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**UNIVERSITY OF MINNESOTA
BOARD OF REGENTS**

MINUTES

BOARD OF REGENTS' MEETING

AND

REGENTS' COMMITTEE MEETINGS

December 13-14, 1990

Office of the Board of Regents

220 Morrill Hall

Year 1990-91

UNIVERSITY OF MINNESOTA

BOARD OF REGENTS

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

December 13-14, 1990

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Year 1990-91

UNIVERSITY OF MINNESOTA

BOARD OF REGENTS

Physical Planning & Operations Committee

December 13, 1990

A meeting of the Physical Planning and Operations Committee of the Board of Regents was held on Thursday, December 13, 1990 at 3:20 p.m. in the Regents' Room, 238 Morrill Hall.

Regents present: Regent Sahlstrom, presiding; Regents Casey, Kuderer, M. Page, Roe and Schertler.

Staff present: Senior Vice President Donhowe; Associate Executive Director Janzen; and Associate Vice President Hewitt.

Student Representatives present: Gary Getchman and Kevin Otto.

Chair Sahlstrom welcomed Mr. Kevin Otto, the new student representative from the Crookston campus.

**LRT AND TRANSIT ISSUES/REPORT FROM REGIONAL
TRANSIT BOARD**

Mr. Michael Ehrlichmann, Chair of the Regional Transit Board, addressed the committee urging the University to commit to raising parking rates to encourage the use of public transit.

Mr. Ehrlichmann presented background information indicating that the Regional Transit Board (RTB) is responsible for funding and planning transit for the seven county metropolitan area and furnishing resources for the University of Minnesota to provide transportation services for students, faculty and staff through the 52 bus route. Mr. Ehrlichmann stated that concerns have arisen with the RTB because route 52 has experienced a 30 percent decline in ridership in the last two years which he attributes to the availability of parking on the

campus. He stated that "it becomes nearly an impossible task to encourage ridership of your transit system when parking is available on a daily basis that is less than half of what it would cost to take a one way bus trip." In addition, the University has approximately 17,000 spaces available for parking on campus with only 400 spaces committed to Rideshare. He stated that these are not the kind of incentives necessary to encourage the use of public transit.

Mr. Ehrlichmann proposed that the University review its parking policy and consider 1) raising the cost of parking; 2) increase the availability of preferential Rideshare parking; and 3) promote the idea of subsidizing Rideshare.

Regent Schertler stated she would be reluctant to favor an increase in the amount that students already pay for parking. Mr. Ehrlichmann stated that even focusing only on faculty and staff would contribute to focusing more on Rideshare and bus transit.

Senior Vice President Donhowe responded to Mr. Ehrlichmann's comments indicating that in fall 1989 University Parking and Transit Services joined with the RTB to develop a Travel Demand Management (TDM) strategy for the University. In 1990-91, the University and the RTB committed \$25,000 each toward initiatives that were developed from the TDM strategy. He further reported that the University has enacted the following program for 1990-91:

1. 250 added carpool spaces (total U of M carpool spaces: 500)
2. the publication and distribution of a carpool brochure
3. \$15,000 in carpool advertising in the Minnesota Daily
4. initiation of a guaranteed Ride Home Program for carpoolers
5. Special Commuter Day promotions and savings

In addition, Senior Vice President Donhowe stated that Parking and Transit will be making recommendations in 1990-91 to increase parking rates; freeze, and in some locations decrease, the parking rates in carpool lots; increase carpool space; and expand Route 52 service into high density demand areas.

At the end of the discussion, it was noted that a model of the proposed Light Rail Transit was available for viewing. Vice President Donhowe indicated that a briefing paper had been included in the docket materials pertaining to the University's

position on the LRT and he would welcome any comments from Regents on that position.

SENIOR VICE PRESIDENT'S MONTHLY REPORT

The committee voted unanimously to recommend approval of the Senior Vice President's Monthly Report for December, 1990.

PURCHASE OF GOODS/SERVICES OVER \$250,000

The committee voted unanimously to recommend approval of a resolution authorizing the appropriate staff to award pending purchases/contracts over \$250,000 identified in the docket material.

PROJECTS PREVIOUSLY SUBMITTED FOR INFORMATION

The committee voted unanimously to recommend that the appropriate administrative officers are authorized to proceed with the design and construction of the following projects:

- a. Anderson Hall, Remodel Room 250, Twin Cities Campus
Estimated cost of the project: \$118,200
Funding: Microcomputer and Work Station Network Center
Estimated completion date: April 1991
- b. Bell Museum, Automatic Sprinkler System and Fire Alarm, Twin Cities Campus
Estimated cost of the project: \$275,000
Funding: Variable Rate Bond Internal Loan to be repaid from Central Reserves
Estimated completion date: June 1991
- c. Kirby Student Center, Domestic Water Piping Replacement Project, Phase I, Duluth Campus
Estimated cost of the project: \$249,700
Funding: 1987 Legislative Appropriation and Asbestos Settlement Funds
Estimated completion date: June 1991

The committee also reviewed the following project for action:

- a Mink Research Facility, Veterinary Medicine Farm, Rosemount Research Center
Estimated cost of the project: \$900,000
Funding: Department of Veterinary Pathobiology
Estimated completion date: June 1991

Chair Sahlstrom called on Ms. Mary Britton Clouse who spoke on behalf of concerned individuals and organizations who oppose the proposed research.

Dr. Victor Perman, Professor in Veterinary Pathobiology, was present to respond to concerns expressed by Ms. Clouse and to answer any questions posed by committee members.

Regent Schertler stated she has many concerns about this project, and asked if action could be delayed until further information could be obtained. Dr. Perman responded that the time table is rather critical due to the reproductive cycle of the mink. In addition, federal units involved in this project have urged an early resolution.

Regent Schertler stated if the item must be acted on at this time, she would not vote in favor of approving the project. She stated that she has concerns about the use of animals in research and feels this project could create more problems for the University rather than solving problems.

Regent Casey stated that the administration had been requested in November to confirm that the University's policies and procedures had been followed with regard to this project. He stated that the administration has indicated that the project is appropriate as a University research project and that it will further the academic mission of the college. Therefore, he stated that he felt the policy questions have been answered and he moved that the project be approved.

After further questions and discussion, Regent Roe also indicated that he could not morally or philosophically support this project.

The committee then voted by a majority to recommend approval of the Mink Research Facility project with Regents Roe and Schertler voting against the motion.

PROJECTS FUNDED BY LEGISLATIVE APPROPRIATION

The committee voted unanimously to recommend that the appropriate administrative officers are authorized to proceed with the design and construction of the following projects:

- a. Earth Sciences and Material Engineering Building Project, Twin Cities Campus
Estimated cost of the project: \$51,750,000
Funding: \$1,035,000 was provided from a 1989 legislative appropriation for project development plans. The balance of the capital project development funds will be requested from the Legislature
Estimated completion: April 1996
- b. Machine Shop Service Building, Southwest Experiment Station, Lambert
Estimated cost of the project: \$210,000
Funding: Project Development Fund Sources - 1990 Legislative Appropriation; Debt Financing Source - Revolving Income Supplies Budget
Estimated completion: August 1991
- c. Soil Science Research Facility, Northwest Experiment Station, Crookston
Estimated cost of the project: \$223,000
Funding: Project Development Fund Source - 1990 Legislative Appropriation; Debt Financing Source - Revolving income supplies budget
Estimated completion: August 1991

LAND TRANSACTIONS

The committee voted unanimously to recommend that the appropriate officers are authorized to proceed with negotiations for the land transactions itemized below:

- a. Purchase of the property identified as 508 Worth Street in Duluth, Minnesota
- b. Purchase of Lots 5, 7, 9 and 11, Superior View Addition to Duluth, St. Louis County, Minnesota.

- c. Purchase of the Century Mill Property identified as 545 Oak Street SE, Minneapolis, owned by Edward and Lorraine Larson.
- d. Purchase of approximately two acres of former Soo Line Railroad right-of-way at 5th Street and 19th Avenue SE, Minneapolis, owned by New Century Development Corporation.
- e. Land exchange with Station 19 involving the University parking area immediately south of the building at 11 Oak Street and Station 19's current parking lot which will lie north of the Motley Bypass when constructed.

The committee also voted unanimously to recommend that the appropriate administrative officers to proceed with the following:

- a. Commencement of eminent domain proceedings for the purpose of acquiring fee simple absolute title to, and possession of, prior to the making of any award by the court-appointed commissioners and as soon as may be allowed by law, the property identified as 503 W. St. Marie Street, Duluth, legally described as Lots 1, 2 and 3, Oakland Park Addition to Duluth, St. Louis County, Minnesota.

FIVE-YEAR LEASE, FMC TECH CENTER, MINNEAPOLIS

The committee voted unanimously to recommend that the appropriate administrative officers are authorized to execute a five-year lease for the FMC Tech Center at 1300 Second Avenue South in Minneapolis.

It was reported that this center will be leased for use by the University of Minnesota Foundation, Alumni Association, and other University departments and programs commencing January 1, 1991.

PROJECTS PRESENTED FOR INFORMATION

The committee reviewed for information the following projects:

**Stadium Apartments, Domestic Water Piping Replacement,
Duluth Campus**

The scope of this project includes replacing all existing galvanized water piping in the Stadium Apartments with new copper pipe. The project also includes the abatement of asbestos. Estimated cost of the project was reported to be \$189,500 with funding provided from Duluth Campus Housing Services, and an estimated completion date of July 1991.

**A. B. Anderson Hall and Humanities Building, Studio Arts
Program Ventilation Upgrade Project, Duluth Campus**

This project consists of architectural, electrical and mechanical construction work required to both upgrade existing and install new supply and exhaust air systems serving Studio Arts spaces in A. B. Anderson Hall and the Humanities Building. Asbestos will be abated in these spaces also. Estimated cost of the project was reported to be \$690,000 with funding provided from 1987 and 1989 legislative appropriations and a variable rate bond internal loan to be repaid by Central Reserves. Estimated completion was reported to be August 1991.

**Medical School Cage Washer Upgrade
Duluth Campus**

The scope of this project consists of upgrading the existing cage washer area in the Medical School by removing all existing cage washer equipment; revising the ventilation system; installing new waterproof floors, walls and ceilings, new lighting and the installation of replacement cage washer equipment. Estimated cost of the project is \$314,402 with funding to be provided from a Public Health Service Grant, Program Accommodation Remodeling Funds, UMD Animal Services Department, UMD Office of the Vice Chancellor for Academic Support and UMD Medical School Indirect Cost Recovery Funds. Estimated completion for the project was reported to be July 1991.

**Land Lease to St. Olaf College for Radio Tower
Rosemount Research Center**

The committee reviewed a proposed 40-year lease of approximately two acres of land at the Rosemount Research Center to St. Olaf College for construction of a 799 foot FM radio tower and transmitter building for WCAL Radio. The lease is subject to early termination by the University in the event Rosemount is selected as the site for a replacement Minneapolis and St. Paul area airport.

The meeting adjourned at 5:30 p.m.

Barbara Muesing

**BARBARA MUESING
Executive Director and
Corporate Secretary**

Year 1990-91

UNIVERSITY OF MINNESOTA

BOARD OF REGENTS

Finance & Legislative Committee

December 13, 1990

A meeting of the Finance & Legislative Committee of the Board of Regents was held on Thursday, December 13, 1990 at 1:45 p.m. in the Regents' Room, 238 Morrill Hall.

Regents present: Regent Schertler, presiding; Regents Anderson, Keffeler, M. Page, and Sahlstrom.

Staff present: Senior Vice President Donhowe; Associate Executive Director Janzen; Roger Paschke, Director of Asset Management; and Nick LaFontaine, Controller.

Student Representatives present: Bernie Thyen and Tim Wolf.

SENIOR VICE PRESIDENT'S MONTHLY REPORT

The committee voted unanimously to recommend approval of the Senior Vice President for Finance Monthly Report for December 1990.

MODIFICATION OF RESERVE SPENDING PLAN

The committee reviewed a resolution that would authorize the appropriate staff to expend \$114,753 of central reserve funds for Rosemount groundwater cleanup. It was noted in the materials provided that the items covered in the request related to groundwater contamination at the Rosemount Research Center, but are separate from the rural water system which had previously received supplementary funding.

Regent Schertler asked if Vice President Donhowe could give the committee an estimate on the total cost of this cleanup project. Senior Vice President Donhowe stated that an estimate for the total cost of the cleanup is difficult until tests are completed.

QUARTERLY INVESTMENT REPORT

Roger Paschke, Director of Asset Management, presented the Quarterly Investment Report for the quarter ending September 30, 1990. Pertinent information for University investments for the period included the following:

- **Total Assets** (Endowments, Reserves, Other) on 9/30/90 were \$878.7 million for the University and \$180.1 million for the University Foundation.

- Assets from 6/30/90 to 9/30/90 increased by a net of \$3.0 million for the University, which included an increase of \$27.2 million in Short Term Reserves and a decrease of \$11.7 million in the General Endowment.

- The **General Endowment** returned -8.1 percent for the past 12 months vs. the benchmark returns of -6.1 percent (80% equities/20% fixed income), -3.7 percent (65% equities/35% fixed income), and -6.7 percent return for the CDA composite index of endowment and foundation funds. For the past five years, the General Endowment return of 13.3 percent annualized exceeded the performance of the CDA composite (11.3%) and the index of 65% equities/35% fixed income (13.1%).

- Performance of **University Equity Managers** for the past 12 months ranged from -1.7% (Spears) to -22.1% (PFR) compared to the S&P 500 return of -9.3%. The combined return for all equity managers was -11.2%

- Performance of **University Fixed Income Managers** for the past 12 months ranged from 11.8% (PIMCO) to 6.5% (Morgan Stanley) compared to the Shearson/Lehman Government Corporate Index return of 6.8%.

- The performance of the **Long-Term Reserves** was 9.3 percent for the past 12 months compared to the fixed income benchmark return of 7.5%. For five years annualized, the performance of the long-term reserves was 10.3% vs. 9.4% for the benchmark.

- The average yield for the **Short-Term Reserves** was 8.7% for the past 12 months vs. 7.9% for Treasury Bills and 8.3% for Money Market Funds. For each of the past five years, the yield on the short-term reserves exceeded the benchmark returns for treasury bills and money market funds.

Mr. Paschke reviewed a 1990 Endowment Study for the period ending June 30, 1990 against other institutions for periods of 1 to 10 years indicating that the University's investment performance over the last 1-3 years has been in the middle of the institutions that participated in the survey. However, for the 5-10 year period, the University ranks well in the top quartile. He stated that even though the University is doing very well when compared with other institutions, the University is struggling to keep up with past benchmarks. As a result, he reported that his office exploring different strategies and looking particularly at active vs. index managing. Mr. Paschke stated that he will report back to the committee before any changes are made in investment strategy.

ANNUAL FINANCIAL REPORT

Mr. Nick LaFontaine, Controller, presented the University of Minnesota's Annual Report for fiscal year 1989-90. Current funds, education and general expenditures, auxiliary enterprises, the University Hospital, loan funds, endowment funds, and plant funds were reviewed.

In discussing the current funds, Regent Keffeler asked if it was correct that the fund balance of \$380 million in the current fund was made up of approximately \$103 million in restricted funds, \$135 in unrestricted but designated funds, and \$45 in central reserves? And if so, did this leave about \$100 million in undesignated departmental funds?

Mr. LaFontaine responded that this is approximately correct, except that about \$19.7 million of central reserves is in quasi-endowment funds for investment purposes, rather than in the current fund with about \$115 in departmental reserves.

The committee discussed information pertaining to research and public service funding which is supported primarily by restricted funds. Regent Keffeler indicated that if you look at a 5 or 10 year trend, the area of fastest growth in terms of percentage of expenditure is in research, and yet, in terms of policy, research gets the least review during the budget-making process. She asked if the University, as a matter of policy, intends to grow in research at a rate greater than instruction.

Senior Vice President Donhowe stated that for the last five years, research funding has grown faster than anticipated, and that growth is likely to slow in the near future due to the availability of federal funds. However, he stated he doesn't feel the University wants to slow growth in research if it can physically and financially accommodate growth.

After further discussion, it was noted that the administration will take a new approach of outlining alternatives for restricted expenditures during the next budget-setting process.

Due to time constraints, the report on the audit of financial statements was delayed until the January meeting. Mr. LaFontaine reported that the management letter from the external auditors will also be presented in January to the Audit Committee.

LEGISLATIVE UPDATE

Vice President Richard Heydinger and Donna Peterson, Director of State Relations, presented an update on the status of the University's biennial request and recent developments in the state's financial condition.

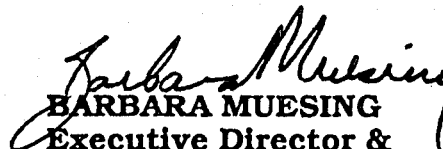
Ms. Peterson provided the committee with current lists of the legislative leadership and a schedule of Senate committee meetings for the upcoming session. She reported that she will provide information as it becomes available.

Ms. Peterson reported that 32 new legislators were elected and she stressed the importance of making contact with the new legislators. She reviewed events that have occurred to date and encouraged Regents to continue hosting legislative events as the session begins. She also stated that the Office of External Relations will be contacting legislators when news events, positive or negative, occur. In addition, meetings have been held outstate with help from alumni.

Regent Schertler suggested that Regents receive materials in the same format as legislators. She further suggested that Regents be kept informed about ongoing legislative activity.

Ms. Peterson indicated that Regent Schertler's suggestions were excellent and the Office of External Relations will do its best to keep the members of the Board informed as issues arise or change.

The meeting adjourned at 1:40 p.m.


BARBARA MUESING
Executive Director &
Corporate Secretary

UNIVERSITY OF MINNESOTA

BOARD OF REGENTS

Faculty, Staff & Student Affairs Committee

December 13, 1990

A meeting of the Faculty, Staff and Student Affairs Committee of the Board of Regents was held on Thursday, December 13, 1990, at 3:45 p.m. in Room 300, Morrill Hall.

Regents present: Regent Anderson, presiding; Regents Craig, Keffeler, A. Page and Rosha.

Staff present: Chancellors Johnson and Lindahl; Senior Vice President Kuhi; Vice Presidents Allen and Hughes; General Counsel Brady; Executive Director Muesing; Associate Vice Presidents Barbatsis, Carrier, Hayes and Luker.

Student Representatives present: Rick Hoffman and Kristina Peterson.

COLLEGIATE CONSTITUTIONS POLICY

Senior Vice President Kuhi presented the proposed revision of the Collegiate Constitutions Policy to the committee for information. He stated that the purpose of the policy is to standardize the format and guidelines for colleges to use in developing or revising their constitutions, including the use of specific language in specific areas, and to delegate authority to the Senior Vice President for Academic Affairs and Provost to approve individual collegiate constitutions. Associate Vice President Carrier noted that the revised policy provides for an initial three-year appointment term for major administrative positions, followed by annual renewable contracts based on performance.

Regent Anderson noted that this item will be presented for approval at the January meeting.

REGENTS' POLICY ON EXTENSION AGENT LEAVES

Patrick Borich, Dean and Director of the Minnesota Extension Service, presented proposed revisions to the Regents' Policy on Extension Agent Leaves. The original 1970 policy provided study leaves for Minnesota Extension Service county and area agents and in 1985 the University's academic professional development leave policy was implemented, which did not supersede the 1970 policy. As a result, county and area agents are covered under a separate policy from that covering other academic professional staff members.

Dr. Borich stated that the proposed revised policy would provide leave for field staff (county and cluster agents) according to the 1970 policy's provisions for three months (one quarter) with full salary after three years and six months (two quarters) with full salary after six years. The current requirement for a 100 percent time appointment would be changed to 75 percent time to correspond to the 1985 policy. In addition, the revised policy would provide leave for area agents under the 1985 academic professional development leave policy rather than the 1970 policy.

Regent Anderson indicated that this item will be presented for approval at the January meeting.

REGENTS' STUDENT AFFAIRS POLICIES

Vice President Hughes presented the proposed revisions to the following Regents' policies to the committee for approval: Student Loan Policy, Statement on Student Financial Aid, Student Employment as Financial Aid and University Unions.

In response to student concerns regarding the eligibility provision in the Student Loan Policy, Dr. Hughes stated that the following paragraph provides clarification of the issue:

B. Eligibility

Students registered in any college or department of the University of Minnesota who are making satisfactory progress toward an educational objective or who, though they have no prior record of study at the University of Minnesota, give evidence of ability to make such satisfactory progress toward an educational objective, shall be eligible to apply for student loan assistance. Satisfactory academic progress policies will be defined by collegiate units, and the Office of Student Financial Aid shall ensure that those policies comply with federal regulations for financial aid recipients.

Regent Anderson stated that the committee would accept the revised language regarding eligibility for student loans as proposed by Dr. Hughes. The committee voted unanimously to recommend approval of the proposed policies.

REGENTS' POLICY ON ACCESS TO STUDENT RECORDS

Vice President Hughes presented revised Regents' Policy on Access to Student Records to the committee for information. Associate University Attorney Barbara Shiels reviewed the substantive changes, stating that the proposed revisions are necessary to clarify and update the policy and to make it consistent with federal and state law.

Ms. Shiels noted that the current Regents' policy includes administrative guidelines and sample forms and those will be treated as an administrative policy in the future.

Regent Anderson stated that the revised policy will be presented for approval at the January meeting.

REPORT ON DRUG-FREE CAMPUS AND WORKPLACE COMPLIANCE ACT

Associate University Attorney Julie Sweitzer reported on the Drug-Free Workplace Act of 1989, which covers employees covered by federal contracts, and the Drug-Free Schools and Communities Act Amendments of 1989, which covers all employees and students and which addresses the issue of illegal use of alcohol. She reviewed the material which was mailed to students and employees in September in compliance with the provisions of the Drug-Free Schools and Communities Act, noting that this material will be provided annually to students and employees.

Regent Craig stated that she was disappointed that tobacco was given such a low priority in the materials provided to the University community and asked that it be given a higher priority when the material is reprinted for distribution in Fall, 1991. She also noted that there is a movement to make the campus smoke-free, and Regent Keffeler asked for a status report on that issue.

It was the consensus of the committee that the material which will be distributed to the University community in Fall, 1991 should include a strong statement regarding the use of tobacco. Regent Anderson expressed appreciation to Ms. Sweitzer for her report.

NEW BUSINESS

Update on Administrative Searches

Senior Vice President Kuhi presented an update on the searches to fill the following vacant administrative positions:

Associate Vice President for Academic Affairs - Professor Mark Luker is serving in an interim capacity and the search committee, chaired by Professor Thomas Shaughnessy, has begun the search process.

Dean, College of Agriculture - Negotiations with a candidate are currently under way.

Dean, Carlson School of Management - Interviews of three candidates were recently completed and the search committee will present its recommendations to Dr. Kuhi within a few days.

Dean, College of Education - The search committee, chaired by Regents' Professor Emeritus Robert Beck, is accepting applications until January 11, 1991.

Dean, Graduate School - After much discussion and consultation, the decision was made to combine the positions of Vice President for Research and Dean of the Graduate School. The search committee for that position will be appointed as soon as possible.

Dean, College of Liberal Arts - The search closed November 15. There were over 100 applicants for the position, 21 percent of whom were women and 11 percent minorities. The search committee is currently reviewing and interviewing candidates and will submit their recommendations soon.

Dean, School of Nursing - The search committee, chaired by Dean Gilbert Banker, has been appointed and the closing date for applications is March 30, 1991.

Dean, School of Public Health - The closing date for applications was May 31, 1990, and the slate of candidates was recently submitted to Vice President Perlmutter.

Regent Craig expressed appreciation to Dr. Kuhi for the update on the search process.

Issues Related to Minority Scholarships

In response to a concern raised by Regent Keffeler, Senior Vice President Kuhi and General Counsel Brady commented on recent

Department of Education statements concerning the illegality of designating scholarships for minority students where the designation occurs only because of race.

Ms. Brady stated that the statement does not represent a new position by the federal government and does not affect most of the University's programs which require criteria other than race, such as need. She stated that a review of the University's scholarship programs has been under way for several months, resulting in the submission of proposals to President Hasselmo to reorder some of the programs to ensure that they are not vulnerable to challenge on legal grounds. Ms. Brady also noted that the Office of Student Financial Aid is reviewing the various scholarship programs to discern any potential impact. She stated that the administration will continue to monitor the University's programs and will keep the Regents informed.

Smoke-Free Policy

In response to Regent Keffeler's request for information, Dr. Kuhi reported on the status of changing the Twin Cities campus to a smoke-free environment, noting that the Health Sciences are currently smoke-free. He stated that President Hasselmo's clear intention is to make the entire campus smoke free and he indicated that Senior Vice President Donhowe has appointed a group to develop a smoke-free policy.

Regent Anderson asked the Administration to provide the Regents with more information on the issue of a smoke-free campus at a future meeting.

Reorganization of the Martin Luther King Program

Regent Keffeler expressed concern about media references which imply that the University has a policy to automatically refer all minority students to the Martin Luther King Program. Dr. Kuhi stated that the information was incorrect. He noted that the Program is a student support service that provides advising and tutoring for lower division students. He stated that students who identify themselves as minorities on admission forms are invited to an orientation program at the beginning of the year, but participation is voluntary. Dr. Kuhi noted that the only exception is in the College of Liberal Arts, which requires the participation of those students who have been admitted with some significant risk.

Dr. Kuhi stated that he will correct the impression regarding the Martin Luther King Program and Regent Keffeler thanked him for the clarification.

OLD BUSINESS

In response to Regent Keffeler's previous request regarding hiring data for each department, Dr. Kuhi distributed data regarding units which made new regular faculty appointments during the 1989-90 academic year. The data included 100 percent time appointments and included the units' female/minority hiring goals.

Dr. Kuhi asked the committee members to review the materials and stated that an analysis and discussion of the report are scheduled for the February meeting.

In response to concerns raised by Regent Keffeler regarding the starting times for committee meetings, Regent Anderson noted that in the future there will be a five-minute break between the first and second committee meetings.

The meeting adjourned at 4:25 p.m.

A handwritten signature in black ink that reads "Barbara Muesing". The signature is written in a cursive, flowing style.

BARBARA MUESING
Executive Director and
Corporate Secretary

Year 1990-91

UNIVERSITY OF MINNESOTA

BOARD OF REGENTS

Educational Planning & Policy Committee

December 13, 1990

A meeting of the Educational Planning & Policy Committee of the Board of Regents was held on Thursday, December 13, 1990, at 2:00 p.m. in Room 300, Morrill Hall.

Regents present: Regent Roe, presiding; Regents Casey, Craig, Kuderer, A. Page and Rosha.

Staff present: Chancellor Lindahl; Senior Vice President Kuhi; Vice Presidents Allen, Heydinger and Perlmutter; General Counsel Brady; Vice Provost Hopkins; Executive Director Muesing; Associate Vice Presidents Barbatsis, Hayes and Kvavik.

Student Representatives present: Robin Mickelson and Rick Revoir.

SENIOR VICE PRESIDENT'S MONTHLY REPORT

Senior Vice President Kuhi presented the Senior Vice President's Monthly Report, which was included in the docket materials, to the committee for approval. He noted the following University program-related items:

Formal approval by the Offices of the Vice President for Health Sciences and the Senior Vice President for Academic Affairs of a non-degree post-Doctor of Veterinary Medicine Program in Veterinary Dermatology, College of Veterinary Medicine

Accreditation through 1995 of the Forest Resources and Urban Forestry curricula leading to the Bachelor of Science Degree, Department of Forest Resources, College of Natural Resources

Dr. Kuhi stated that Regents' Professor Leonid Hurwicz was recently awarded the National Medal of Science, which is the nation's

highest scientific honor bestowed by the President. He noted that Dr. Hurwicz will be recognized by the Board of Regents at the January meeting.

Dr. Kuhi commented briefly on the problem associated with the accreditation of the Master of Social Work degree at the University of Minnesota, Duluth. He stated that, although the program was evaluated as a quality program, the reason given for denial of accreditation was a lack of stable funding, and he indicated that the Administration is working to appeal the decision.

Dr. Kuhi stated that the proposed Associate in Arts (A.A.) Degree at the University of Minnesota, Crookston, which was previously approved by the Board of Regents, was rejected by the Minnesota Higher Education Coordinating Board (HECB). He indicated that the decision is being appealed. Dr. Kuhi noted that in an attempt to make a more realistic assessment of need for special programs in greater Minnesota, HECB has postponed decisions on all new program proposals until the HECB staff have an opportunity to analyze the results of MSPAN II.

Student Representative Rick Revoir stated that the proposed A.A. degree program at UMC is a good proposal, but he asked if it represents a duplication of effort. Dr. Kuhi responded that Chancellor Sargeant and representatives from other educational institutions in the area have met to consider that issue. He noted that there has been limited progress, but the issue will be explored further.

In response to a question raised by Regent Kuderer, Dr. Kuhi stated that HECB is withholding consideration of program proposals in part because of the state's budget situation. Regent Craig stated that after listening to discussions at the HECB annual meeting regarding cooperative ventures and planning among the state's post-secondary institutions, she feels that it is prudent to review the proposal further.

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

APPOINTMENTS TO THE MINNESOTA LANDSCAPE ARBORETUM FOUNDATION BOARD OF TRUSTEES

Regent Roe presented a resolution to the committee recommending the appointment of Stanley Shepard and John Wheelihan to three-year terms on the Minnesota Landscape Arboretum Foundation Board of Trustees. He also noted that due to a recent vacancy on the Board, the appointment of Mrs. Thomas C. Savage to a one-year term is also being recommended.

Following a brief discussion, the committee decided to consider the appointment of Mrs. Savage for approval at the January meeting and the committee voted unanimously to recommend approval of the following resolution:

RESOLVED, that the appointment of Mr. John Wheelihan and Mr. Stanley Shepard to the Minnesota Landscape Arboretum Foundation Board of Trustees, as proposed by the Nominating Committee of that body for three-year terms of office, is hereby approved.

KUOM OWNERSHIP ISSUES

Associate Vice President Robert Kvavik reviewed a proposal from St. Olaf College offering the University St. Olaf's one-third ownership of AM radio frequency 770 KHz (KUOM-WCAL) in exchange for a lease agreement for two acres of land in Rosemount upon which St. Olaf plans to construct a 799-foot radio tower. He stated that the proposal provides programming opportunities for the University and will make cooperative activities in the broadcast area possible between the University and St. Olaf.

In response to a question raised by Regent Roe, Dr. Kvavik stated that the lease agreement was on the Physical Planning and Operations Committee agenda for information this month and it will be presented for approval at the January meeting of that committee.

Student Representative Robin Mickelson inquired about any administrative plan to sell KUOM, stating that she feels the station is a valuable resource for the University's outreach activities. Regent Roe asked Dr. Kuhl if the Administration is thinking about such a sale. Dr. Kuhl responded that all units have been asked to develop plans for a 10 percent reallocation over the next five years as the University plans for the future, and he stated that the future of KUOM will be reviewed as part of that process. He stated that the proposal would expand the number of broadcast hours, which would provide KUOM with an opportunity to change its programming.

Regent Craig asked about KUOM's plans for marketing and expanding if the agreement is approved. Dr. Kvavik stated that a proposal to provide a similar type of program across a broader range of hours, which has budgetary implications, was submitted by Sheldon Goldstein, Director of University Media Resources. He noted that the proposal does not have administrative approval, and stated that a strategy for utilizing the station needs to be developed in order to be effective and responsible. Regent Craig expressed concern about completing this agreement without very detailed plans for marketing.

Melvin George, President of St. Olaf College, discussed St. Olaf's future plans if the proposed lease arrangement is approved, including joint projects with the University. He also noted that the transfer of the license would not obligate the University to operate the station during those hours, but having the complete license would make the station more valuable to the University.

Regent Casey noted that a recommendation to eliminate KUOM and use the resources for academic programs was contained in the Academic Priorities document, stating that he feels the Board will be asked to make such a decision in the future. He expressed support for the proposal because the expanded hours will make the station more valuable and also because this is an opportunity to help St. Olaf. Regent Kuderer stated that although lack of audience and resources are compelling points, he is concerned about losing radio access. He concurred with Regent Casey regarding the idea of assisting St. Olaf.

Regents A. Page and Craig commented on the issue of the value of one-third of a license versus the value of two acres of land, which is separate from what happens to the station.

Regent Rosha expressed support for the proposal, stating that the transaction seems reasonable and the size of KUOM's audience is a more appropriate topic for discussion when reviewing the fate of the station. He expressed a concern that Student Representative Mickelson's question regarding selling KUOM was not answered, and Regent Roe stated that approval of the proposal would not result in the immediate demise of KUOM.

Following the discussion, Regent Roe expressed appreciation to Senior Vice President Kuhi, Associate Vice President Kvavik and President George for their participation in the presentation.

REPORT ON POLICY AND ALLOCATION OF INDIRECT COST RECOVERIES RESEARCH SUPPORT FUND

The discussion regarding the policy and allocation of the indirect cost recoveries research support fund was postponed until January due to time constraints.

REPORT ON COLLEGE OF ARCHITECTURE AND LANDSCAPE ARCHITECTURE

Vice Provost Hopkins introduced Harrison Fraker, Dean of the College of Architecture and Landscape Architecture, who led a discussion regarding the College. Dr. Fraker stated that as a result of Regents' approval of Academic Priorities in June of 1988, the College

began on July 1, 1989. He indicated that being granted collegiate status has been beneficial to the faculty, students and programs.

Dr. Fraker stated that the mission of the College is to focus on what is necessary to create physical environments of lasting value for people, which requires a broad general education in the sciences, humanities and the arts. In addition, he indicated that specialized study in history, theory, visual thinking, technology and professional practice is required. He stated that the mission is manifested within the University through the components of liberal education, professional education, and graduate education and research.

Dr. Fraker stated that the College serves 720 students, 57 percent of whom are from Minnesota. He indicated that the College has excellent students, some of whom have achieved national prominence following graduation. Dr. Fraker stated that the College has 53 faculty members, including full-time faculty, who are leaders in research, and adjunct faculty, who are distinguished practitioners in the field. Dr. Fraker stated the College has a small administrative staff, and he noted that he reports to Vice Provost Hopkins.

Dr. Fraker reviewed the College's curriculum, and stated that the professional programs are nationally ranked. He noted the strengths of the curriculum, including the design studio, which is an intense program providing 12 contact hours per week with a 1:12 faculty to student ratio. At the end of each quarter, the students' work is reviewed by a faculty panel.

Dr. Fraker reported that there is a demand for post-professional degree masters or doctorate programs because of the increased complexity and specialization of the profession. He stated that the College is exploring such programs in Urban Design and Building Science through reallocation and by utilizing endowment and research funds.

Dr. Fraker discussed the research activities of the College, including the Minnesota Building Research Center, the Design Center for American Urban Landscape and the "Expedition to the Fourth Coast", the Mississippi River trip which was held last summer, the purpose of which was to do research and analysis on American urban design.

Dr. Fraker discussed the College's facilities, stating that the College's facility needs were included in the 1990 Capital Request. However, he noted that the project was not funded, which will have significant impact on the College's goals and objectives.

In conclusion, Dr. Fraker stated that the College's priorities include focusing on the reallocation process, securing funding for the

needed facilities, obtaining additional computer aided design equipment, increasing diversity among faculty and students, and improving faculty salaries.

A brief discussion ensued and, in response to questions, Dr. Fraker noted that tuition is approximately \$2,400 per year and he stated that once a student is accepted in the first year of design, the graduation rate is approximately 90 percent. He indicated that it takes most students six or more years to complete the program and it is a constant concern of the Curriculum Committee to help students succeed in the program.

Following the discussion, Regent Roe thanked Dean Fraker for his report.

REPORT ON MINNESOTA BUILDING RESEARCH CENTER

Dean Fraker introduced David Grimsrud, Director of the Minnesota Building Research Center, who led the discussion regarding the Center. He introduced Mary Vogel, Assistant Director of the Center.

Dr. Grimsrud stated that the Center started in November of 1987 and it is located in the Graduate School, reflecting its multi-disciplinary organization. He indicated that the Center has 50 faculty members from nine units located in five colleges.

Dr. Grimsrud stated that the specific goals of the Center are to identify major problems facing the building industry in this region, to promote research projects designed to understand these issues, to coordinate and support research projects and to develop an effective means to transfer the knowledge gained. He indicated that the Center is currently involved in approximately 25 research projects, including Daylighting/Lighting of Buildings, University Building Energy Efficiency Project and Enhanced Low-Income Weatherization.

In summary, Dr. Grimsrud stated that the Center represents the reorganization of an existing set of skills that existed at the University, resulting in a number of new research activities and educational facilities and programs. Dr. Vogel noted that the Center is a unique facility that is the envy of the rest of the country, and she stated that it is exciting to bring people together to resolve building problems.

A brief discussion ensued, and Regent Roe expressed a concern regarding the limited interaction between the Center and the general building contractors in the state. He also noted that those contractors are conspicuously absent from the gift reports each month, stating

that the contractors and the University could help each other. He expressed appreciation for the report.

The meeting adjourned at 3:45 p.m.

Barbara Muesing

**BARBARA MUESING
Executive Director &
Corporate Secretary**

Year 1990-91

UNIVERSITY OF MINNESOTA

BOARD OF REGENTS

Committee of the Whole

December 13, 1990

A meeting of the Committee of the Whole of the Board of Regents was held on Thursday, December 13, 1990, at 9:10 a.m. in the Regents' Room, 238 Morrill Hall.

Regents present: Regent Casey, presiding; Regents Anderson, Craig, Keffeler, Kuderer, A. Page, M. Page, Roe, Rosha, Sahlstrom and Schertler.

Staff present: President Hasselmo; Chancellors Johnson and Lindahl; Senior Vice President Kuhi; Vice Presidents Allen, Hughes and Perlmutter; General Counsel Brady; Vice Provost Hopkins; Executive Director Muesing; Associate Executive Director Janzen; Associate Vice Presidents Barbatsis, Cabral, Carrier and Hayes.

Student Representative present: Tim Wolf.

Regent Casey noted that Dr. Jack P. Grahek resigned his position as a member of the Board of Regents. The committee voted unanimously to recommend approval of the following resolution, and Dr. Casey stated that it will be presented to Dr. Grahek:

WHEREAS, Dr. Jack Grahek has served on the University of Minnesota Board of Regents since 1987; and

WHEREAS, Regent Grahek has contributed sound judgment, common sense and good advice to the governance of the University of Minnesota; and

WHEREAS, Regent Grahek has been a solid advocate of education, not only in northeastern Minnesota, but in all of Minnesota; and

WHEREAS, Regent Grahek has provided us with a friendship we will always cherish; and

WHEREAS, Regent Grahek has decided to retire from the firing line after many years of public service;

NOW, THEREFORE, BE IT RESOLVED, that the Board of Regents expresses heartfelt appreciation for service well done and wishes for their colleague a life with the wind always at his back.

**STUDENT REPRESENTATIVES' RESOLUTION
REGARDING RACIAL HARASSMENT**

As a result of recent incidents of racial harassment, Tim Wolf, Chair of the Student Representatives to the Board of Regents, presented the following resolution to the committee:

WHEREAS, racial harassment violates the University of Minnesota Board of Regents' policies "to ensure a sense of community that recognizes, appreciates and fosters unity with diversity," and

WHEREAS, incidents of racial harassment have occurred at Bailey and Frontier residence halls in violation of the University administration's stated goals, and

WHEREAS, the President has responded by condemning these hate crimes and announcing plans for further staff and program initiatives to oppose racial intolerance,

NOW, THEREFORE, BE IT RESOLVED, that the Regents of the University of Minnesota:

- condemn any and all acts of racial harassment and consider such acts both offensive and destructive to the University community,
- urge all persons having information pertaining to these acts to come forward and notify University authorities,
- urge all members of the University community to actively participate, individually and collectively, to combat racial bigotry, and
- support the President's commitment to diversity in an atmosphere free of racial bias.

President Hasselmo endorsed the resolution, stating that it is a significant element in trying to further mobilize the entire University community on an issue of tremendous importance to everyone. He indicated that in order to create an environment that represents the ideals of the institution, it will require the participation of everyone.

The committee voted unanimously to recommend approval of the resolution. Regent Casey expressed appreciation to Chair Wolf and the Student Representatives for taking the initiative to bring the resolution to the Board. He thanked the Board for its action, noting that the Board supports the actions taken by President Hasselmo and Vice President Hughes with respect to these incidents.

REPORT ON MINORITY AFFAIRS

Senior Vice President Kuhl led the discussion regarding Minority Affairs. He noted that in the future, this report will be presented to the Committee of the Whole on an annual basis, with a six-month report presented to the Faculty, Staff & Student Affairs Committee.

Acting Associate Vice President Cabral reported on the activities of the Minority Affairs office since he assumed the interim position, including:

- 1) The search committee for the new Associate Vice President, chaired by Regents' Professor Vernon Ruttan, was established early in the fall. The deadline for nominations was December 1 and the deadline for applications is December 15. To date there have been 128 responses.
- 2) Interim goals and objectives have been established to ensure that the office is operating efficiently when the new Associate Vice President is appointed. These include continued development of college plans, in-depth reviews of other program activities, the determination of methods for supporting outreach and inter-relationships with the community at large, and activities for improving communication with internal and external constituents.
- 3) Dr. Nobuya Tsuchida was appointed Director of the Office of Minority and Special Student Affairs, effective November 1, 1990.

Dr. Cabral reviewed college action plans, current diversity initiatives, the University's Incentive Grant Pilot Program, an update on remodeling of the student cultural centers, a report on the 1990 Super Valu Minority Scholars Development Program and the Faculty-Student Mentoring Clubs, funded by the St. Paul Companies. He also stated that Dr. Josie Johnson has been assigned to develop a Diversity Forum comprised of representatives from the University community and the community at large. This group will examine diversity issues from a variety of perspectives, with the opportunity to reinforce and redefine the roles of these partners in fostering educational growth and improved relations.

Dr. Cabral reviewed enrollment and graduation trends for minority students, including students certified by the Office for Minority and Special Student Affairs (OMSSA). He also discussed the OMSSA Summer Institute activities.

Regent Kuderer asked if there is data which shows whether or not students who drop out of the University continue their education elsewhere. Dr. Cabral stated that he believes that data is available from HECB and he offered to provide it to the Board. In response to Regent Sahlstrom's question, Dr. Cabral stated that although addressing the needs of minority students on the coordinate campuses is not built into the current structure, this will be one of the responsibilities of the new Associate Vice President. Dr. Hasselmo noted the efforts of the coordinate campuses to respond to minority needs.

Regent Casey expressed appreciation to Dr. Cabral for his report on minority affairs.

REPORTS FROM THE ALL-UNIVERSITY AND CAMPUS INDIAN ADVISORY COMMITTEES

Regent Casey stated that the Indian Advisory Committees on all campuses were invited to report to the committee. He noted that the report from Twin Cities American Indian Advisory Committee was included in the docket materials, and a representative of that committee was present to respond to questions. He also stated that the report from the American Indian Advisory Board from the University of Minnesota, Duluth was included in the materials. Co-chairs John Day and Don Wiesen were present to make a presentation.

Mr. Day and Mr. Wiesen expressed appreciation for the opportunity to address the Regents and commented on the issues of concern noted in the docket materials:

- A greater percentage of funds from Salt Spring land sales should go to the Duluth American Indian Center.

- A greater percentage of funds from Salt Spring land sales should go to the Duluth American Indian Center.
- Change the budget for the Center of American Indian and Minority Health to a hard line dollar appropriation.
- Increase the hard line budget of the UMD-American Indian Learning and Resource Center to funding parity with the Learning Resource Centers on the Twin Cities campus.
- Identify diversity initiatives as a priority for the redistribution of funds resulting from the 2 percent reallocation process.
- Support UMD's efforts to reapply for accreditation of the Master of Social Work program.
- Support Chancellor Ianni's request that UMD be funded on a cost-per-student formula for the actual number of students enrolled at UMD.
- The Advisory Board intends to initiate its own funding strategies during the legislative session and with respect to private sources and will keep the University informed of its actions.

Mr. Wiesen commented briefly on an upcoming White House Conference on American Indian Education, which will provide an opportunity to meet with President Bush and key individuals to discuss the future of American Indian education. He stated that plans are underway in the state for a pre-White House conference on American Indian education and asked the Regents to support such a program.

A brief discussion ensued and committee members expressed appreciation to Mr. Day and Mr. Wiesen for their report. In response to a question raised by Regent Schertler, President Hasselmo expressed appreciation for the Advisory Committee report and responded to the issues raised. As a result of discussions regarding funding for UMD, he stated that steps have been taken toward providing fair and equitable budgeting. He also noted that significant amounts in the past two budgets were identified for the University's diversity agenda, stating that the Board will have an opportunity to make resource allocation decisions as part of the reallocation process.

Following the discussion, Regent Casey thanked Mr. Day and Mr. Wiesen for their report and for providing the committee with advance written materials.

REPORT ON THE OFFICE OF EQUAL OPPORTUNITY AND AFFIRMATIVE ACTION

Patricia Mullen, Director of the Office of Equal Opportunity and Affirmative Action, presented a brief report on the activities of her office. She reported on improvements in the hiring of minority faculty, but stated that the University needs to do far more in that area. She noted that this year new tenured and tenure-track faculty, excluding the Institute of Technology, include six African Americans, two American Indians, two Hispanics and nine Asians. However, she stated that the numbers are still very small and the University must continue working to meet the diversity goals.

Ms. Mullen said it is very difficult to give a "business as usual" report in light of the recent incidents of racial harassment. She stressed the need to resolve that crisis and identify the individuals responsible for the hatred without losing stride toward achieving the University's goals.

Regent Casey thanked Ms. Mullen for an excellent report.

ANNUAL REPORT ON GENERAL COLLEGE

Vice Provost Hopkins stated that General College has been transformed over the past several years and she commented that the leadership of Dean David Taylor has made the changes possible.

Dean Taylor reported on the activities of General College, noting he has now led the College for 22 months. He discussed the College's mission and programmatic goals, profiles of its faculty, staff and students and current initiatives to strengthen undergraduate education and diversity.

Dean Taylor indicated that during Fall Quarter the College began an extensive strategic planning process in response to the completion of the College's five-year Strategy for Focus goals. The intent was to enable the College to successfully adapt to the variables affecting its mission, including the President's diversity agenda and the Initiative for Excellence in Undergraduate Education. He commented on the goals of the planning process and indicated the first draft of the planning document will be completed in January 1991.

In conclusion, Dean Taylor stated that he has discussed his goals for the year with Vice Provost Hopkins. He noted that those goals are congruent with his personal beliefs, with the values of the community and with the position of the University. Next year he will report on accomplishments related to those goals.

Regent Schertler commended Dean Taylor on his achievements during his tenure as Dean. In response to a question raised by Regent Schertler, Dean Taylor stated that General College has used the resources it has received well, but agreed that continued support will be necessary to provide a positive educational experience for students in the future. Regent Sahlstrom expressed a concern regarding students who are denied admission to General College, and Dean Taylor said that currently those students are provided with alternatives and stated that they hope to do more effective screening of students in the future.

Following the discussion, Regent Casey thanked Dean Taylor for his presentation.

**REPORT ON INTERCOLLEGIATE ATHLETICS -
FOLLOW-UP TO THE PAGE-MERWIN COMMITTEE REPORT**

Vice Provost Hopkins led a discussion regarding progress on the recommendations contained in the Report of the Ad Hoc Committee on Intercollegiate Athletics regarding programming for high-risk students and student athletes. The Report focuses on the need for coordination among the University's programs for these students. In response, Vice Provost Hopkins stated that Vice President Kuhi has appointed a committee of the major service providers for high-risk students, chaired by Associate Vice President Cabral, to address the following issues:

- to identify means by which student-athletes can be better integrated into the academic and campus environment, as well as the local community, and better utilize existing services
- to recommend any additional study or recommendations relative to the special needs of student-athletes
- to evaluate the coordination of program areas and identify areas of potential program omission
- to develop a mechanism for the regular and more effective operational coordination among all programs for high-risk students

Dr. Cabral spoke briefly regarding the role of the committee, stating that the group will review existing student services and identify gaps in the services. The committee will present a progress report to the Board of Regents in September 1991.

Dr. Elayne Donahue, Director of Academic Counseling for Intercollegiate Athletics, reviewed the academic support program

which is available to student-athletes. She stated that the Academic Counseling unit is charged with creating an atmosphere which emphasizes academics, noting that she is looking forward to working with Dr. Cabral and the members of the committee to achieve that goal.

Dean Taylor commented on current programs to identify and assist high-risk students, including the common entry point, which allows for the placement of students in programs that are consistent with their skills and background. He stressed the need for coordination of current programs and stated that the role of the General College is to identify high-risk students and provide them with the services they need to succeed, as well as academic challenges to move on to degree programs.

President Hasselmo commented on several issues which were raised in the Page-Merwin report, including the budgets for the Departments of Men's and Women's Intercollegiate Athletics, the participation of athletic administrators and coaches in campus governance and the academic performance of student-athletes.

A discussion followed the presentation, and Regent A. Page and others expressed concerns regarding the lack of progress to date on the recommendations included in the Task Force Report. He stated that he expected the presentation of goals and objectives, including a timetable for their implementation. Dr. Hopkins noted that while the criticism regarding lack of progress may be warranted, she noted that the committee was appointed following extensive discussions of the issues raised in the report.

Regents Roe and Sahlstrom stressed the importance of considering the environment of these students in addition to assistance with their academic pursuits.

Following the discussion, Regent Casey expressed appreciation to all of the participants in the presentation.

REPORT FROM THE RAJENDER SALARY SETTLEMENT COMMITTEE

Dr. Kuhl introduced the following members of the Rajender Salary Settlement Committee, noting that they deserve the thanks of the University community for their diligent work: Sue Oatey, Chair, Margaret Davis, Sara Evans, Janice Hogan, Sally Jorgensen and Virginia Katz.

Dr. Oatey reviewed the work of the committee and discussed the seven recommendations that the committee made to the Administration. The committee believes that great strides can be made to eliminate the sexism which still exists and enable faculty and

staff to contribute more effectively to the University's excellence. She stated that the committee is encouraged by the commitment of the President and the Board of Regents to create a better environment at the University. The other members of the committee briefly addressed the Board.

In summary, Dr. Oatey acknowledged the work of the committee and commended them for their participation in this process.

In response to Regent Schertler's concern regarding implementation of the committee's recommendation, President Hasselmo stated that the Administration plans to review the entire salary distribution system for the University as part of implementation of the recommendations.

Following a brief discussion, Dr. Casey commended the members of the committee for their contributions.

The meeting adjourned at 12:10 p.m.

Barbara Muesing

**BARBARA MUESING
Executive Director &
Corporate Secretary**

Year 1990-91

UNIVERSITY OF MINNESOTA

BOARD OF REGENTS

Committee of the Whole

December 14, 1990

A meeting of the Committee of the Whole of the Board of Regents was held on Friday, December 14, 1990, at 8:40 a.m. in the Regents' Room, 238 Morrill Hall.

Regents present: Regent Casey, presiding; Regents Anderson, Craig, Keffeler, Kuderer, A. Page, M. Page, Roe, Rosha, Sahlstrom and Schertler.

Staff present: President Hasselmo; Chancellors Ianni, Johnson, Lindahl and Sargeant; Senior Vice Presidents Donhowe and Kuhi; Vice Presidents Allen, Heydinger, Hughes and Perlmutter; General Counsel Brady; Vice Provost Hopkins; Executive Director Muesing; Associate Executive Director Janzen; Associate Vice Presidents Barbatsis and Hayes; Assistant Vice President Markham.

Student Representative present: Tim Wolf.

RECOGNITIONS

The Board recognized Dr. Richard Goldstein on his appointment as Regents' Professor of Mechanical Engineering and Dr. Paul Murphy on his appointment as Regents' Professor of American History. Regents' Professors Goldstein and Murphy briefly addressed the Board.

HONORS COMMITTEE REPORT

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

**REPORT OF THE NOMINATING COMMITTEE -
HOSPITAL BOARD OF GOVERNORS**

Regent Roe, Chair of the Hospital Board of Governors Nominating Committee, presented the following resolution to the committee for approval:

RESOLVED, that on the recommendation of the Board of Regents' Nominating Committee, Robert Nickoloff and B. Kristine Johnson are reappointed to three-year terms, ending in 1993; Michael Dougherty is appointed to a three-year term, ending in 1993; and Trudy Ohnsorg is appointed to serve as the Student Representative for a one-year term, ending in 1991.

The committee voted unanimously to recommend approval of the resolution. Regent Casey expressed appreciation to Regents Craig, M. Page and Roe for serving on the Nominating Committee.

VISIT BY GOVERNOR-ELECT ARNE CARLSON

Regent Casey stated that at the suggestion of Regent Alan Page, Arne Carlson, Governor-elect of the State of Minnesota, was invited to attend the Regents' meeting. He stated that the Regents are looking forward to working with Governor-elect Carlson, and indicated that the Board appreciates his long history of strong support for the University, including the recent statement that education is among his top priorities.

Governor-elect Carlson addressed the Board, expressing his support for education and stating that he wants a close relationship with the University of Minnesota. In order to respond to the various needs of students, Mr. Carlson indicated that he would like to ensure a close relationship between the four systems of higher education in the state by establishing a coalition. He expressed appreciation to the Regents for their leadership and cooperation.

On behalf of the Board, Regent Casey thanked Governor-elect Carlson for spending time with the Board.

REPORT ON STEAM SERVICE ALTERNATIVES

Regent Casey introduced the discussion on alternatives for steam service to the Twin Cities campus, stating that an extensive study was conducted regarding this issue at the suggestion of Regents Anderson, McGuiggan and Roe. He stated that following the Administration's presentation regarding the alternatives and its recommendation, a

further discussion and presentations by the proponents will be scheduled at the January meeting, with action requested in February.

Senior Vice President Donhowe noted that the process of reviewing the University's steam service began several years ago after Regent Roe expressed concerns regarding an administrative proposal to replace a boiler. Mr. Donhowe reported that as a result, a Utilities Committee, chaired by Roger Paschke and comprised of internal and external experts, was appointed to review the issues and make recommendations regarding the University's steam service.

Mr. Paschke stated that an August, 1989 study conducted by CRS Sitrine concluded that the University's aging steam plant needed major repairs requiring large capital expenditures within the next ten years in order to maintain reliability. That study contained a number of recommendations, including a recommendation to review private party alternatives for providing steam service to the Twin Cities campus. As a result, the Utilities Committee considered several options, including external and internal alternatives.

Mr. Paschke reviewed a series of slides regarding the University's current heating plant and the advantages of changing to a private party steam supplier. He discussed the process followed by the Utilities Committee, stating that following a request for qualifications to determine which firms nationwide met the minimum financial and technical qualifications, eight firms were invited to submit proposals for a 25-year steam service contract with the University. The following firms submitted proposals: Diversified Energies/Arkla, Inc. (DEI) (parent company of Minnegasco), Foster Wheeler Power Systems, Inc., Northern States Power Company and PSI Investments, Inc.

Mr. Paschke stated that the Utilities Committee interviewed each proponent and he reviewed the major features of each proposal, including anticipated fuel mix, pollution emission levels, the impact on current employees, total capital expenditures, total life cycle cost and the location of the facilities. Following the review, Mr. Paschke stated that the committee recommends that the University should commence the negotiation of a definitive Steam Service Agreement with Diversified Energies, Inc. (DEI). Under such an agreement, DEI would provide 100 percent of the steam requirements for the Twin Cities campus. He indicated that if the negotiations do not result in a satisfactory agreement, then the committee recommends that the University pursue the internal option.

Mr. Paschke reviewed the details and advantages of the DEI plan and the price structure. He noted that all capital expenditures would be covered for 25 years, the fuel cost would be guaranteed for 15 years (with increases of 7 percent per year) and market price thereafter,

transportation costs for gas would be guaranteed for 25 years, operating and maintenance costs would be charged on a pass through basis and a 2 percent annual management fee would be charged. Mr. Paschke reviewed concerns regarding the other external proposals and the internal option.

In conclusion, Mr. Paschke stated that there was intense competition and all of the alternatives were thoroughly researched. He stated that the recommended approach is strong financially and environmentally, it has low or controlled risks and early implementation is possible.

An extensive discussion ensued. Regent Roe commended those involved in developing the steam service proposal and he thanked the Board and Administration for their patience while the response to his concern was being developed. Regent Schertler also applauded the work done on this project, however, she expressed a concern that the administrative recommendation of DEI disadvantages the remaining proponents during the Regents' review process. Mr. Donhowe stated that the recommendation was developed fairly following a thorough review process, noting that the Regents can come to their own conclusions following the review. Regents Casey and Kuderer spoke in support of the process.

Regent Keffeler noted concerns regarding effective present value raised by James J. Howard, Chairman and Chief Executive Officer of Northern States Power Company and she indicated that it would improve the Regents' ability to evaluate the steam service proposals if the Administration would review potential concerns regarding the effective present value analysis and share that information before the January meeting. Mr. Paschke indicated that the Administration feels that the present value analysis is complete and fair. He stated that he was not familiar with Mr. Howard's concerns, but indicated that all of the proponents were provided with the present value models and each certified that the information was correct.

In response to a concern raised by Regent Kuderer about the possibility of the University having to return to coal as a fuel source at the end of the 25-year contract, Mr. Paschke stated that this is viewed as a permanent arrangement. However, Mr. Donhowe noted that the point in the contract at which gas supply and transport are assured has not yet been addressed.


Regent Roe asked about the impact on current employees and how that issue will be addressed in the contract negotiations. Assistant Vice President Markham stated that there are currently 83 steam plant employees and they are very concerned about the future. The proposal being recommended by the Administration guarantees full employment for all employees during the first year of the contract

and by the fourth year that number will drop to 41, which is a 50 percent reduction in the number of employees. She stated that the University and DEI are committed to finding alternate employment opportunities for these employees and to keeping the communication lines open. Ms. Markham stated that she has assured the employees that they will be represented in the contract negotiation process.

Regents Sahlstrom and A. Page discussed the possibility of University researchers developing other sources of energy that will fit the needs of the University at the end of the 25-year contract. Regent Anderson commended the Administration on the development of the recommendation and spoke in support of the process which was established for Regents' review of the various proposals.

Following the discussion, Regent Casey commended Senior Vice President Donhowe, Assistant Vice President Markham, Mr. Paschke and their colleagues for their work and urged the Regents to contact them with any concerns before the January meeting.

The meeting adjourned at 10:35 a.m.

A handwritten signature in black ink that reads "Barbara Muesing". The signature is written in a cursive, flowing style.

BARBARA MUESING
Executive Director &
Corporate Secretary

UNIVERSITY OF MINNESOTA

BOARD OF REGENTS

December 14, 1990

A meeting of the Board of Regents of the University of Minnesota was held on Friday, December 14, 1990, at 10:30 a.m. in the Regents' Room, 238 Morrill Hall.

Regents present: Anderson, Casey, Craig, Keffeler, Kuderer, A. Page, M. Page, Roe, Rosha, Sahlstrom and Schertler. President Hasselmo presided.

Staff present: Chancellors Ianni, Johnson, Lindahl and Sargeant; Senior Vice Presidents Donhowe and Kuhi; Vice Presidents Allen, Heydinger, Hughes, and Perlmutter; Vice Provost Hopkins; General Counsel Brady; Executive Director Muesing; and Associate Executive Director Janzen.

APPROVAL OF MINUTES

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

Audit Committee - November 8, 1990
Physical Planning & Operations Committee -
November 8, 1990
Finance & Legislative Committee - November 8, 1990
Faculty, Staff & Student Affairs Committee -
November 8, 1990
Educational Planning & Policy Committee -
November 8, 1990
Committee of the Whole - November 8, 1990
Committee of the Whole - November 9, 1990
Board of Regents - November 9, 1990

REPORT OF THE PRESIDENT

President Hasselmo presented his regular monthly report which contained items pertaining to combatting racial bigotry on campus, U.S. Department of Education ruling on minority scholarships, cooperation with Lincoln University,

intercollegiate athletics issues, the National Association of State Universities and Land-Grant Colleges annual meeting, policies on students called to active military service, and the 1990 University Community Campaign.

A copy of the President's Report is on file in the Regents' Office.

REPORT OF THE CHAIR

Chair Casey called on several Regents to provide updates on their recent activities. Regent Roe reported on his recent trip to Morocco to review the University's international agriculture program. Regents Sahlstrom and M. Page reported on their attendance at the National Association of State Universities and Land-Grant Colleges Conference that was held in Kansas City, Missouri. Regent Kuderer reported on his recent visit to Lincoln University in Jefferson City, Missouri.

Chair Casey recognized Regent Alan Page for his selection as the 1990 recipient of the Liberty Bowl's "Distinguished Service Award" and Regent M. Elizabeth Craig as the 1990 recipient of the Charles Bowl's "Bowls Rogers Award".

Chair Casey also reported that a small committee has been formed consisting of Dr. Harold Enarson, former President of Ohio State University as chair, and Dr. Jean Harris, Dr. Robert Heller and Anoka County Commissioner Margaret Langfeld to conduct an assessment on the performance of the Board of Regents. He stated that the committee will review recommendations made by the Governor's Blue Ribbon Commission and the Board's response to those recommendations. In addition, a self-assessment questionnaire was passed out and Regents were asked to complete the form and return it to the Board Office as soon as possible. Chair Casey reported that the committee will be meeting on the Twin Cities campus January 16-17 with various constituencies and a final report from the committee will be available at the Regents' Retreat scheduled for February 16.

REPORT OF THE EDUCATIONAL PLANNING AND POLICY COMMITTEE

President Hasselmo then moved to the Report of the Educational Planning and Policy Committee as Regent Roe had to leave the meeting early.

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

- a) Approval of the Senior Vice President's Monthly Educational Planning & Policy Report. Documentation is filed supplement to the minutes, No. 22,287.
- b) Approval of Appointments to the Minnesota Landscape Arboretum Foundation Board of Trustees, as follows:

RESOLVED, that the appointment of Mr. John Wheelihan and Mr. Stanley Shepard to the Minnesota Landscape Arboretum Foundation Board of Trustees, as proposed by the Nominating Committee of that body for three-year terms of office, is hereby approved.

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

Chair Roe reported that the committee also discussed KUOM ownership issues, reviewed a report on Policy and Allocation of Indirect Cost Recoveries Research Support Fund, a report on the College of Architecture and Landscape Architecture, and a report on the Minnesota Building Research Center. He reported that an additional name for appointment to the Minnesota Landscape Arboretum Foundation Board of Trustees will be acted on at the January meeting.

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. The Board of Regents voted unanimously to approve the gifts. Documentation is filed supplement to the minutes, No. 22,288.

CONTRACTS AND GRANTS/APPLICATIONS AND AWARDS

Senior Vice President Kuhi submitted for approval the contracts and grants/applications and awards.

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

Documentation is filed supplement to the minutes, No. 22,289.

REPORT OF THE COMMITTEE OF THE WHOLE
December 13, 1990

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

- a) Approval of resolution to be presented to retiring Regent Jack P. Grahek, as follows:

WHEREAS, Dr. Jack Grahek has served on the University of Minnesota Board of Regents since 1987; and

WHEREAS, Regent Grahek has contributed sound judgment, common sense and good advice to the governance of the University of Minnesota; and

WHEREAS, Regent Grahek has been a solid advocate of education, not only in northeastern Minnesota, but in all of Minnesota; and

WHEREAS, Regent Grahek has provided us with a friendship we will always cherish; and

WHEREAS, Regent Grahek has decided to retire from the firing line after many years of public service;

NOW, THEREFORE, BE IT RESOLVED, that the Board of Regents expresses heartfelt appreciation for service well done and wishes for their colleague a life with the wind always at his back.

- b) Approval of resolution presented by Student Representative Tim Wolf relating to Racial Harassment, as follows:

WHEREAS, racial harassment violates the University of Minnesota Board of Regents' policies "to ensure a sense of community that recognizes, appreciates, and fosters unity with diversity," and

WHEREAS, incidents of racial harassment have occurred at Bailey and Frontier residence halls in violation of the University administration's stated goals, and

WHEREAS, the President has responded by condemning these hate crimes and announcing plans for further staff and program initiatives to oppose racial intolerance,

NOW, THEREFORE. BE IT RESOLVED, that the Regents of the University of Minnesota:

- condemn any and all acts of racial harassment and consider such acts both offensive and destructive to the University community,
- urge all persons having information pertaining to these acts to come forward and notify University authorities,
- urge all members of the University community to actively participate, individually and collectively, to combat racial bigotry, and
- support the President's commitment to diversity in an atmosphere free of racial bias.

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

Chair Casey reported that the committee also reviewed several discussion items which included a report on Minority Affairs and the Office of Equal Opportunity and Affirmative Action; reports from the All-University and Campus Indian Advisory Committees; an annual report on General College; a report on Intercollegiate Athletics - a follow up to the Page-Merwin Committee; and a report from the Rajender Salary Settlement Committee.

**REPORT OF THE COMMITTEE OF THE WHOLE
December 14, 1990**

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

- a) Approval of the All-University Honors Committee Report. Documentation is filed supplement to the minutes, No. 22,290.
- b) Approval of resolution re Hospital Board of Governors Appointments, as follows:

RESOLVED, that the Board of Regents appoint Robert Nickoloff and B. Kristine Johnson for third terms on the Board of Governors of the University of Minnesota Hospital and Clinic, Michael Dougherty for a first term to replace Robert Latz who has completed three terms, and Trudy Ohnsorg for one year as the student member.

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

Chair Casey further reported that the committee also recognized newly-appointed Regents' Professors Richard Goldstein and Paul Murphy and engaged in an extensive discussion on steam service alternatives. In addition, he reported that Governor-elect Arne Carlson spoke briefly to the committee.

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

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

- a) Approval of revised Regents' Policy: Student Loan Policy, as follows:

STUDENT LOAN POLICY

A. Effective Date

This policy shall apply to loans made on and after August 16, 1969.

B. Eligibility

Students registered in any college or department of the University of Minnesota who are making satisfactory progress toward an educational objective or who, though they have no prior record of study at the University of Minnesota, give evidence of ability to make such satisfactory progress toward an educational objective, shall be eligible to apply for student loan assistance. Satisfactory academic progress policies will be defined by collegiate units, and the Office of Student Financial Aid shall ensure that those policies comply with federal regulations for financial aid recipients.

C. Administration

Applications for assistance from student loan funds shall be filed with the Office of Student Financial Aid on the Twin Cities Campus or with the appropriate officers on the coordinate campuses. Their appropriate staff shall have the responsibility of counseling student loan applicants and evaluating loan applications and selecting student loan recipients so as to provide maximum educational benefits to the student loan applicant.

D. Terms

1. Loan Limits -- Undergraduate students may not incur indebtedness to the University in excess \$2,000 in any one year nor a total indebtedness to the University in excess of \$8,000. Graduate or professional school (other than undergraduate) students may not incur indebtedness to the University in excess of \$3,000 in any one year nor a total indebtedness to the University in excess of \$14,000.
2. Interest Rates -- During the period of enrollment, the effective rate of interest on any and all outstanding loan obligations shall be 3% payable annually.

However, to comply with the requirements of Section 334.01, Minnesota Statutes, all student loan notes shall bear an interest rate of 6% per annum from date of making, 3% of which will be remitted so long as the student loan debtor is registered at the University.

Upon the student ceasing to be registered, whether by graduation or otherwise, the effective rate of interest on the outstanding loan obligation shall be 6% payable annually until the total loan obligation is paid in full.

3. Repayment Procedures -- Repayment of student loan obligations shall be made in accordance with the provisions of the loan, and shall not be less than \$10 per month nor shall the repayment period exceed ten years. The officer responsible for collections shall have authority to enter into compromises when necessary or appropriate.

E. Saving donor Intent

This policy shall in no way supersede any administrative policy or procedure or other requirement established by the donor of a specific loan fund, and accepted by the Board of Regents accordingly.

- b) Approval of revised Regents' Policy: Statement on Student Financial Aid, as follows:

STATEMENT ON STUDENT FINANCIAL AID

The overriding goals of the University of Minnesota in its student financial aid programs shall be to assist as many students as possible in meeting the costs of their education, to aggressively seek additional aid funds, and to comply with federal, state and University regulations. The University will make every reasonable effort to assist as many students as possible in securing grants, scholarships, loans and employment, and in managing their personal debts and finances. The system for applying for financial

aid will be as simple as possible and will take into consideration the individual's right to privacy. An important part of this process is the provision of aid in a timely manner and the availability of trained technical and counseling staff who can serve and assist students having difficulty. These goals provide a base upon which the University adopts these general principles for the student financial aid program for all University of Minnesota campuses:

1. Consistent with state and federal policy and regulations, student aid will be equitably disbursed to students with demonstrated financial need.
 - a. The Student Financial Aid Offices will be responsible for implementing the systematic financial need analyses which have been approved by the appropriate federal and state regulatory agencies.
 - b. Equitable aid treatment will involve providing aid packages which are composed of appropriate ratios of grant aid (scholarship) and self-help (loan and/or work). The University will solicit funds as necessary to maintain this ratio at a level that ensures equal access to University programs regardless of a person's socio-economic status or ethnic background.
 - c. The University will examine family income and other data presented by students and parents. The validity of the data will be assessed periodically on a random basis.
2. The University will solicit funds to award to students of outstanding academic merit and potential. The major purpose behind such an effort would be to attract highly qualified students to the University of Minnesota and retain them through graduation.
3. The Student Financial Aid Offices on all campuses, with the involvement of college personnel, will regularly review the academic progress of aid recipients to determine

whether students are meeting requirements (as specified by federal and state regulations) for continued funding.

4. Every reasonable effort will be made to communicate and emphasize loan repayment terms and procedures to borrowers. Students who are approaching debt maximums will be advised on a regular basis on the wisdom of their further indebtedness and their repayment obligations.
- c) Approval of revised Regents' Policy: Student Employment as Financial Aid, as follows:

STUDENT EMPLOYMENT AS FINANCIAL AID

RESOLVED, that student employment opportunities at the University of Minnesota continue to be considered as a financial resource for students and that student employment be considered an alternate and complementary form of financial aid to grants, loans and scholarships.

FURTHER, that each campus shall decide which students have access to employment resources based on job availability.

- d) Approval of revised Regents' Policy: University Unions, as follows:

UNIVERSITY UNIONS

Questions have been raised about the delegation of responsibility by the Regents for the programs, facilities and staff of the University Unions. To answer these questions, the Regents hereby make the following clarification of responsibility:

1. The delegation of authority and responsibility for the programs, facilities and staff of the University Unions is vested in the President of the University and the Vice President for Student Affairs.
2. Within the programs of the University Unions, the President and Vice President for Student

Affairs will provide the maximum possible development of the union programs through campus union boards.

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

Regent Anderson reported that the committee also reviewed revised Regents' Policies on Access to Student Records and Extension Agent Leaves; a proposed Collegiate Constitution Policy; and a report on Drug-Free Campus and Workplace Compliance Act.

In addition, Regent Anderson reported that the committee discussed several issues raised under New Business which included an update on administrative searches, issues relating to minority scholarships, the status of development of a smoke-free policy, and reorganization of the Martin Luther King Program. Under Old Business, he reported that the committee reviewed hiring data in response to a request from Regent Keffeler.

REPORT OF THE PHYSICAL PLANNING AND OPERATIONS COMMITTEE

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

- a) Approval of the Senior Vice President's Monthly Physical Planning & Operations Report which included Purchasing, Project Status Report, and Miscellaneous. Documentation is filed supplement to the minutes, No. 22,291.
- b) Approval of resolution re Purchase of Goods/Services over \$250,000 as follows:

RESOLVED, that on the recommendation of the President and the Senior Vice President for Finance and Operations, the appropriate staff are authorized to award pending purchases/contracts over \$250,000 as presented to the committee for the months of October and November.

Documentation is filed supplement to the minutes, No. 22,292.

- c) Approval of resolution regarding projects already submitted for information, as follows:

RESOLVED, that on the recommendation of the President and the Senior Vice President for Finance and Operations, the appropriate administrative officers are authorized to proceed with the design and construction of the following projects:

- a. Anderson Hall, Remodel Room 250, Twin Cities Campus
Estimated cost of the project: \$118,200
Funding: Microcomputer and Work Station Network Center
Estimated completion date: April 1991
- b. Bell Museum, Automatic Sprinkler System and Fire Alarm, Twin Cities Campus
Estimated cost of the project: \$275,000
Funding: Variable Rate Bond Internal Loan to be repaid from Central Reserves
Estimated completion date: June 1991
- c. Kirby Student Center, Domestic Water Piping Replacement Project, Phase I, Duluth Campus
Estimated cost of the project: \$249,700
Funding: 1987 Legislative Appropriation and Asbestos Settlement Funds
Estimated completion date: June 1991

- d) Approval of the following projects approved in the Capital Request and funded by Legislative Appropriation as follows:

- a. Earth Sciences and Material Engineering Building Project, Twin Cities Campus
Estimated cost of the project: \$51,750,000
Funding: \$1,035,000 was provided from a 1989 legislative appropriation for project development plans. The balance of the capital project development funds will be requested from the Legislature
Estimated completion: April 1996

- b. Machine Shop Service Building, Southwest Experiment Station, Lamberton
Estimated cost of the project: \$210,000
Funding: Project Development Fund Sources - 1990 Legislative Appropriation; Debt Financing Source - Revolving Income Supplies Budget
Estimated completion: August 1991

- c. Soil Science Research Facility, Northwest Experiment Station, Crookston
Estimated cost of the project: \$223,000
Funding: Project Development Fund Source - 1990 Legislative Appropriation; Debt Financing Source - Revolving income supplies budget
Estimated completion: August 1991

- e) Approval of the following land transactions:
 - a. Purchase of the property identified as 508 Worth Street in Duluth, Minnesota

 - b. Purchase of Lots 5, 7, 9 and 11, Superior View Addition to Duluth, St. Louis County, Minnesota.

 - c. Purchase of the Century Mill Property identified as 545 Oak Street SE, Minneapolis, owned by Edward and Lorraine Larson.

 - d. Purchase of approximately two acres of former Soo Line Railroad right-of-way at 5th Street and 19th Avenue SE, Minneapolis, owned by New Century Development Corporation.

 - e. Land exchange with Station 19 involving the University parking area immediately south of the building at 11 Oak Street and Station 19's current parking lot which will lie north of the Motley Bypass when constructed.

 - f. Commencement of eminent domain proceedings for the purpose of acquiring fee simple absolute title to, and possession of, prior to the making of any award by the court-

appointed commissioners and as soon as may be allowed by law, the property identified as 503 W. St. Marie Street, Duluth, legally described as Lots 1, 2 and 3, Oakland Park Addition to Duluth, St. Louis County, Minnesota.

- f) Approval of resolution re Five-Year Lease, FMC Tech Center, Minneapolis, as follows:

RESOLVED, that on the recommendation of the President and the Senior Vice President for Finance and Operations, the appropriate administrative officers are authorized to execute a five-year lease for the FMC Tech Center, 1300 Second Avenue South, Minneapolis.

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

Chair Sahlstrom reported that the committee voted by majority to recommend approval of the following project previously submitted for information:

- a) Mink Research Facility, Veterinary Medicine Farm, Rosemount Research Center
Estimated cost of the project: \$900,000
Funding: Department of Veterinary Pathobiology
Estimated completion: June 1991

Regent Schertler stated that she and Regent Roe had voted against the resolution in the committee meeting, however, in the interest of time, she would not reiterate her concerns but would like her no vote recorded.

The Board of Regents voted by a majority of 9 to 1 to approve the recommendation of the Physical Planning and Operations Committee. Regent Schertler voted against the motion.*

* Regent Roe was absent during the vote on the Physical Planning & Operations Committee Report. He notified the Board of Regents' Chair that he would have voted against the motion if present.

Chair Sahlstrom further reported that the committee reviewed the following projects for information:

- a. Stadium Apartments, Domestic Water Pipe Replacement, Duluth Campus
- b. A. B. Anderson Hall, Ventilation Upgrade, Duluth Campus
- c. Medical School Cage Washer Area Upgrade, Duluth Campus
- d. Land Lease to St. Olaf College for Radio Tower, Rosemount Research Center

Regent Sahlstrom reported that the committee also reviewed information presented on transit issues.

REPORT OF THE FINANCE & LEGISLATIVE COMMITTEE

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

- a) Approval of the Senior Vice President's Monthly Finance and Legislative Report including Accounts Receivable, Central Reserves, Debt Management, and Miscellaneous. Documentation is filed supplement to the minutes, No. 22,293.

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

Chair Schertler reported that the committee also reviewed a proposed modification of the Reserve Spending Plan, the Quarterly Investment Report and the Annual Financial Report. In addition, the committee received a legislative update.


REPORT OF THE AUDIT COMMITTEE

Regent Craig, Chair of the committee, stated that there was no report of the Audit Committee this month.

NEW BUSINESS

Regent Kuderer reported that the Regents' Policy Committee has concluded its initial work on review of policies. He stated that each Regent had a packet before them to review before discussion at the January meeting. The policies have been divided into four groups: 1) policies to be included in the Policy Book; 2) policies not to be included in the Policy Book, but that will remain indexed as Regents' action; 3) policies to be rescinded; and 4) proposed policies. Regent Kuderer asked that Regents who have comments or questions on the materials to contact Associate Executive Director Janzen before the January meeting.

The meeting adjourned at 11:55 a.m.



BARBARA MUESING
Executive Director &
Corporate Secretary