

UNIVERSITY OF MINNESOTA

BOARD OF REGENTS

May 11, 2007

A meeting of the Board of Regents of the University of Minnesota was held on Friday, May 11, 2007, at 9:00 a.m. in the Boardroom, 600 McNamara Alumni Center.

Regents present: Anthony Baraga, presiding; Clyde Allen, Dallas Bohnsack, Linda Cohen, John Frobenius, Venora Hung, Steven Hunter, Dean Johnson, David Larson, David Metzen, and Patricia Simmons.

Staff Present: President Robert Bruininks; Chancellors Charles Casey and Jacqueline Johnson; Senior Vice President and Provost Thomas Sullivan; Senior Vice President Frank Cerra; Vice Presidents Kathryn Brown, Timothy Mulcahy, Kathleen O'Brien, Richard Pfutzenreuter; General Counsel Mark Rotenberg; Acting Executive Director Carol Kraus; Provost David Carl; and Associate Vice Presidents Robert Kvakik and Michael Volna.

RECOGNITIONS

Coach J Robinson and University of Minnesota Wrestling Team

Recognition was given to Coach J Robinson and the Twin Cities Men's Wrestling team for winning the 2007 NCAA Championship.

**Student Representatives to the
Board of Regents**

Recognition was given to 2006-07 Student Representatives to the Board of Regents:

Joshua Colburn
Twin Cities

Katie Jeremiason
Crookston

Will Kellogg
Duluth

Cassie McMahon
Morris

Luke Neuville
Twin Cities

Lan Nguyen
Twin Cities

Nathan Wanderman
Twin Cities

APPROVAL OF MINUTES

A motion was made and seconded, and the Board of Regents voted unanimously to approve the minutes of the following meetings:

Audit Committee – March 8, 2007
Educational Planning & Policy Committee – March 8, 2007
Facilities Committee – March 8, 2007
Faculty, Staff & Student Affairs Committee – March 8, 2007
Finance & Operations Committee – March 8, 2007
Board of Regents Work Session – March 8, 2007
Board of Regents – March 9, 2007
Board of Regents – April 10, 2007

REPORT OF THE PRESIDENT

President Bruininks welcomed newly-elected Regents Cisneros, Cohen, Hung, and Johnson. He congratulated Regent Metzen upon being named recipient of the 2007 Lou Lamoriello Award by the American Hockey Association. The award honors a former member of the college hockey community who has forged a unique career after college hockey. He also announced a number of awards recently presented to University students, faculty, and staff.

The President provided a brief legislative update and discussed concepts related to the biennial budget and annual operating budget. He reported on recent legislative actions, the status of the biosciences funding authority, and discussed the University's tuition strategy, including objectives, current issues, and likely reforms.

President Bruininks reported on the practices and systems in place to prepare for and respond to campus emergency situations. He stressed that campus security and emergency response remain a priority.

Finally, the President reported on his community visits to Alexandria and Morris, Minnesota. He stated that several Regents attended the inauguration of Morris Chancellor Jacqueline Johnson.

A copy of the Report of the President is on file in the Board Office.

REPORT OF THE CHAIR

Chair Baraga congratulated graduates from all of the University's campuses. He applauded their work and wished them well. He expressed appreciation to the faculty and staff who have helped the graduates succeed, and to members of the Board of Regents for their participation in the 27 ceremonies held to confer degrees.

The Chair reported the appointment of the President's Review Committee comprised of Chair Baraga, Vice Chair Simmons, and Regent Hunter. The committee will meet in closed session several times before the June Board meeting when a final report on the President's performance will be given.

Chair Baraga also announced the appointment of the Nominating Committee to develop a slate of officers for the Board of Regents annual meeting in June. The committee consists of Regents Metzen, (chair), and Regents Bohnsack and Cohen.

Baraga reported that the Board would hold a public forum on Wednesday,

June 13, 2007 in the Boardroom to receive comments on the University's Annual Operating Budget for FY2008, with an additional Board meeting scheduled for Wednesday, June 27, 2007 to approve the Budget.

RECEIVE AND FILE REPORTS

Regent Baraga noted the receipt and filing of the Annual Review of President's Delegations.

REPORT OF THE ALL-UNIVERSITY HONORS COMMITTEE

Chair Baraga noted that the Report of the All-University Honors Committee was forwarded to the Board from President Bruininks on April 27, 2007.

A motion was made and seconded, and the Board of Regents voted unanimously to approve the Report of the All-University Honors Committee. A copy of the report is on file in the Board Office.

GIFTS

Foundation President Gerald Fischer presented the list of gifts to the University of Minnesota, the University of Minnesota Foundation, the Arboretum Foundation, and the Minnesota Medical Foundation through March 31, 2007, as included in the docket materials.

A motion was made, seconded, and the Board of Regents voted unanimously to approve the receipt of gifts as presented.

REPORT OF THE NOMINATING COMMITTEE UMMCF BOARD OF TRUSTEES

Regent Frobenius, Chair of the Nominating Committee for the University of Minnesota Medical Center Fairview (UMMCF) Board of Trustees presented the report of the committee and the following resolution for approval:

RESOLVED, that on the recommendation of the Board of Regents Nominating Committee for the University of Minnesota Medical Center Fairview (UMMCF) Board of Trustees, the following appointments are hereby approved:

James P. Bradley	Reappointed for a three-year term expiring May 2010
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Gary L. Cunningham	Appointed for a three-year term expiring May 2010
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A motion was made and seconded, and the Board of Regents voted unanimously to approve the resolution.

SIX-YEAR CAPITAL IMPROVEMENT PLAN

A motion was made and seconded to approve the following:

RESOLUTION RELATED TO THE UNIVERSITY'S SIX-YEAR CAPITAL IMPROVEMENT PLAN

WHEREAS, preserving the University campuses through stewardship of public investments that have been made over 150 years is a commitment the Board has made to the State; and

WHEREAS, advancing key academic priorities is critical for the University to achieve and maintain excellence; and

WHEREAS, continuing investment in research infrastructure is essential for the future competitiveness of the University and the State of Minnesota; and

WHEREAS, enhancing the student experience for both undergraduate education and graduate and professional education is required as the core of its mission in order to generate and disseminate knowledge; and

WHEREAS, improving outreach and engagement is necessary in order to transform State communities, fuel the State economy, address State social issues, and improve the State's health; and

WHEREAS, the administration has developed a capital-planning framework designed to focus its capital planning efforts toward projects that support the University's institutional priorities within a financial strategy that is responsible;

NOW, THEREFORE, BE IT RESOLVED that the Board of Regents approves the University's Six-Year Capital Improvement Plan in order to create and maintain facilities that serve as tools in accomplishing the University's education, research and outreach objectives.

President Bruininks, Vice Presidents O'Brien and Pfutzenreuter, and Associate Vice President Kvavik presented the Six-Year Capital Improvement Plan (Plan) for FY2008-2013 as detailed in the docket and associated materials distributed at the meeting. The Plan establishes the next capital request to be presented to the State for consideration. The Plan includes projects funded with State capital support as well as projects funded by the University through a combination of University debt obligations, local unit resources/fundraising, and public/private partnerships.

President Bruininks stated that the Six-Year Capital Improvement Plan is updated annually and is aligned with the strategic directions of the University. It includes projects funded with state capital support as well as projects funded by the University through a combination of University debt obligations, local unit resources/fundraising and public/private partnerships. A brief update of the Plan was presented. The President noted that the Board reviewed the Plan in detail at its March 2007 meeting.

In response to a question from Regent Larson, Pfutzenreuter reported that the average timeframe for public universities to retire debt is fourteen years.

The Board of Regents voted unanimously to approve the Resolution Related to

the University's Six-Year Capital Improvement Plan.

ANNUAL CAPITAL IMPROVEMENT BUDGET FY2008

Vice Presidents O'Brien and Pfutzenreuter presented for review the Annual Capital Improvement Budget for FY2008 (Budget), as included in the docket and associated materials on file in the Board Office. The Budget authorizes projects totaling \$86,653,000 to begin design or construction during the next fiscal year.

O'Brien reported that the Budget incorporates the 2007 Capital Request as submitted to the State of Minnesota. It will be adjusted before the June 2007 meeting to reflect the outcome of the legislative session. The Budget also reflects the planning priorities established by the Six-Year Capital Improvement Plan approved annually by the Board of Regents.

O'Brien reviewed the process for determining which projects are to be included in each year's budget. She noted that projects must have completed predesign and be fully funded to be included in the Budget. O'Brien indicated that the Budget is based on the assumption that a bonding bill will be passed by the State legislature. Information was provided for each project and a list of potential additions was included in the docket material.

Pfutzenreuter referred to the sources of funding to support the projects included in this year's Budget, noting that \$38.9 million is included in the request to the State.

The Annual Capital Improvement Budget will be on the agenda for action at the June 2007 Board meeting.

RESOLUTION RELATED TO BOARD OF REGENTS POLICY: APPOINTMENTS TO ORGANIZATIONS AND BOARDS

General Counsel Rotenberg presented for review a Resolution Related to Board of Regents Policy: *Appointments to Organizations and Boards*, as presented in the docket materials. The resolution provides a rationale for proposed amendments to the policy that would terminate the Board's responsibility to approve appointments to the Hubert H. Humphrey Institute of Public Affairs Advisory Council. This will align the organizational structure of the Advisory Council with the structure of other comparable college advisory committees.

The resolution will return for action at a future Board meeting.

BOARD OF REGENTS POLICY: APPOINTMENTS TO ORGANIZATIONS AND BOARDS

General Counsel Rotenberg presented for review proposed amendments to Board of Regents Policy: *Appointments to Organizations and Boards*, as outlined in the docket materials. The amended policy will remove language relating to the Hubert H. Humphrey Institute of Public Affairs Advisory Council and the University of Minnesota Rochester Advisory Committee. It will also reflect changes in the Board's role in electing or appointing members to selected boards and organizations.

The policy will return for action at a future Board meeting.

STUDENT REPRESENTATIVES REPORT TO THE BOARD OF REGENTS

Nathan Wanderman, Chair of the Student Representatives to the Board of Regents, presented their report. The report reflects the student perspective on issues and concerns facing University students and identifies issues explored by Student Representatives during the past year. The report addressed: guiding principles for future discussions on classroom laptop usage; student retention; and reciprocity. Wanderman noted that the report addresses issues facing students on all campuses of the University of Minnesota.

President Bruininks complimented the Student Representatives on their report. He noted that comments on use of laptops would be sent to the appropriate committee of the University Senate.

A copy of the report is on file with the docket materials in the Board Office.

REPORT OF THE EDUCATIONAL PLANNING & POLICY COMMITTEE

Regent Larson, Chair of the committee, reported that the committee voted unanimously to recommend:

- a) Approval of the Consent Report for the Educational Planning & Policy Committee as presented to the committee and described in the May 10, 2007 committee minutes.

The Board of Regents voted unanimously to approve the recommendation of the Educational Planning and Policy Committee.

Larson reported that the committee also received campus reports and strategic positioning updates for Duluth and Rochester. The committee also reviewed the Report on Graduate Education: Strategic Positioning Initiatives.

REPORT OF THE FACILITIES COMMITTEE

Regent Metzen, Chair of the committee, reported that the committee voted unanimously to recommend:

- a) Schematic plans for the following project as presented to the committee and described in the May 10, 2007 committee minutes:
 1. Bell Museum, Twin Cities Campus;
- b) Approval of the following real estate transactions as presented to the committee and described in the May 10, 2007 committee minutes:
 1. Seven-Year lease at University Park Plaza, 2829 University Avenue SE, Minneapolis for Academic Health Center, Twin Cities campus;
 2. Ten-Year lease at University Park Plaza, 2829 University Avenue SE, Minneapolis for Office of Information Technology, Twin Cities campus;
 3. Purchase of 5.375 acres at 3141 Eustis Street and 3245 – 4th Street SE, Minneapolis, Twin Cities campus.

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

Metzen reported that the committee also reviewed the purchase of 1.2 acres from the City of Minneapolis, Huron Boulevard, Twin Cities campus; received a report on light rail transit principles; and reviewed a number of information items included in the docket materials.

REPORT OF THE AUDIT COMMITTEE

Regent Frobenius, Chair of the committee, reported that the committee reviewed the external audit plan; received a report on University preparedness for all-hazard emergencies; received an internal audit update; and reviewed a number of information items contained in the docket materials.

REPORT OF THE FACULTY, STAFF, & STUDENT AFFAIRS COMMITTEE

Regent Bohnsack, Chair of the committee, reported that the committee voted unanimously to recommend:

- a) Approval of the promotion and/or tenure recommendations as presented in the docket materials effective with the beginning dates of their terms of appointment in 2007-08.
- b) Approval of continuous appointment status along with promotion for staff in the academic professional series as presented in the docket materials to be effective with the beginning of the 2007-2008 appointment period.

Bohnsack also reported that the committee reviewed amendments to Board of Regents Policy: *Faculty Tenure*; received an intercollegiate athletics report; and reviewed a number of information items included in the docket materials.

REPORT OF THE FINANCE & OPERATIONS COMMITTEE

Regent Allen, Chair of the committee, reported that the committee voted unanimously to recommend:

- a) Approval of the Consent Report for the Finance & Operations Committee as presented to the committee and described in the May 10, 2007 minutes.

The Board of Regents voted unanimously to approve the recommendation of the Finance & Operations Committee.

Allen also reported that the committee received reports on the Enterprise Financial System Replacement Project; a report on the budget allocation model; and issues related to the Annual Capital Improvement Budget for FY2008. The committee also reviewed a number of information items contained in the docket materials.

REPORT OF THE LITIGATION REVIEW COMMITTEE

Chair Baraga reported that the committee did not meet this month.

The meeting adjourned at 11:20 a.m.

CAROL E. KRAUS
Acting Executive Director and
Corporate Secretary