

UNIVERSITY OF MINNESOTA

BOARD OF REGENTS

October 12, 2001

A meeting of the Board of Regents of the University of Minnesota was held on Friday, October 12, 2001 at 9:30 a.m. in the Boardroom, 600 McNamara Alumni Center.

Regents present: Maureen Reed, presiding; Anthony Baraga, Robert Bergland, Frank Berman, Dallas Bohnsack, William Hogan, Jean Keffeler, Richard McNamara, David Metzen, H. Bryan Neel, Michael O'Keefe, and Lakeesha Ransom.

Staff present: President Mark Yudof; Chancellors Kathryn Martin, Donald Sargeant, and Samuel Schuman; Executive Vice President and Provost Robert Bruininks; Senior Vice President Frank Cerra; Vice Presidents Sandra Gardebring, Eric Kruse, Christine Maziar, and Charles Muscoplat; General Counsel Mark Rotenberg; Executive Director Ann Cieslak; Associate Vice Presidents Gerald Fischer, Donna Peterson, and Richard Pfitzenreuter.

INTRODUCTION OF DEAN MARY NICHOLS

Executive Vice President & Provost Bruininks introduced Mary Nichols, newly-appointed dean of the College of Continuing Education. Nichols spoke briefly to the Board.

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 - September 13, 2001

Educational Planning & Policy Committee - September 13, 2001

Facilities Committee - September 13, 2001

Faculty, Staff & Student Affairs Committee - September 13, 2001

Finance & Operations Committee September 13, 2001

Board of Regents - September 14, 2001

REPORT OF THE CHAIR

Chair Reed reported that a summary of the Board's work session held on September 13, 2001 was contained in the docket materials. The work sessions are scheduled to provide the Board with an opportunity to engage in informal discussions regarding the WorkPlan for Board of Regents Priorities. She indicated that a portion of her report will be devoted each month to providing updates on meetings relating to the workplan. Reed called on Regent Hogan who provided an update on progress with meetings between the University and MnSCU representatives. Hogan reported that these meetings are being held to discuss how the two systems can cooperate and work together to meet the higher education needs of Minnesota. He reported that he and Regent O'Keefe, along with representatives from the University, have had their first meeting with representatives from the MnSCU System and a joint report will be developed when discussions have been concluded. Reed then called on Regent Bergland who provided a brief update on progress relating to the portion of the workplan relating to outreach. Bergland reported that a committee has been appointed consisting of himself as chair and Regents Berman, Bohnsack, and Ransom. The first meeting of the committee will be held on October 19, 2001.

Chair Reed reported that she and Regent O'Keefe, as members of the May 2001 Presidential Review Committee, have reviewed the President's Workplan for FY2002 and copies are available.

She also announced that the Board of Regents has rescheduled its visit to the Crookston campus to September 2002. The Board is looking forward to visiting the campus. The Board will also be travelling to the University of Michigan in Ann Arbor to attend the November 10 football game. Board members will meet with the Regents of the University of Michigan if scheduling permits.

RECEIVE AND FILE REPORTS

Chair Reed noted the receipt and filing of the Civil Service Committee Report.

REPORT OF THE PRESIDENT

President Yudof presented an extended report on the positive trends that are creating upward momentum for the University of Minnesota. He reviewed a number of measurements which indicate that the University's performance is rising. Those indicators include: 1) better-prepared freshman classes; 2) increases in applications for undergraduate admission; 3) more students living on campus; 4) an increase in sponsored funding for research; and 5) increases in private support. He stated that "virtually every key indicator of progress at the University has dramatically improved over the past decade." While there are areas that still need improvement, i.e. graduation rates, student satisfaction, and faculty salaries, the results of these measurements indicate that the University is accelerating in the right direction. He concluded that the University is in a good position to take steps in a prudent, careful manner to plan for its future.

2002 STATE CAPITAL REQUEST

President Yudof presented the following resolution relating to the University of Minnesota's proposed 2002 State Capital Request:

WHEREAS, the State of Minnesota requires all state agencies, local governments and the University of Minnesota to submit their capital requests for the consideration by the Governor and the legislature in preparation for the 2002 legislative session; and

WHEREAS, the Board recognizes the importance of sustaining and improving the University's facilities in support of quality teaching, research, and outreach; 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 State Capital Request for the 2002 Legislative Session of \$239,800,000, seeking \$186,533,000 in State support and proposing \$53,266,000 in University responsibility through fundraising, debt obligation to the State of Minnesota and other University resources.

A motion was made and seconded to recommend approval of resolution.

In response to a question from Regent Berman relating to the priority rankings, President Yudof provided rationale for the rankings of two projects and indicated that the priority ranking really represents a "judgment call" and an attempt to provide a balance in the rankings.

Regent Metzen commented that some may view this request as excessive in a time when the nation is viewed as entering a recession. However, he believes the Board has a stewardship responsibility which entails providing the state with the funding required to meet the future needs of the University. It is then up to the state to decide the University's allocation.

The Board of Regents voted unanimously to approve the resolution supporting the President's recommended 2002 State Capital Request.

SIX-YEAR CAPITAL IMPROVEMENT PLAN: UPDATE

President Yudof, Vice President Kruse, and Associate Vice President Pfitzenreuter presented an update on the status of the University's Six-Year Capital Plan as contained in the presentation materials on file in the Board Office.

Yudof reported that he will not be submitting a Six-Year Capital Improvement Plan for the Board's review at this time. He stated that administration would like to spend some time reviewing the University's alignment with long-term capital plans and the priorities of the University. Instead, Yudof focused his presentation on the institution's accomplishments during the past biennium, provided a brief update on major projects on all campuses, and briefly reviewed sources of funding for authorized capital projects.

Pfitzenreuter described the planning process for the Six-year Capital Plan reviewing the considerations and constraints that go into the process. Kruse addressed the challenges relating to the construction process and the difficulties relating to project estimates, changes in project scopes, and maintaining construction schedules. He also described improvements that have been made in the 2002 request, as well as future process improvements. A "wish list" of projects categorized by the type of investment and a detailed Higher Education Asset Preservation and Renewal (HEAPR) list were also distributed for review.

GIFTS

Associate Vice President Gerald Fischer presented the monthly list of gifts to the University of Minnesota, the University of Minnesota Foundation, the Arboretum Foundation, and the Minnesota Medical Foundation through July 31, 2001 and August 31, 2001, which are on file in the Board Office.

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

ANNUAL UNIVERSITY OF MINNESOTA FOUNDATION REPORT

Stanley S. Hubbard and Gerald Fischer, Secretary and President of the University of Minnesota Foundation (UMF), respectively, presented the UMF's annual report.

Hubbard made brief introductory remarks expressing support for the University indicating that he and his colleagues on the Foundation Board believe the University of Minnesota is the most important institution in the state.

Fischer presented highlights of the 2001 annual report. For fiscal year 2001, the UMF received \$217 million in new gifts, representing the second best year in the University's history for private support. The UMF endowment reached a record \$751 million and new gifts and strong investment performance have resulted in a record disbursement of \$75 million to University programs. The University's combined endowment (endowments of the University of Minnesota, University of Minnesota Foundation, and University of Minnesota Medical Foundation) totals \$1.7 billion. Statistics relating to the size of gifts and types of donors, as well as highlights of gift production by college and campus, were also provided.

Fischer also provided an update on the success of Campaign Minnesota. The campaign, which includes all gifts or pledges made between July 1, 1996 and June 30, 2003, has a goal of raising \$1.3 billion. Total gifts as of August 31, 2001 were \$1.180 billion, putting the campaign ahead of schedule for reaching its goal. Fischer made particular note of contributions made by faculty and staff who have committed \$49 million in support. This level of generosity is an extraordinary expression of commitment to the mission of the University.

A copy of the UMF Annual Report and presentation is on file in the Board office.

REPORT OF THE EDUCATIONAL PLANNING & POLICY COMMITTEE

Regent Hogan, Chair of the committee, reported that the committee reviewed information relating to enrollment trends and student characteristics; received a presentation on methods for communicating the University's accountability; and discussed the committee's workplan for 2001-2002.

REPORT OF THE FACILITIES COMMITTEE

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

1. Approval of a resolution relating to Crookston Campus Exterior Design Standards, as follows:

WHEREAS, the administration and the Board of Regents recognize the need for standards related to campus landscape and streetscape development to ensure that future improvements will unify and enhance the campus environment while allowing for efficiencies in maintenance and operations; and

WHEREAS, ongoing reinvestment within the University's Crookston Campus calls for design standards to guide an extensive amount of exterior development; and

WHEREAS, the *Crookston Campus Master Plan —1995* includes, among others, the following: *Create and maintain a distinctive and aspiring vision for the physical development of the Crookston Campus; Enrich the experience of all who come to the Crookston Campus; Maximize the value of the Crookston campus's existing physical assets while responding to the emerging and changing needs; Conduct an inclusive, accountable and timely process for creating and implementing University of Minnesota*

Crookston's master plan vision; and

WHEREAS, the administration engaged a professional team comprised of Crookston Campus Administrators, Crookston Campus Facilities Management, individuals representing various Crookston campus departments, University Design & Construction Services, and the Office of the University Architect to work collaboratively to develop the Crookston Campus Exterior Design Standards; and

WHEREAS, the outcome of this process included an assessment of existing conditions, an analysis of high priority locations on campus to identify the performance of existing exterior elements, and the refinement of recommendations to develop the standards document; and

WHEREAS, the purpose of the Exterior Design Standards is to provide a framework from which future capital improvements and design can occur consistent with long-term physical planning conducted for the Crookston Campus.

NOW, THEREFORE, BE IT RESOLVED that the Board of Regents approves the Exterior Design Standards described and illustrated in the document titled *University of Minnesota Crookston Campus Exterior Design Standards, September 2001*.

BE IT FURTHER RESOLVED that the administration is authorized to amend and maintain the Crookston Campus Exterior Design Standards on a regular basis as new information, products, and technology become available, as required to appropriately respond to the dynamics of a changing campus, and as may be necessary to ensure compliance with the *Crookston Campus Master Plan — 1995* as it may be amended.

BE IT FURTHER RESOLVED that the Exterior Design Standards are to be used by the administration as a part of the process for making financial, planning, design, and operating and maintenance decisions relating to the built and natural environment within the boundaries of the University's Crookston Campus.

BE IT FINALLY RESOLVED that the Exterior Design Standards are to be implemented on all projects through the procedures, policies, and basic minimum requirements for materials and products established in the *University of Minnesota Standards and Procedures for Construction*.

2. Approval of the schematic plans for the Civil Engineering MAST Structures Laboratory project and of the appropriate administrative officers proceeding with the award of contracts and the development of construction documents and construction. The Board of Regents voted unanimously to approve the recommendations of the Facilities Committee.

Baraga reported that the committee also reviewed the Real Estate Inventory and Sale of Surplus Property Report and a number of information items as described in the docket materials.

REPORT OF THE FACULTY, STAFF, & STUDENT AFFAIRS COMMITTEE

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

1. Adoption of the amended Board of Regents Policy: *Academic Professional & Administrative Staff*, as follows:

ACADEMIC PROFESSIONAL AND ADMINISTRATIVE STAFF

Subd. 1. Creation of Category. In 1980 the employee category entitled academic professional and administrative (P&A) was created as part of the University academic personnel system.

Subd. 2. Definitions. The P&A employee category includes academic professional staff and academic administrative staff.

Academic professional staff generally parallel disciplinary faculty in having the requisite preparation and specialized knowledge in an academic discipline or field on which practice is based and in exercising independent professional judgment. These individuals may be engaged in teaching, research, and service, as are faculty, as well as a wide variety of other professional functions of the University.

Academic administrative staff are involved in policy development or execution, or in directing, coordinating, or supervising activities in the University. They are expected to have a thorough working knowledge of academic administration and to exercise independent judgment.

Definitions of P&A staff also must comply with all statutory requirements of the Minnesota Public Employee Labor Relations Act.

Subd. 3. Creation of Representative Body. A representative body is elected by P&A staff from each college, administrative unit, and coordinate campus to (a) participate in the development and implementation of policies, procedures, and compensation plans for P&A staff and (b) advise the administration on any matter related to the conditions, benefits, or annual salary plan of P&A staff.

Subd. 4. Compensation. Compensation is governed by the annual salary plan. Initial rates of compensation are determined at the time of hire by the appropriate responsible administrator within the unit and must be consistent with established base pay minimums. Increases to compensation may be based on merit, internal equity, and external market competitiveness. Such increases are subject to the parameters provided for in the University's annual budget process.

Subd. 5. Fringe Benefits. P&A staff are eligible for the same fringe benefits, including medical, dental, life, and disability insurance, retirement, and academic tuition benefits, as are provided to the faculty.

Subd. 6. Academic Freedom. P&A staff possess the same safeguards of academic freedom as the faculty.

Subd. 7. Application of University Policies, Guidelines, and Procedures. Generally, University policies, guidelines, and procedures which apply to faculty, including those related to outside consulting, service activities, other work, and political activity, apply in full to P&A staff.

Subd. 8. Change of Employee Category. No individual shall be moved to the P&A employment category from another major category (i.e., faculty or civil service), no individual shall be moved from the P&A employment category into another major category, and no individual shall be moved within the P&A employment category unless the individual requests or consents to do so and the change is approved by the appropriate responsible administrator(s). Exception will be made when compliance with legal determinations and requirements is at issue. Shifts in employee categories to, from, or within the P&A class that affect a sub-group, rather than selected individuals, may occur through consultation with the representative body of the P&A staff, other appropriate representative and governing bodies, and administrators of the University, both unit and senior.

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

Metzen reported that the committee reviewed an update on community policing including the 5-year strategic plan; received results from a student satisfaction survey; and discussed the committee's workplan for 2001-2002. The committee also reviewed a number of information items as described in the docket materials.

Venora Hung, Chair of the Student Representatives, commented briefly on the student satisfaction surveys. She indicated that the Student Representatives are generally pleased with the results of the surveys, but do have some concerns. While the survey helps to show to what extent students are satisfied, it does not help to understand what would make students more satisfied. The surveys also target primarily the undergraduate student body. Graduate and professional students at the University should also be asked similar questions. The Student Representatives also discussed the possibility of routinely surveying students system-wide during the course registration process. This survey might provide a means to ask pertinent questions and provide a means of tracking the progress the University has made. Focus groups of students were also suggested.

REPORT OF THE FINANCE & OPERATIONS COMMITTEE

Regent O'Keefe, Chair of the committee, reported that the committee voted unanimously to recommend:

1. Approval of the Consent Report for the Finance & Operations Committee as presented to the committee and described in the October 11, 2001 committee minutes.

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

O'Keefe reported that the committee reviewed the Annual Asset and Debt Management Report; discussed the committee's workplan for 2001-2002; and reviewed a number of information items as described in the docket materials.

O'Keefe referred to the Annual Asset and Debt Management Report, indicating that it would normally come before the entire Board for review. However, due to volatile market conditions during the past year, it was presented to the Finance Committee for more detailed consideration. He highlighted the key findings of the report, and indicated that despite this year's results, the three-year and five-year performance is above the goal and acceptable. As a long-term investor, the University has and should continue to maintain its focus on long-term results. He briefly reviewed University debt and the endowment distribution policy. He urged all Board members to carefully review the docket materials.

REPORT OF THE AUDIT COMMITTEE

Regent Bergland, Chair of the committee, reported that the committee did not meet this month.

REPORT OF THE LITIGATION REVIEW COMMITTEE

Regent Neel, Chair of the committee, reported that the committee met on Thursday, October 4, 2001 to discuss attorney-client privileged matters and no action was taken at the meeting.

NEW BUSINESS

Chair Reed reported that the non-public meeting that was scheduled to discuss attorney-client privileged matters following the Board meeting was cancelled.

The meeting adjourned at 10:50 a.m.

ANN D. CIESLAK
Executive Director and
Corporate Secretary

©2005 Regents of the University of Minnesota. All rights reserved.

[Trouble seeing the text?](#) | [Contact U of M](#) |
[Privacy](#)

The University of Minnesota is an equal opportunity educator and employer.

Last modified on September 7, 2005