONDS

The committee voted unanimously to recommend approval of a resolution authorizing the issuance of Variable Rate Demand Bonds. Associate Vice President Des Roches reported that this authorization would allow the Administration to proceed with the final stage of the refinancing of the Series 1982 University of Minnesota Hospitals & Clinics Bonds under the plan approved by the Board of Regents in February 1985.

UNIVERSITY LAUNDRY EQUIPMENT PROJECT

The committee voted unanimously to recommend approval of a resolution authorizing the Administration to proceed with the design, replacement and installation of laundry equipment on the Twin Cities East Bank Campus.

INVESTMENT REVIEW

Associate Vice President Des Roches reported that Thorndike, Doran, Paine & Lewis manages the Equity portion of the Group Investment Fund and the Fixed Income portion of the Permanent University Fund.

Ms. Des Roches introduced Mr. Arthur Hodges from that firm who presented information to the committee on the state of the economy, the company's investment strategy, quarterly results for the University portfolio for the period ended 12/31/84, and current and forecasted investment activity.

NEW BUSINESS

Tony Aydinalp, Director of Physical Plant Operations, reported on the recent power outage which occurred on the Minneapolis East Bank campus due to a fire at the Northern States Power Substation.

The meeting adjourned at 4:00 p.m.



DUANE A. WILSON, Secretary

Year 1984-85

UNIVERSITY OF MINNESOTA

BOARD OF REGENTS

Budget & Legislative Coordinating Committee

March 7, 1985

A meeting of the Budget & Legislative Coordinating Committee of the Board of Regents was held on Thursday, March 7, 1985, at 1:55 p.m. in the Regents' Room, 238 Morrill Hall.

Regents present: Regent Long, presiding; Regents Drake, Goldfine, Hilke, Roe and Schertler.

Staff present: Vice Presidents Kegler and Lilly, Secretary Wilson; General Counsel Dunham; Associate Vice President Robb; Provosts Frederick, Heller, Imholte, and Sahlstrom.

Student Representatives present: Nick Haugerud and Andrew Santi.

LEGISLATIVE UPDATE

Vice President Kegler reviewed proposed Senate and House bills introduced in the 1985 session which would be of interest or would have a direct effect on the University.

Discussion ensued on several of the bills described. In particular, Regent Hilke requested further information on Senate File 168 which calls for establishing criteria for defining an independent student for purposes of scholarships and grants-in-aid.

Regent Schertler posed questions regarding Senate File 275 introduced by Senator Dicklich from Duluth which conditions appropriations to University Regents by providing that UMD be headed by Chancellor and report directly to the Regents. She stated that she has received several pieces of correspondence indicating that internal discussions regarding a name change have been held by Administration and she was unaware of such discussions. Vice President Kegler stated that he does not know the intent of Senator Dicklich in introducing the bill, but that he does not believe that it was introduced because of

any internal discussions held at the University. Regent Goldfine suggested that the item be scheduled on the agenda for discussion in the next two or three months. Dr. Kegler stated that would be arranged.

Regent Schertler also requested the Administration's position relating to Senate File 371 which would provide for up to \$1,000 income tax deduction for tuition and fees charged by post-secondary educational institutions. Dr. Kegler stated he would refer that question to Vice President Wilderson and President Keller for a response.

1985-87 CAPITAL REQUESTS PRIORITY REVIEW

Regent Goldfine expressed the concern to the committee regarding 1985-87 Capital Improvements Requests Priority Ranking stating that he is very dismayed that out of the top 20 items on the list totalling approximately \$95 million only \$12 million is designated for coordinate campus items. He stated that the coordinate campuses are an integral part of the University and feels that the priority ranking does not indicate this.

In addition, Regent Goldfine requested that item No. 20 on the priority list, entitled UMD Rec Sports-Duluth be changed to indicate what it really is - UMD Physical Education/Rec Sports Facility. He stated he feels the title is very misleading. Dr. Kegler stated that he will have that change made.

NEW BUSINESS

Regent Schertler stated that she noticed that the student lobbyist for the MSA Forum had been in the audience earlier. She stated that she has been at the legislature lately and noticed how well the student lobbyists have been doing. She stated that she thinks this committee would be the appropriate one for students to make comments on their discussions which have transpired at the legislature and bring the committee up to date.

The meeting adjourned at 3:00 p.m.



DUANE A. WILSON, Secretary

Year 1984-85

UNIVERSITY OF MINNESOTA

BOARD OF REGENTS

Educational Policy & Long-Range Planning Committee

March 7, 1985

A meeting of the Educational Policy and Long-Range Planning Committee of the Board of Regents was held on Thursday, March 7, 1985, at 1:50 p.m. in Room 300, Morrill Hall.

Regents present: Regent McGuiggan, presiding; Regents Casey, Dosland, Krenik and Lebedoff.

Staff present: Interim President Keller; Vice President Vanselow; Associate Vice Presidents Hewitt and Murthy; Provosts Heller and Sahlstrom.

Student Representatives present: Paul Reichow and Michael Rodriguez.

**REPLACE THE DEPARTMENT OF BUSINESS ADMINISTRATION
WITH A DEPARTMENT OF FINANCE AND MANAGEMENT INFORMATION
SCIENCES AND A DEPARTMENT OF MANAGEMENT STUDIES, SCHOOL
OF BUSINESS AND ECONOMICS, DULUTH**

Associate Vice President Murthy presented a proposed structural reorganization within the School of Business and Economics at UMD, whereby the Department of Business Administration would be replaced with a Department of Finance and Management Information Sciences and a Department of Management Studies.

Regent McGuiggan asked about the transferability of credits from these departments to the Twin Cities Campus. Provost Heller stated that most students in the programs stay at UMD for four years, and indicated that not many students will transfer because the proposed changes will provide the specialization students require.

Regent McGuiggan stated that this item will be presented for approval at the April meeting.

**CERTIFICATE IN OPERATIONS MANAGEMENT,
SCHOOL OF MANAGEMENT, TWIN CITIES**

Associate Vice President Murthy presented a proposed program for a Certificate in Operations Management, School of Management, Twin Cities, to the committee for information.

Regent McGuiggan asked how this proposal fits into Interim President Keller's plans for focusing the mission of the University. Dr. Keller stated that the only certificate programs proposed to be phased out are in General College, noting that there are many certificate programs in Continuing Education and Extension. He stated that the proposed certificate is an outreach program for adult students, and many will already have four-year degrees before entering this program.

Regent McGuiggan stated that this item will be presented for approval at the April meeting.

**ASSOCIATE IN APPLIED SCIENCE IN RESPIRATORY
THERAPY, CROOKSTON**

and

**ASSOCIATE IN APPLIED SCIENCE IN MEDICAL LABORATORY
TECHNICIAN, CROOKSTON**

Associate Vice President Murthy presented proposals for an Associate in Applied Science Degree in Respiratory Therapy and an Associate in Applied Science Degree in Medical Laboratory Technician, Crookston, to the committee for information. He stated that these programs would be offered in cooperation with the East Grand Forks Area Vocational Technical Institute.

Provost Sahlstrom stated that the East Grand Forks AVTI faculty initially suggested these two programs and determined that the arts and sciences component could best be provided by establishing a cooperative link with the Crookston Campus. Dr. Sahlstrom stated that the faculty at UMC and the East Grand Forks AVTI determined that an associate degree should be provided to successful graduates of the programs, and indicated that this request to provide the associate degree is the result of MHECB guidelines which preclude Minnesota AVTI's from offering the associate degree.

Associate Vice President Murthy stated that the Administration has concerns about quality control, since two-thirds of each program will be offered by the AVTI. He stated that the Administration plans to review the other courses before requesting action in April. Regent

Dosland stated that the Administration must be careful in reviewing the courses, since the proposed degrees are technical and the University is providing none of the technical training.

Several Regents expressed concern regarding this type of arrangement, and Regent Lebedoff suggested that a policy should be developed to address these cooperative programs where the University grants a degree for courses taken at another institution. Regent Dosland stated that the policy that prevents AVTI's from granting degrees should be reviewed. Interim President Keller stated that in discussions of coordinating missions, there may be an opportunity to resolve this kind of problem.

INSTITUTE OF TECHNOLOGY LONG-RANGE PLAN

As part of the discussion of the Institute of Technology long-range plan, Regent McGuiggan noted that he had been given letters signed by students in the Geology Department asking the Board of Regents to allow the Geology Department to keep Winchell Library. Interim President Keller stated that automation of the University libraries depends upon centralization and access to students. He stated that many departments would prefer individual libraries, but indicated that the Administration has taken the view that centralization is necessary for more effective service to faculty and students.

Ettore Infante, Dean of the Institute of Technology, reviewed the present situation in IT with respect to students, faculty, staff and equipment. He discussed the academic program goals, including expansion of graduate research and education and a response to the state's needs for engineers, scientists and architects. He also reviewed the academic program plan, which includes a proposal to cap undergraduate enrollments consistent with the needs of the state.

Associate Vice President Hewitt reviewed the planning process. He reviewed several charts which illustrated the facilities options. He noted that the facilities options were developed based on the academic program options.

Regent Lebedoff stated that the plan is a major policy statement, and expressed the concern that there was enough time for discussion. Interim President Keller stated that when funding was requested for the Electrical Engineering/Computer Science Building, the Legislature told the Administration to develop a long-range plan for IT. He stated that the committee could approve submission of the plan to the Legislature at this time, indicating that the program options and policy decisions will be

presented for discussion before the committee is asked to take action.

Regent Casey stated that he would like to meet with someone from IT to review the plan in detail before he makes a decision. Dr. Keller asked Dean Infante to meet with small groups of Regents to review the data.

Regent Lebedoff stated that if there is a need to submit the plan to the Legislature at this time, he would move approval of the submission with the understanding that the plan is amendable and that it will be presented for further discussion. He suggested that this item should be put on the Committee of the Whole agenda, so that all of the Regents will have an opportunity to discuss the plan.

The committee voted unanimously to recommend approval of the following resolution:

RESOLVED, that the Board of Regents approves the submission of the Institute of Technology Long-Range Plan document to the Legislature, with the clear understanding that both the program elements and policy decisions will be brought before the Board for discussion and action at the appropriate time.

The meeting adjourned at 3:30 p.m.



DUANE A. WILSON, Secretary

Year 1984-85

UNIVERSITY OF MINNESOTA

BOARD OF REGENTS

Committee of the Whole

March 8, 1985

A meeting of the Committee of the Whole of the Board of Regents was held on Friday, March 8, 1985, at 8:45 a.m. in the Regents' Room, 238 Morrill Hall.

Regents present: Regent Krenik, presiding; Regents Dosland, Drake, Goldfine, Hilke, Lebedoff, Long, McGuigan, Moore, Roe and Schertler.

Staff present: Interim President Keller; Vice Presidents Kegler, Lilly, Vanselow and Wilderson; General Counsel Dunham; Secretary Wilson; Associate Vice Presidents Des Roches, Murthy and Perlmutter; Assistant Vice Presidents Heydinger and Vikmanis; Provosts Frederick, Heller, Imholte and Sahlstrom.

Student Representative present: Liz Kranz.

Regent Krenik noted that Regent Casey was not present at the meeting because he was attending his district caucus as a candidate for re-election as a Regent.

HONORS COMMITTEE REPORT

The committee voted unanimously to recommend approval of the report of the All-University Honors Committee.

**PROPOSED CHANGES TO THE HOSPITAL BOARD
OF GOVERNORS' BYLAWS**

The committee voted unanimously to recommend approval of the following resolution:

RESOLVED, that the Board of Regents approves the five changes to the Board of Governors' Bylaws as proposed.

QUARTERLY REPORT OF THE HOSPITAL BOARD OF GOVERNORS

C. Edward Schwartz, General Director of the University Hospitals and Clinics, presented the quarterly report of the Hospital Board of Governors. He indicated that the Chair and Vice Chair of the Board, Barbara O'Grady and Robert Latz, were unable to attend the meeting.

Mr. Schwartz reviewed the activities of the Board of Governors, including the air ambulance program, which will be operational by May 30, 1985; strategic planning and marketing, including television advertisements; the comparable worth issue; and refinancing of the hospital bonds. He indicated that the construction of Unit J is on time and under budget, and stated that detailed planning efforts have begun for the move in March of 1986. Mr. Schwartz also noted that the hospital recently received a full three-year accreditation from the Joint Commission on Hospital Accreditation.

Vice President Vanselow noted that the University of Minnesota Hospitals and Clinics was named as one of the 20 best hospitals in the country as a result of merging the results of three independent surveys conducted by Money Magazine, USA Today and Town and Country Magazine.

A brief discussion followed the presentation.

COMMITMENT TO FOCUS

Interim President Keller discussed the response generated by his "Commitment to Focus" document, which he presented at the February meeting, stating that the response has been generally supportive. He indicated that he met with various groups in the past month, including a meeting with faculty and staff at UMC, in an attempt to clarify the recommendations contained in the document.

President Keller emphasized that the document is not intended to restrict access. He stated that the aim of the document is to provide access to people, regardless of background, and to provide quality and choice and not turn people away. He stated that in the future, students will be better informed about how to prepare to attend the University, which will result in greater access. He also stated that the result of coordinating the University's mission with those of other institutions in the state will be greater choices for students.

President Keller stated that this is a plan to use money effectively, and noted that it has already helped the Administration in discussions with the Legislature.

Dr. Keller presented a resolution to the committee for approval. He stated that approval of the resolution would indicate endorsement of the general direction of the document, but would leave open the details which could result in a modification or rejection of an individual proposal.

An extensive discussion ensued. Several Regents expressed concern about the resolution, and Regent Schertler stated that it was her understanding that the representatives of the units affected by the recommendations would be given an opportunity to present their concerns to the Board. She stated that further discussion of the implications of the recommendations is necessary before action can be taken, but indicated that she does not want to discourage the thrust in the Legislature for changing the method of funding the University. President Keller stated that he does not feel the Legislature will seriously consider changing average cost funding without an endorsement of the plan to focus the University's mission.

Regent Hilke stated that he feels that President Keller has built the directions of the task force reports and planning cycles into a document of quality, and stated he supports the resolution. Several other Regents also expressed enthusiasm for the document, and stated that they would support the resolution.

Student Representative Liz Kranz stated that it is the opinion of the Student Representatives to the Board of Regents that the Board should delay action on the document until it has actively sought input from student organizations and individual students.

Regent Moore stated that she has heard many concerns raised regarding the document, including concerns from the minority community about the University's commitment to access. She indicated that she is concerned about giving the perception that she agrees with everything in the document, and stated that while she agrees with the need to focus the mission of the University, she wants to be clear at whose expense the University is going to focus. Regent Krenik stated that no programs would be eliminated until there is further discussion by the Board, noting that approval of the resolution indicates endorsement of the general direction of the plan. President Keller stated there is a need for further discussion of the recommendations, and the opportunity will be provided for discussion.

Following the discussion, the committee voted by a majority of 10 to 1, with Regent Moore voting against the motion, to recommend approval of the following resolution:

RESOLVED, that the Board of Regents endorses generally the direction for focus of the University's mission outlined in "A Commitment to Focus", subject to the following:

1. The detailed plans for effecting each recommendation shall be brought to the Board for information and/or approval, as appropriate, following discussion in accordance with established planning procedures. Details should be developed as part of Cycle IV of Planning in the 1985-86 academic year.

2. The Board remains concerned about the underfunding of instruction at the University in comparison with its peer institutions. Therefore, the proposals for focus should be effected only as modifications or augmentations in the State's average cost funding formula are introduced to insure that the proposed changes will not continue or exacerbate the present funding problems.

3. The Board remains concerned about the de facto requirement that students in lower cost programs must subsidize those in programs where it is impractical or impossible to collect 33 percent of instructional costs. Since many of the changes proposed would increase this subsidization burden for undergraduate students, such changes should be effected only as modifications in the tuition offset structure are adopted by the State to relieve or reduce this problem.

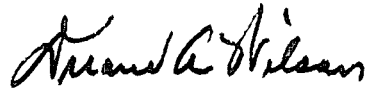
4. A key element in the proposals for focus herein adopted is the coordination of the missions and programs of all of the institutions of post-secondary education in the State. Some of the plans for change put forward by the University are predicated on responses by the other post-secondary institutions to assure access for students and elimination of inappropriate duplication of programs. The timing of the University's proposed changes should be based upon the resolution of these coordination issues.

5. The land grant mission of the University and its commitment to excellence be maintained and enhanced.

PROPOSED INDEMNIFICATION POLICY

The committee voted unanimously to recommend approval of a proposed Policy on Indemnification and Defense of Employees. This policy will supercede the provisions of Article IX, Section B of the Bylaws of the Board of Regents as approved on March 11, 1977 and amended July 10, 1981.

The meeting adjourned at 10:20 a.m.

A handwritten signature in cursive script, appearing to read "Duane A. Wilson".

DUANE A. WILSON, Secretary

Year 1984-85

UNIVERSITY OF MINNESOTA

BOARD OF REGENTS

March 8, 1985

A meeting of the Board of Regents of the University of Minnesota was held on Friday, March 8, 1985, at 10:30 a.m. in the Regents' Room, 238 Morrill Hall.

Regents present: Casey, Dosland, Drake, Goldfine, Hilke, Krenik, Lebedoff, Long, McGuiggan, Moore, Roe, and Schertler. President Keller presided.

Staff present: Vice Presidents Kegler, Lilly, Vanselow, and Wilderson; Secretary Wilson; General Counsel Dunham; Associate Vice Presidents Des Roches, Hewitt, Murthy, Robb, Robinett, and Roszell; Provosts Heller, Frederick, Imholte, and Sahlstrom.

APPROVAL OF MINUTES

The Board of Regents voted unanimously to approve the minutes of the following meetings:

Educational Policy & Long-Range Planning Committee -
February 7, 1985
Budget & Legislative Coordinating Committee -
February 7, 1985
Faculty, Staff & Student Affairs Committee -
February 7, 1985
Physical Plant & Investments Committee -
February 7, 1985
Committee of the Whole - February 8, 1985
Board of Regents - February 8, 1985

REPORT OF THE CHAIRMAN

Chairman Krenik stated that this is the last regular meeting he will be attending as a member of the Board of Regents. He stated he has enjoyed his tenure on the Board and he has been honored to serve with such a distinguished group of individuals over the years. Board members expressed their appreciation to Chairman Krenik for his service on the Board.

REPORT OF THE PRESIDENT

President Keller presented a brief report on a meeting he attended recently in Miami consisting of 30 university presidents representing nine college athletic conferences across the country who gathered to talk about the issue of intercollegiate athletics and its general development around the country. He briefly described the issues and concerns raised at the meeting.

GIFTS

Associate Vice President Roszell presented the monthly list of gifts to the University of Minnesota, the University of Minnesota Foundation, the Arboretum Foundation and the Minnesota Medical Foundation.

The Board of Regents voted unanimously to approve the gifts. Documentation is filed supplement to the minutes, No. 21,760.

CONTRACT AND GRANT AWARDS

Associate Vice President submitted for approval the contract and grant awards.

The Board of Regents voted unanimously to approve the contract and grant awards. Documentation is filed supplement to the minutes, No. 21,761.

Ms. Von Valleta, Executive Director of the Minnesota Alliance for Science, reported on a grant received from the Bush Foundation entitled "Build an Alliance for Science: Initial Operational Phase". Ms Valleta reported that the Minnesota Alliance for Science has completed a developmental phase and is now preparing to go operational. Their mission is to improve the appropriateness, quality, and quantity of learning in K-12 mathematics and science. The Alliance is a partnership between the private sector and the public sector.

APPLICATIONS FOR CONTRACTS AND GRANTS

President Keller submitted for approval the applications for contracts and grants.

The Board of Regents voted unanimously to approve the applications for contracts and grants.

REPORT OF THE COMMITTEE OF THE WHOLE

Regent Krenik, Chairman of the committee, reported that the committee voted unanimously to recommend approval of the following actions:

- a) Approval of resolution re Honors Committee Report, as follows:

RESOLVED, that on the recommendation of the All-University Honors Committee and the President, the Honors Committee Report as presented to the Board of Regents by mail is hereby approved and the appropriate University officials are authorized to implement the actions included in the Report.

Documentation is filed supplement to the minutes, No. 21,762.

- b) Approval of resolution re Changes to the Hospital Board of Governors Bylaws, as follows:

RESOLVED, that the Board of Regents approves the five changes to the Board of Governors' Bylaws as proposed.

Documentation is filed supplement to the minutes, No. 21,763.

- c) Approval of resolution re Regents' Policy on Indemnification and Defense of Employees, to supercede the paragraph on Indemnification presently contained in the Bylaws of the Board of Regents, as follows:

(a) Protection Described; Persons Covered. Subject to paragraphs (b) and (c) below, the Regents of the University of Minnesota shall defend, save harmless and indemnify any employee of the University against any threatened, pending or completed action, suit or proceeding, direct or indirect, whether civil, criminal, administrative, derivative or investigative, whether groundless or otherwise, wherever brought, arising out of an alleged act or omission occurring during his or her period of employment if the employee was acting within the scope of his or her employment or official capacity, against expenses, attorneys' fees, judgments, fines, penalties, punitive damages and amounts paid in settlement, actually and reasonably incurred.

The term employee shall include the following: 1) members of the Board of Regents; 2) persons employed by the University; 3) volunteers when their work is accepted, contracted for or consented to by the University and is under the direction and control of the University; 4) persons serving with or without compensation as a member of a board, task force, commission or committee established by the University to advise on matters of policy, procedure or employment decisions. The term employee does not include an independent contractor.

(b) Eligibility Criteria; Certain Conduct Not Protected. To be eligible under this policy an employee must have acted in good faith and in a manner he or she reasonably believed to be in or not opposed to the best interests of the Regents of the University of Minnesota, and, with respect to any criminal action or proceeding, the employee must have had no reasonable cause to believe his or her conduct was unlawful. There shall be no obligation either to defend or to indemnify in the event of malfeasance in office or willful or wanton neglect of duty or other actions. There shall also be no duty to defend or indemnify an employee with respect to an action brought by the Regents or their authorized representatives. Furthermore, this policy shall only apply in those cases where the employee seeking a defense and indemnification has given prompt written notice of the action, suit or proceeding to the Regents of the University of Minnesota, has requested defense by the University and has provided complete disclosure and cooperation in the defense of the claim or demand.

(c) Determination of Eligibility. The determination of the eligibility of an employee to the protection described above shall be made by the President of the University of Minnesota after appropriate investigation. A determination of eligibility may include limitations or exceptions. The President shall make this determination in writing and provide a copy to the individual. The Chair of the board of Regents shall determine the eligibility of the President to the protection described herein. The Chair shall determine the eligibility of other Regents unless the Chair is

also named as a defendant. If the Chair is a named defendant, the General Counsel or Special Legal Counsel retained on behalf of the University by the General Counsel shall determine the eligibility of the Chair and other Regents under this Policy.

(d) The provisions of this section are in addition to and not in derogation of any other obligation, limitation, condition, notice provision, or restriction provided by law including, but not limited to, Minn. Stat. 3.372-736.

The Board of Regents voted unanimously to approve the recommendations of the Committee of the Whole.

Chairman Krenik reported that the committee voted by a majority to recommend approval of the following action:

- a) Approval of resolution re "A Commitment to Focus", as follows:

RESOLVED, that the Board of Regents endorses generally the direction for focus of the University's mission outlined in "A Commitment to Focus", subject to the following:

1. The detailed plans for effecting each recommendation shall be brought to the Board for information and/or approval, as appropriate, following discussion in accordance with established planning procedures. Details should be developed as part of Cycle IV of Planning in the 1985-86 academic year.

2. The Board remains concerned about the underfunding of instruction at the University in comparison with its peer institutions. Therefore, the proposals for focus should be effected only as modifications or augmentations in the State's average cost funding formula are introduced to insure that the proposed changes will not continue or exacerbate the present funding problems.

3. The Board remains concerned about the de facto requirement that students in lower cost programs must subsidize those in programs where it is impractical or impossible to collect 33 percent of instructional costs. Since many of the changes proposed would increase this subsidization burden for undergraduate students, such changes should

be effected only as modifications in the tuition offset structure are adopted by the State to relieve or reduce this problem.

4. A key element in the proposals for focus herein adopted is the coordination of the missions and programs of all of the institutions of post-secondary education in the State. Some of the plans for change put forward by the University are predicated on responses by the other post-secondary institutions to assure access for students and elimination of inappropriate duplication of programs. The timing of the University's proposed changes should be based upon the resolution of these coordination issues.

5. The land grant mission of the University and its commitment to excellence be maintained and enhanced.

The Board of Regents voted by a majority, with Regent Moore voting against the motion, to approve the recommendation of the Committee of the Whole.

Chairman Krenik reported that the committee also received a quarterly report of the Hospital Board of Governors.

REPORT OF THE EDUCATIONAL POLICY & LONG-RANGE PLANNING COMMITTEE

Regent McGuiggan, Chairman of the committee, reported that the committee voted unanimously to recommend approval of the following action:

- a) Approval of a resolution re Institute of Technology Long-Range Plan, as follows:

RESOLVED, that the Board of Regents approves the submission of the Institute of Technology Long-Range Plan document to the Legislature, with the clear understanding that both the program elements and policy decisions will be brought before the Board for discussion and action at the appropriate time.

The Board of Regents voted unanimously to approve the recommendation of the Educational Policy & Long-Range Planning Committee.

Chairman McGuiggan reported that the committee reviewed several items for information which included: a

proposed structural reorganization with the School of Business and Economics at UMD, whereby the Department of Business Administration would be replaced with a Department of Finance and Management Information Sciences and a Department of Management Studies; a proposed program for a Certificate in Operations Management, School of Management, Twin Cities; and proposals for an Associate in Applied Science Degree in Respiratory Therapy and an Associate in Applied Science Degree in Medical Laboratory Technician, Crookston.

**REPORT OF THE FACULTY, STAFF
& STUDENT AFFAIRS COMMITTEE**

Regent Schertler, Chairman of the committee, reported that the committee voted unanimously to recommend approval of the following actions:

- a) Approval of resolution re Vice President's Monthly Report, as follows:

RESOLVED, that on the recommendation of the Vice President for Academic Affairs, the personnel actions affecting Academic and Professional and Administrative faculty and staff members as listed in the Vice President's Monthly Report are hereby approved.

Documentation is filed supplement to the minutes, No. 21,764.

- b) Approval of Civil Service Class Changes as presented to the committee. Documentation is filed supplement to the minutes, No. 21,765.

The Board of Regents voted unanimously to approve the recommendations of the Faculty, Staff & Student Affairs Committee.

Regent Schertler reported that the committee also reviewed information comparing the total funding of men's and women's intercollegiate athletics between each University of Minnesota campus and the conference within which each campus competes; reviewed a background paper on Student Loan Indebtedness and the impact of financial aid funding proposals; and received information on a bill currently proposed in the legislature eliminating age 22 as the criteria for being considered independent for financial aid purposes.

Regent Schertler reported that the discussion of the proposal to terminate the Separation Pay, Phased Retirement

ment and Early Retirement Options was delayed until April due to time constraints.

REPORT OF THE PHYSICAL PLANT & INVESTMENTS COMMITTEE

Regent Lebedoff, Chairman of the committee, reported that the committee voted unanimously to recommend approval of the following actions:

- a) Approval of the Monthly Report of the Vice President for Finance for the month of March, 1985. Documentation is filed supplement to the minutes, No. 21,766.
- b) Approval of a resolution re Refinancing of Hospital Bonds, as follows:

WHEREAS, the Regents of the University of Minnesota (the "University") has issued its \$156,340,000 University Hospitals and Clinics Bonds, Series 1982 (the "1982 Bonds") pursuant to an Indenture of Trust dated as of December 1, 1982 between the University and First National Bank of Minneapolis as trustee;

WHEREAS, the proceeds of the 1982 Bonds have been and will be used to construct and equip the new 432-bed replacement hospital currently known as Unit J, as described in the Official Statement dated December 24, 1982 (the "Hospitals Project");

WHEREAS, the University has agreed to purchase a portion of the 1982 Bonds pursuant to an Offer to Purchase for Cash, dated January 29, 1985, for a purchase price of approximately 53.5 million dollars;

WHEREAS, the University proposes to refinance the purchased 1982 Bonds, to establish a debt service reserve fund, to finance issuance and related costs, and to finance the construction of a new parking facility to serve its Hospitals and Clinics by issuing and selling general obligation variable rate demand bonds in one or more series (the "Bonds");

WHEREAS, forms of the following documents have been made available to the University for review and approval;

- (a) Indenture of Trust;
- (b) Contract of Purchase;
- (c) Remarketing Agreement;
- (d) Preliminary Official Statement.

NOW, THEREFORE, BE IT RESOLVED, by the Regents of the University of Minnesota, as follows:

1. The forms of the Indenture of Trust, Contract of Purchase, Remarketing Agreement and Preliminary Official Statement, and any exhibits thereto are approved substantially in the form submitted, with such modifications, additions and deletions as may be approved by both the Treasurer and the General Counsel of the University.

2. The President and the Treasurer are authorized to execute and deliver the Contract of Purchase for the Bonds with Goldman, Sachs and Co. as purchaser of the Bonds. The principal amount of the Bonds sold under the Contract of Purchase shall not exceed Sixty-five Million Dollars (\$65,000,000). The Bonds may have such interest rates or interest rate formula, maturities and other terms as the President and Treasurer may determine.

3. The President and the Treasurer are authorized to execute and deliver the Indenture of Trust for the Bonds with Norwest Bank Minneapolis, National Association, as trustee.

4. Each of the Vice President for Finance and the Treasurer is authorized to execute and deliver the Remarketing Agreement with Goldman, Sachs & Co., as remarketing agent, to execute and deliver a standby bond purchase agreement or a Line of Credit, as defined in the Indenture of Trust, or other liquidity facility, and to approve the Preliminary Official Statement, the final Official Statement, and the investment of the proceeds of the Bonds. The standby bond purchase agreement, Line of Credit agreement, or other liquidity facility shall be in an amount not to exceed Sixty-five Million Dollars (\$65,000,000), and shall be on commercially reasonable terms approved by the Treasurer and the General Counsel.

5. The appropriate University officers are authorized to execute and deliver all other documents and certificates and to take such action as may be necessary or appropriate for completion of the issuance and sale of the Bonds.

6. The Secretary and Treasurer are authorized and directed to prepare and execute the Bonds as prescribed in the Indenture of Trust and to deliver them to the Trustee for authentication and delivery to Goldman, Sachs & Co. as purchaser of the Bonds. The signatures of one or both of such officers may be by facsimile.

7. The Secretary and other officials of the University are authorized and directed to prepare and furnish to the Underwriters certified copies of all proceedings and records of the University as may be required or appropriate to evidence the facts relating to the legality of the bonds as such facts appear from the books and records in the officers' custody and control or as otherwise known to them; and all such certified copies, certificates and affidavits, including any heretofore furnished, shall constitute representations of the University as to the truth of all statements contained therein.

8. The approval hereby given to the various documents referred to above includes approval of such modifications, deletions and additions thereto as may be approved by the General Counsel and the Treasurer. The delegation of authority herein includes delegation of authority to execute the documents with such modifications, deletions and additions as may be appropriate and approved by the General Counsel and the Treasurer within the limits set in paragraph 2. The execution of any document by the appropriate officer or officers of the University herein authorized shall be conclusive evidence of the approval of such documents in accordance with the terms hereof. In the absence of the President or Treasurer, the Indenture of Trust and the Contract of Purchase may be executed by the Chair or Vice Chair instead of the President and by the Secretary instead of the Treasurer. In the absence of the Treasurer, all the authority granted to

the Treasurer by this resolution may be executed by the Vice President for Finance.

- c) Approval of resolution re University Laundry Equipment Project, as follows:

RESOLVED, that on the recommendation of the Vice President for Finance and Operations, the appropriate Administrative Officers are authorized to proceed with the design, replacement and installation of processing equipment at the University Laundry on the Twin Cities, Minneapolis campus.

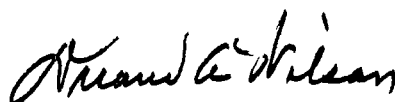
The Board of Regents voted unanimously to approve the recommendations of the Physical Plant and Investments Committee.

Chairman Lebedoff reported that the committee received an investment review from the firm of Thorndike, Doran, Paine & Lewis and received a report on the power outage which occurred at the University recently.

REPORT OF THE BUDGET & LEGISLATIVE COORDINATING COMMITTEE

Regent Long, Chairman of the committee, reported that the committee reviewed proposed Senate and House bills introduced in the 1985 session which would be of interest or would have a direct effect on the University. In addition, the committee also received some concerns from Regent Goldfine regarding the 1985-87 Capital Requests Priority Review indicating his dismay regarding the coordinate campuses representation on the upper part of the list.

There was no old or new business and the meeting adjourned at 12:10 p.m.



DUANE A. WILSON, Secretary

