

**UNIVERSITY OF MINNESOTA
BOARD OF REGENTS**

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

March 12-13, 1987

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

Year 1986-87

UNIVERSITY OF MINNESOTA

BOARD OF REGENTS

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

March 12-13, 1987

CONTENTS	PAGE
I. Committee Meetings	
A. Physical Planning & Operations Committee - March 12, 1987	201
B. Finance & Legislative Committee - March 12, 1987	203
C. Staff & Student Affairs Committee - March 12, 1987	206
D. Educational Planning & Policy Committee - March 12, 1987	210
E. Committee of the Whole - March 13, 1987	212
II. Board of Regents' Meeting - March 13, 1987	
A. Approval of Minutes	215
B. Report of the Chair	215
(1) Terms of Regents Expiring	
(2) Big Ten Meeting	
(3) Death of Paul Schertler	
C. Report of the President	216
D. Gifts	216
E. Contracts & Grants/Applications & Awards	216
F. Report of the Committee of the Whole	
(1) Approval - Election of Trustees - Minnesota Landscape Arboretum Foundation	216
(2) Approval - Additional Equity Contribution to Primary Care Network Management Co.	217
(3) Budget Principles Discussed	217
(4) Enrollment Targets and Financial Implications	217
(5) Proposed Organizational Changes delayed	217
(6) Hospital Board of Governors Report delayed	217
G. Report of the Finance & Legislative Committee	
(1) Vice President's Monthly Report	217
(2) Approved - Global Investment Management Authorization	218
(3) Credit Union Implementation Plan	218
(4) Investment Manager Review	218
(5) Legislative Update	218
(6) Quarterly Investment Report delayed	218

H.	Report of the Educational Planning & Policy Committee	
	(1) Approval - UMD Mission Statement	218
	(2) Babbage Institute for History of Information Processing Report	219
	(3) Permanent University Fund Report	219
I.	Report of the Staff & Student Affairs Committee	
	(1) Monthly Report of the Vice President	220
	(2) Approval - Policy on College, Department or Program Constitutions, Bylaws or Policies	220
	(3) Tuition Refund Policy	221
	(4) Tuition Scholarships in Dentistry and Veterinary Medicine	221
	(5) New Business	
	(a) Student Services Fees Report	221
J.	Report of the Physical Planning & Operations Committee	
	(1) Vice Presidents' Monthly Report	221
	(2) Approval - Raptor Research & Rehabilitation Program Facility	221
	(3) Variety Club Research Center Remodeling Project	222
	(4) Comstock Hall - Food Service Renovation	222
	(5) Coffman Memorial Union - Ground Floor Renovation	222

Year 1986-87

UNIVERSITY OF MINNESOTA

BOARD OF REGENTS

Physical Planning & Operations Committee

March 12, 1987

A meeting of the Physical Planning and Operations Committee of the Board of Regents was held on Thursday, March 12, 1987 at 3:15 p.m. in the Regents' Room, 238 Morrill Hall.

Regents present: Regent Goldfine, presiding; Regents Casey, Long, and Roe.

Staff present: Vice Presidents Lilly and Vanselow; Associate Vice President Hewitt; Treasurer Campbell.

Student Representatives present: Judy Grew and Harvey Whitney.

VICE PRESIDENT'S MONTHLY REPORT

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

**RAPTOR RESEARCH AND REHABILITATION PROGRAM FACILITY
TWIN CITIES**

The committee voted unanimously to recommend approval of a resolution authorizing the design and construction of the Raptor Research and Rehabilitation Program Facility on the Twin Cities Campus.

Vice President Lilly advised the committee that the administration would not provide an internal loan of \$300,000 to supplement the \$1.6 million as described in the docket material. The administration will provide the committee with a plan that would scale back the project to the available \$1.6 million in the event the additional funds are not raised prior to bidding.

VARIETY CLUB RESEARCH CENTER REMODELING PROJECT

The committee reviewed a proposed resolution that would authorize the design and construction of the Variety

Club Research Center Remodeling Project (east portion of the second floor and west one-half of the third floor) on the Twin Cities Campus.

Associate Vice President Hewitt reported that the estimated total cost of the project is \$878,500 with funding provided from the Medical School. Estimated completion date of the project is March 1988.

**COMSTOCK HALL - FOOD SERVICE RENOVATION
TWIN CITIES CAMPUS**

The committee reviewed a proposed resolution that would authorize the design and construction of the Comstock Hall - Food Service Renovation Project located on the Twin Cities Campus. It was reported that the estimated cost of the project is \$1,425,000 with funding provided from Support Services reserves. Estimated completion date is September 1988.

COFFMAN MEMORIAL UNION - GROUND FLOOR RENOVATION

The committee reviewed a proposed resolution that would authorize the design and construction of the Coffman Memorial Union, Ground Floor Renovation Project located on the Twin Cities Campus. Associate Vice President Hewitt reported that the total estimated cost of the project is \$850,000 with funding provided by the Minnesota Union and Support Services and Operation. He further reported that the project is divided into two phases to allow most of the construction to take place during the summer and thereby reduce disruption and loss of income. He stated that the estimated completion date for total construction of the two phases is September 1988.

The meeting adjourned at 4:10 p.m.


BARBARA MUESING, Secretary

Year 1986-87

UNIVERSITY OF MINNESOTA

BOARD OF REGENTS

Finance & Legislative Committee

March 12, 1987

A meeting of the Finance & Legislative Committee of the Board of Regents was held on Thursday, March 12, 1987, at 1:30 p.m. in the Regents' Room, 238 Morrill Hall.

Regents present: Regent Lebedoff, presiding; Regents Long, McGuiggan, Moore and Roe.

Staff present: Vice President Kegler and Lilly; Secretary Muesing; Chancellors Frederick, Imholte and Sargeant.

Student Representatives present: Steve Hughes and Howard Shutt.

LEGISLATIVE UPDATE

Vice President Kegler presented an update on current legislative matters which included a listing of hearings at which administrators have testified; resolutions submitted to the House of Representatives relating to Commitment to Focus; a listing of bills which have been introduced and, if passed, might have an impact on the University; and information on items that will be presented before the legislature at future meetings relating to the University's Legislative Request. Vice President Kegler stated that he would discuss any of the items in greater detail if Regents had specific questions at a later date.

VICE PRESIDENT'S MONTHLY REPORT

The committee voted unanimously to recommend approval of the Vice President for Finance Monthly Report.

GLOBAL INVESTMENT MANAGEMENT AUTHORIZATION

The committee voted unanimously to recommend approval of a resolution authorizing that the University's investment guidelines be modified to authorize the securities lending endowment to be managed as a global equity account and authorize the Group Income Pool to be managed as a

global fixed income account. The resolution further recommends that all other investment guidelines and policies including those applicable to international investments remain in place.

CREDIT UNION IMPLEMENTATION PLAN

The committee was presented with the implementation and business plan for the establishment of a University of Minnesota credit union. The plan is part of an application for a Federal charter.

Questions were raised regarding whether or not, upon the filing of this application, the Board of Regents would be committed to establish a credit union. Mr. Paschke stated that "there is nothing in this process that commits us to a course of action that we can't reverse." He stated that final approval for the establishment of the credit union would be requested if the federal charter is granted.

Concerns were also raised regarding the opening of credit union branch offices on coordinate campuses. Several committee members stated that they have received letters from representatives of banks in the towns where coordinate campuses are located expressing opposition to opening branch offices.

Regent Long asked if the granting of this charter would give the university the authority to open a branch office on any of the coordinate campuses without coming back to the Board of Regents for approval. Mr. Paschke stated that the credit union, once established, would be governed by its own Board of Directors consisting of nine members with at least one elected from each of the following groups: faculty, students, non-faculty staff, and the alumni association representing the Twin Cities and the coordinate campuses.

Regent Roe stated that he feels branch offices should only be opened on coordinate campuses if it is economically feasible. Vice President Lilly stated that branch offices would not be opened on any of the coordinate campuses without a request from the Chancellor of the campus. Regent McGuiggan stated that he would like the minutes to reflect that no authority for moving ahead be granted without coming back to the Board of Regents for final approval.

QUARTERLY INVESTMENT REPORT

This item was delayed due to time constraints.

INVESTMENT MANAGER REVIEW MORGAN STANLEY ASSET MANAGEMENT

The committee received a review of the investment performance, strategies, and outlook of Morgan Stanley for the University of Minnesota's assets in the Group Income Pool. Mr. Geoffrey C. Getman, Investment Manager from Morgan Stanley Asset Management, Inc., presented the review to the committee.

NEW BUSINESS

Regent Roe stated that he had requested Vice President Lilly to explore the possibility of constructing a sports facility for basketball that could be shared by both the University and a professional basketball team should a franchise be awarded to the Twin Cities. He asked Vice President Lilly to report on his findings.

Vice President Lilly reported that presently the City of Minneapolis has a proposed plan to construct a stadium which would house professional basketball and in addition, he reported that the Big Ten has a regulation restricting the use of university facilities located on campus by noneducational teams except for an occasional exhibition game. He stated, however, that it might be possible to appeal for an exception to this rule. Committee members stated that they would like Vice President Lilly to pursue an appeal to the Big Ten regulation depending on the progress of the proposed stadium in Minneapolis.

The meeting adjourned at 3:00 p.m.


BARBARA MUESING, Secretary

Year 1986-87

UNIVERSITY OF MINNESOTA

BOARD OF REGENTS

Staff & Student Affairs Committee

March 12, 1987

A meeting of the Staff and Student Affairs Committee of the Board of Regents was held Thursday, March 12, 1987, at 1:30 p.m. in Room 300, Morrill Hall.

Regents present: Regent Casey, presiding; Regents Goldfine, Hilke and Sahlstrom.

Staff present: President Keller; Vice Presidents Benjamin, Dunham, Sauer, Vanselow and Wilderson; Secretary Muesing; Associate Vice Presidents Murthy and Robinett; Interim Associate Vice President Lupton; Assistant Vice President Bakkenist; Chancellor Heller.

Student Representatives present: Sheri Lombardi and Dan Smith.

Regent Casey noted that Student Representative Judy Grew will no longer be with the Staff & Student Affairs Committee, and he thanked Ms. Grew for her active participation in the committee's discussions. He introduced Sheri Lombardi, the new Student Representative, and she briefly addressed the committee.

Regent Casey also noted that the item regarding proposed Civil Service Class Changes was postponed until the April meeting.

VICE PRESIDENT'S MONTHLY REPORT

Vice President Benjamin 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.

**POLICY ON COLLEGE, DEPARTMENT OR PROGRAM
CONSTITUTIONS, BYLAWS OR POLICIES**

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

WHEREAS, on February 11, 1972, the Regents adopted "Guidelines for the development and review of college constitutions, with particular reference to the powers and duties of Deans"; and

WHEREAS, the Regents have from time to time approved constitutions developed by collegiate units; and

WHEREAS, problems have arisen concerning specific provisions in certain constitutions; and

WHEREAS, the Regents desire to update and amend the constitutions as appropriate and to clarify their legal status.

NOW, THEREFORE, the Regents of the University of Minnesota adopt the following resolution:

1. The administration, in consultation with faculty, is directed to initiate a review of all constitutions and to make recommendations to the Regents for appropriate changes. These changes should include any changes necessary to make the constitutions consistent with other University policies.

2. College constitutions are not intended to be and are not part of the contract between any employee of the University and the University. Constitutions are statements of general policy and operating procedures and, when read together with other University policies, they should guide administrative action. They are not, however, part of the terms and conditions of employment of University employees. They do not, for example, establish specific terms of appointment for deans and department heads (which are set forth in personnel action forms) or vest in employees any rights to enforce their provisions on search and appointment procedures.

3. To clarify the legal status of the college constitutions, the following clause is hereby added to all collegiate constitutions: "This constitution is not part of the employment contract between the University and its employees. It does not establish terms and conditions of employment."

TUITION REFUND POLICY

Vice Presidents Benjamin and Wilderson reviewed a proposal to revise the current tuition refund policy, which allows a refund through the sixth week of classes. The new policy would allow refunds through the third week of classes. Dr. Wilderson stated that exceptions for special circumstances are made under the present refund system, and that such would continue under the revised policy. Regent Sahlstrom asked that a statement to that effect be included in the policy.

A lengthy discussion ensued. Regent Hilke commented on the reasons students drop classes, and asked the Administration to develop an improved system of informing students about classes and instructors based on the class evaluations which are filled out by students. President Keller suggested that students undertake a course evaluation project. Regent Hilke suggested that a portion of the additional funds generated by this policy be used to support the project. President Keller stated it would be a worthwhile project, and that he would consider the possibility of using some of the funds for that purpose.

Student Representative Dan Smith stated that the current policy has worked well for a number of years, and he expressed concerns that the proposed revision will have an adverse effect on students.

The revised policy would provide a 100 percent refund through the first week of classes. Regent Goldfine asked if such a refund would result in a problem with financial aid repayment. Dr. Wilderson stated that he will review this issue with Robert Misenko, Director of Student Financial Aid.

Following the discussion, Regent Casey stated that at the April meeting the Administration will present information on the issues raised during the discussion.

TUITION SCHOLARSHIPS IN DENTISTRY AND VETERINARY MEDICINE

Vice President Vanselow presented an update on the exclusion of new medical, dental and veterinary medicine students from the Minnesota-Wisconsin reciprocity agreement beginning with the 1987-88 academic year. To resolve this issue, he stated that during the recent recruiting period the University has agreed that Wisconsin residents in those programs will be charged tuition at one and one-half times the resident rate, with the University awarding scholarships to bring the tuition down to resident rates.

Dr. Vanselow noted that Wisconsin has eliminated reciprocity in these fields because they do not want their

residents to come to Minnesota. He indicated that the University hopes to continue to attract high ability Wisconsin residents, and the tuition scholarship plan is a way to resolve the issue.

A brief discussion ensued. Dr. Vanselow stated that no action is required by the committee.

NEW BUSINESS

Regent Casey stated that he talked to Vice President Wilderson about the Student Services Fees Report. He indicated that the recommendations of the task force will be mailed to the Regents and the item will be presented for information at the April meeting and action in June. The item will not be on the agenda in May, since that meeting will be held on the Duluth Campus.

The meeting adjourned at 2:20 p.m.


BARBARA MUESING, Secretary

Year 1986-87

UNIVERSITY OF MINNESOTA

BOARD OF REGENTS

Educational Planning & Policy Committee

March 12, 1987

A meeting of the Educational Planning and Policy Committee of the Board of Regents was held on Thursday, March 12, 1987, at 3:10 p.m. in Room 300, Morrill Hall.

Regents present: Regent Hilke, presiding; Regents Lebedoff, McGuigan and Moore.

Staff present: President Keller; Vice Presidents Benjamin, Dunham, Sauer and Vanselow; Secretary Muesing; Associate Vice President Murthy; Assistant Vice President Berg; Chancellors Heller, Imholte and Sargeant.

Student Representatives present: Cynthia Beard and Rob Larson.

**BABBAGE INSTITUTE FOR HISTORY OF INFORMATION PROCESSING
REPORT**

Dr. Arthur Norberg, Director of the Charles Babbage Institute for History of Information Processing, presented a report on the objectives and program of the Institute. He indicated that the Institute has five full-time staff members, including two support staff, and five graduate students.

Dr. Norberg stated that the Institute's objectives are to conduct and promote historical research, with an emphasis on recent technological developments in computation and the growth of the information industry, and to develop a collection of archival material and a network of archives and repositories around the world. These objectives are met through the Institute's four-part program of historical research, archives development, teaching and conferences, and reference services.

A brief discussion ensued, and Regent Hilke thanked Dr. Norberg for his presentation.

UMD MISSION STATEMENT

The committee voted unanimously to recommend approval of the revised University of Minnesota, Duluth Mission Statement.

Regent McGuiggan asked if other University units will be revising their Mission Statements. It was noted that when preparing a response to Strategy for Focus, each unit must provide its Mission Statement. President Keller noted that the Mission Statement for the total University is currently being revised, and it will be presented to the Regents at a future meeting.

PERMANENT UNIVERSITY FUND (PUF) REPORT

Vice President Benjamin presented an update on the status of the Permanent University Fund (PUF). He noted that in 1985, the Legislature released the PUF so that the money could be used to match contributions for the purpose of establishing at least 100 endowed chairs and professorships. These positions attract top researchers and scholars, and he noted that 72 such positions have been established since the Minnesota Campaign began, making the University one of the top institutions nationwide in the number of endowed positions. Dr. Benjamin noted that, although a Dean may request an exception, these positions will be used to bring in individuals of merit from outside the University.

Dr. Benjamin reviewed a summary of PUF matching funds which have been authorized for each collegiate unit. He stated that the amount of the fund was \$66 million when it was released in 1985. It has grown to \$82 million this year through investments and by 1989, it is expected to increase to \$87 million. It was noted that approximately \$78 million is needed to match contributions made through the Minnesota Campaign, and President Keller stated that \$17 million has been reserved to match donations in fields where the Administration has identified special needs.

A lengthy discussion followed the report. Regent Moore expressed a concern that an institutional morale problem may arise because some units are not able to attract large donations, and thus will not benefit by this PUF matching program. President Keller discussed methods of attracting donors for specific purposes, and he stated the \$17 million reserve will be used to match donations in such units.

The meeting adjourned at 4:10 p.m.


BARBARA MUESING, Secretary

Year 1986-87

UNIVERSITY OF MINNESOTA

BOARD OF REGENTS

Committee of the Whole

March 13, 1987

A meeting of the Committee of the Whole of the Board of Regents was held on Friday, March 13, 1987, at 8:30 a.m. in the Regents' Room, 238 Morrill Hall.

Regents present: Regent McGuiggan, presiding; Regents Casey, Drake, Goldfine, Hilke, Lebedoff, Long, Roe and Sahlstrom.

Staff present: President Keller; Vice Presidents Benjamin, Dunham, Kegler, Lilly, Sauer, Vanselow and Wilderson; Secretary Muesing; Associate Vice Presidents Murthy, Perlmutter and Robb; Assistant Vice Presidents Bakkenist, Berg, Potami and Vikmanis; Acting Assistant Vice President Foster; Chancellors Frederick, Heller, Imholte and Sargeant.

Student Representative present: Judy Grew.

Regent McGuiggan noted that the Quarterly Report of the Hospital Board of Governors had been removed from the agenda. He stated that a written report would be distributed to the committee.

**ELECTION OF TRUSTEES -
MINNESOTA LANDSCAPE ARBORETUM FOUNDATION**

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

RESOLVED, that Ella Crosby and David Lilly are hereby reappointed as Trustees of the Minnesota Landscape Arboretum Foundation for three-year terms ending December 31, 1989.

RESOLVED, FURTHER, that Charlotte Drake is hereby appointed as a Trustee of the Minnesota Landscape Arboretum Foundation for a three-year term ending December 31, 1989.

**ADDITIONAL EQUITY CONTRIBUTION TO
PRIMARY CARE NETWORK MANAGEMENT COMPANY**

Vice President Vanselow presented the following resolution to the committee for approval, noting that the Board of Governors of the University Hospital and Clinic unanimously approved the proposal:

WHEREAS, in August, 1985, the Board of Regents approved the purchase by the University of 34 percent of the stock in Primary Care Network Management Company; and

WHEREAS, the closing with respect to the acquisition of Primary Care Network Management Company occurred on September 5, 1985; and

WHEREAS, it has become necessary for Primary Care Network Management Company to increase its credit line;

NOW, THEREFORE, BE IT RESOLVED, that the appropriate administrative officers hereby are authorized to sign the requisite financial documents to increase the University's guarantee of Primary Care Network Management Company debt from the University's current obligation of \$600,000 to an amount not to exceed \$1,120,000.

Following a brief discussion, the committee voted unanimously to recommend approval of the resolution.

BUDGET PRINCIPLES

President Keller presented the proposed 1987-88 Budget Principles and Budget Strategy to the committee for information. He stated that the Budget Principles are similar to those approved for 1986-87, however, the sections on tuition and indirect cost recoveries have been refined.

With respect to tuition, President Keller stated that tuition increases should be kept as low as possible, but should generate revenue at least equal to the tuition offset enacted by the Legislature. He stated that the Administration will continue efforts to have the University excluded from the average cost funding formula. Regent Hilke noted that because of increasing costs, access is increasingly a problem for many students. He asked that the Budget Strategy for future years include allocation of resources to subsidize student loans or other programs to insure access.

President Keller reviewed the Budget Principle regarding indirect cost recoveries. Regent McGuiggan suggested that the Administration establish a goal of returning at least 50 percent of the net indirect cost recoveries allowed by the Legislature to the collegiate units generating the funds. President Keller stated that the University has been successful in this area over the last four years, and this year \$3 million is being distributed back to the units. He stated that the Administration will provide the Regents and the faculty with an annual accounting of how the funds not returned to the units are spent.

Following a discussion, it was noted that the Budget Principles will be presented for approval at the April meeting.

ENROLLMENT TARGETS AND FINANCIAL IMPLICATIONS

President Keller led a discussion on proposed enrollment targets. He noted that Governor Perpich has proposed to exclude the University from average cost funding in exchange for the University accepting enrollment targets. Under the proposal, the University would be penalized if actual enrollments exceeded the targets.

A lengthy discussion ensued regarding the issue, and several Regents raised concerns about how the Governor's proposal would affect the University. Through the use of visual aids, President Keller responded to those concerns, and stated that even if enrollments were 10 percent above the targets, the University would come out ahead under the proposed plan.

Following the discussion, Regent McGuiggan stated that if there are further concerns, this item will be put on the agenda of a future meeting.

PROPOSED ORGANIZATIONAL CHANGES - CENTRAL ADMINISTRATION

The discussion regarding proposed organizational changes in the Central Administration was delayed due to time constraints.

The meeting adjourned at 9:25 a.m.


BARBARA MUESING, Secretary

Year 1986-87

UNIVERSITY OF MINNESOTA

BOARD OF REGENTS

March 13, 1987

A meeting of the Board of Regents of the University of Minnesota was held on Friday, March 13, 1987 at 9:30 a.m. in the Regents' Room, 238 Morrill Hall.

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

Staff present: Vice Presidents Benjamin, Dunham, Kegler, Lilly, Sauer, Vanselow and Wilderson; Secretary Muesing; Treasurer Campbell; Chancellors Frederick, Heller, Imholte and Sargeant.

APPROVAL OF MINUTES

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

Staff & Student Affairs Committee - Special Meeting - March 12, 1987
Physical Planning & Operations Committee - March 12, 1987
Finance & Legislative Committee - March 12, 1987
Staff & Student Affairs Committee - March 12, 1987
Educational Planning & Policy Committee - March 12, 1987
Committee of the Whole - March 13, 1987
Board of Regents - March 13, 1987

REPORT OF THE CHAIR

Chair McGuiggan reported that the terms of four regents expire in 1987. He further reported that Regents Drake, Goldfine, and Long have indicated they will not seek reelection and that Regent Roe has indicated that he will pursue another term.

He reported that the agenda for the meeting of the Big Ten Board members to be held May 31 - June 1 has been set and requested that any additional suggestions for the agenda should be directed to Secretary Muesing.

Chair McGuiggan also reported on the death of Paul Schertler, husband of Regent Mary Schertler, and requested that condolences be sent to Regent Schertler and her family on behalf of the Board.

REPORT OF THE PRESIDENT

President Keller stated that he had no report this month.

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. 21,922.

CONTRACTS & GRANTS/APPLICATIONS & AWARDS

Vice President Benjamin submitted for approval the contract & grants/applications & awards.

The Board of Regents voted unanimously to approve the contracts & grants/applications & awards. Documentation is filed supplement to the minutes, No. 21,923.

REPORT OF THE COMMITTEE OF THE WHOLE

Regent McGuiggan, Chair of the committee, reported that the committee voted unanimously to recommend approval of the following actions:

- a) Approval of resolution re Election of Trustees-Minnesota Landscape Arboretum Foundation, as follows:

RESOLVED, that Ella Crosby and David Lilly are hereby reappointed as Trustees of the Minnesota Landscape Arboretum Foundation for three-year terms ending December 31, 1989.

RESOLVED, FURTHER, that Charlotte Drake is hereby appointed as a Trustee of the Minnesota Landscape Arboretum Foundation for a three-year term ending December 31, 1989.

- b) Approval of resolution re Additional Investment in Primary Care Network, as follows:

WHEREAS, in August, 1985, the Board of Regents approved the purchase by the University of 34% of the stock in Primary Care Network Management Company; and,

WHEREAS, the closing with respect to the acquisition of Primary Care Network Management Company occurred on September 5, 1985; and,

WHEREAS, it has become necessary for Primary Care Network Management Company to increase its credit line;

NOW, THEREFORE BE IT RESOLVED, that the appropriate administrative officers hereby are authorized to sign the requisite financial documents to increase the University's guarantee of Primary Care Network Management Company debt from the University's current obligation of \$600,000 to an amount not to exceed \$1,120,000.

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

Chair McGuiggan reported that the committee also reviewed the proposed 1987-88 Budget Principles and Budget Strategy and engaged in a discussion relating to enrollment targets. He reported that the agenda items relating to the quarterly report from the Hospital Board of Governors and proposed organizational changes in Central Administration were delayed due to time constraints.

REPORT OF THE FINANCE & LEGISLATIVE COMMITTEE

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

- a) Approval of the Vice President for Finance Report which includes Investments, Accounts Receivable, Property Accounting, and Miscellaneous - Finance & Investments. Documentation is filed supplement to the minutes, No. 21,924.

- b) Approval of resolution re Global Investment Management Authorization, as follows:

RESOLVED, that on the recommendation of the President and the Vice President for Finance and Operations, the University's investment guidelines be modified to authorize 1) the securities lending endowment to be managed as a global equity account, and 2) the Group Income Pool to be managed as a global fixed income account.

RESOLVED, FURTHER, that all other investment guidelines and policies including those applicable to international investments remain in place.

The Board of Regents voted unanimously to approve the recommendations of the Finance & Legislative Committee.

Chair Lebedoff reported that the committee also discussed at length the plan to establish a University of Minnesota Credit Union; received an Investment Manager Review from representatives of Morgan Stanley Asset Management Company; and received a legislative update from Vice President Kegler. In addition, he reported that an item of new business had been discussed relating to the possibility of a professional basketball team using a University facility on campus for games. He stated that this item will be investigated further and a report will be made to the committee at a future date.

He reported that the Quarterly Investment Report was delayed due to time constraints.

REPORT OF THE EDUCATIONAL PLANNING & POLICY COMMITTEE

Regent Hilke, Acting Chair of the committee, reported that the committee voted unanimously to recommend approval of the following action:

- a) Approval of the University of Minnesota Duluth Mission Statement, as follows:

UNIVERSITY OF MINNESOTA, DULUTH MISSION STATEMENT

The University of Minnesota, Duluth (UMD) serves Northern Minnesota, the state and the nation as a medium-sized comprehensive university dedicated to excellence in all of its programs and operations. As a university community in which knowledge is sought as well as taught, its

faculty recognize the importance of scholarship and service, the intrinsic value of research, and the significance of a primary commitment to quality teaching.

At UMD, a firm liberal arts foundation anchors a variety of traditional degree programs, outreach offerings and selected professional and graduate studies. Active learning through internships, honors programs, research, and community service promotes the development of skills, critical thinking, and maturity sought by society. Demanding standards of performance for students, faculty, and staff make UMD attractive to students with strong academic potential.

The campus contributes to meeting the area's cultural needs and serves as a focal point for the economic development of the region through community outreach and through an emphasis on the sea-grant and land-grant components of its program.

UMD intends to be a full partner in the goal of increasing the national stature of the University of Minnesota by applying a Commitment to Focus within the context of its distinctive mission.

Providing an attractive alternative to both a large research-oriented university and to a small liberal arts college, the University of Minnesota, Duluth seeks the student looking for a program that emphasizes a personalized living-learning experience on a medium-sized campus of a major university.

The Board of Regents voted unanimously to approve the recommendations of the Educational Planning & Policy Committee.

Chair Hilke reported that the committee received an update on the Permanent University Fund and reviewed the Babbage Institute for History of Information Processing/Report.

REPORT OF THE STAFF & STUDENT AFFAIRS COMMITTEE

Regent Casey, Chair 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. 21,925.

- b) Approval of Policy on College, Department or Program Constitutions, Bylaws or Policies, as follows:

WHEREAS, on February 11, 1972, the Regents adopted "Guidelines for the development and review of college constitutions, with particular reference to the powers and duties of Deans"; and

WHEREAS, the Regents have from time to time approved constitutions developed by collegiate units; and

WHEREAS, problems have arisen concerning specific provisions in certain constitutions; and

WHEREAS, the Regents desire to update and amend the constitutions as appropriate and to clarify their legal status.

NOW, THEREFORE, the Regents of the University of Minnesota adopt the following resolution:

1. The administration, in consultation with the faculty, is directed to initiate a review of all constitutions and to make recommendations to the Regents for appropriate changes. These changes should include any changes necessary to make the constitutions consistent with other University policies.
2. College constitutions are not intended to be and are not part of the contract between any employee of the University and the University. Constitutions are statements of general policy and operating procedures and, when read together with other University policies,

they should guide administrative action. They are not, however, part of the terms and conditions of employment of University employees. They do not, for example, establish specific terms of appointment for deans and department heads (which are set forth in personnel action forms) or vest in employees any rights to enforce their provisions on search and appointment procedures.

3. To clarify the legal status of the college constitutions, the following clause is hereby added to all collegiate constitutions: "This constitution is not part of the employment contract between the University and its employees. It does not establish terms and conditions of employment."

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

Regent Casey reported that the committee also reviewed a Tuition Refund Policy and engaged in a discussion relating to tuition scholarships in Dentistry and Veterinary Medicine. He reported that the item relating to Civil Service Class Changes was deleted from the agenda.

REPORT OF THE PHYSICAL PLANNING & OPERATIONS COMMITTEE

Regent Goldfine, Chair 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 which included Purchasing, Project Status Report, and Miscellaneous - Physical Planning & Operations. Documentation is filed supplement to the minutes, No. 21,926.
- b) Approval of resolution re Raptor Research and Rehabilitation Program Facility, as follows:

RESOLVED, that on the recommendation of the President and the Vice President for Finance and Operations, the appropriate administrative officers are authorized to proceed with the design and construction of the Raptor Research and Rehabilitation Program Facility on the Twin Cities Campus.

The Board of Regents voted unanimously to approve the recommendations of the Physical Planning & Operations Committee.

Chair Goldfine reported that the committee also reviewed information on the Variety Club Research Center Remodeling Project, the Comstock Hall Food Service Renovation, and the Coffman Memorial Union - Ground Floor Renovation.

The meeting adjourned at 9:45 a.m.


BARBARA MUESING, Secretary