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UNIVERSITY OF MINNESOTA

BOARD OF REGENTS

MINUTES

BOARD OF REGENTS' MEETING

AND

REGENTS' COMMITTEE MEETINGS

May 12-13, 1988

Office of the Board of Regents

220 Morrill Hall

UNIVERSITY OF MINNESOTA

BOARD OF REGENTS

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

May 12-13, 1988

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Year 1987-88

UNIVERSITY OF MINNESOTA

BOARD OF REGENTS

Presidential Search Committee

May 12, 1988

A meeting of the Presidential Search Committee was held on May 12, 1988 at 10:50 a.m. at the Sunwood Inn, Morris, Minnesota.

Regents present: Regent Lebedoff, presiding; Regents Anderson, Casey, Craig, Grahek, Hilke, Kuderer, McGuiggan, Moore, Roe, Sahlstrom, and Schertler.

Others present: Vice President Dunham; Affirmative Action Officer Patricia Mullen; Secretary Wilson; Mr. William Bowen and Mr. Rich Thompson, representatives from the search firm of Heidrick & Struggles, Inc.

Chair Lebedoff reported progress on the search thus far, indicating that a Form 16 had been prepared and approved, advertising had started, and proposed criteria and procedures had been developed for the committee's review.

The committee reviewed the proposed criteria and suggestions were made for additions. After some discussion, the following Criteria for Selection of the President of the University was unanimously approved:

CRITERIA FOR SELECTION OF THE PRESIDENT

The University of Minnesota seeks a President who can provide leadership to move it forward toward its goal of achieving nationally recognized academic excellence in its programs of teaching, research, and service. He or she must be able to articulate the missions, the goals, the responsibilities, and the needs of the University

and to represent them convincingly within the University and with the people of the state.

The President of the University of Minnesota must enjoy the respect of the academic community. He or she must also be dedicated to the search for knowledge and to the freedom a community of scholars must have for that search. The President must be sensitive to the needs and interests of students and to the maintenance of quality in all of the University's instructional programs. To these ends, he or she should provide a climate in which scholars and administrators of distinction can be brought to and kept at the University. Above all, the President must symbolize in his or her own values and accomplishments those high standards to which the University is committed.

Because of the complexity and diversity of the University of Minnesota, it must have a president with the skills to manage its affairs efficiently and effectively. He or she must be able to work productively with the Board of Regents, with administrative colleagues, and with a strong and vital system of faculty-student governance. As the University's chief executive at a time of change and challenge, the President must especially be able to manage resources creatively and to chart effective plans for the future of the University.

As a land-grant research institution, the University of Minnesota has been engaged in a strategic planning process that has included clarifying its mission in relation to other higher education institutions in the state, sharpening the focus of its mission, reordering academic program priorities, strengthening undergraduate and graduate education, and developing academic reorganization proposals. A capital campaign has raised over \$330 million in private funds and endowed more than 110 chairs to support these planning initiatives. The new President must provide critical leadership in continuing this program of academic improvement and strengthening the institution's position as one of the strongest public universities in the country.

More specifically, candidates for the Presidency must be able to demonstrate:

- Commitment to the values of a land-grant research university and to the related values of educational opportunity and services to the state.
- The skills necessary to articulate the goals and aspirations of the University and to marshal support for them, both within the University community and with the general public.
- A clear ability to provide leadership for the Board of Regents and to establish and maintain the confidence of the Board as the University's chief executive.
- Commitment to programs of affirmative action and equal opportunity in all parts and operations of the University.
- Clearly demonstrated concern for faculty, staff and students of color - a willingness to support fiscally and programmatically a diverse academic environment.
- Significant administrative experience (preferably in an academic setting), especially in managing budgetary, planning and personnel systems and in recruiting and supervising able administrative colleagues.
- A record of distinction in scholarship and commitment to the values of free inquiry.
- A capacity for working harmoniously with all of the constituent groups of the five University campuses - faculty, students, staff and alumni - both informally and within the formal avenues of participation and consultation.
- The ability to mobilize support for the University, both financial and other, in the executive and legislative branches of the state, and with all other appropriate public and private sources.
- An understanding of the role of the international dimension in higher education and the University of Minnesota's commitment to that concept.

- The health, stamina, temperament, and resilience for this demanding position.

Vice President Dunham reviewed the Proposed Procedure for the Presidential Search Process at the University of Minnesota.

The committee engaged in a discussion regarding the deadline date for the receipt of applications and nominations which was set for August 1, 1988 which was included in the proposed procedures. Several Regents voiced concerns that the August deadline did not give enough time to find qualified candidates as summertime is a difficult time to recruit. The committee discussed various deadline dates and voted to change the deadline date to September 1, 1988.

The committee also discussed the possibility of meeting in closed session to discuss the names of candidates. Vice President Dunham stated that while the University is not subject to the State Open Meeting Law, the Board of Regents has determined to run the search consistent with the requirements of the State Law and there is no personnel or hiring exception in the Open Meeting Law. He stated if the Regents challenge this new interpretation of the Law and meet in private to discuss names of candidates, the news media might file suit. He reported that the decision is entirely up to the Board. After further discussion with Regents expressing their dismay over the restrictions relating to private sessions, the committee voted unanimously to recommend approval of the following procedures:

**PROPOSED PROCEDURE FOR THE
PRESIDENTIAL SEARCH PROCESS AT THE
UNIVERSITY OF MINNESOTA**

1. Form 16, Advertising and Criteria: The Chair, Vice Chair and Secretary, in consultation with Patricia Mullen, Director of the Equal Opportunity and Affirmative Action Office, should prepare a Form 16 for the position of President. These same Board officers should prepare an advertisement which is sufficiently complete to notify prospective applicants of the nature of the position and the minimum requirements. Once the Form 16 is signed and the advertisement is placed, the search firm, Heidrick & Struggles, can begin to solicit candidates. This part of the process was authorized by the Regents at the April meeting. In addition to the advertising in publications, Secretary Wilson will directly solicit nominees and applicants from

groups and individuals including groups and agencies considered potential sources of women and minority candidates, land-grant institutions and other major universities, and letters to the editor of Minnesota newspapers. A Regents' committee will prepare criteria for review and approval by the Board at the May meeting.

2. Deadline: Although the Rajender consent Decree does not require that searches set absolute deadlines for identification of candidates, Pat Mullen has advised that sound principles of equal opportunity require use of a deadline. The Form 16 and the advertisement set a deadline of September 1, 1988. Applications and nominations must be postmarked by September 1, 1988, and nominees must express a willingness to be considered by that date or, with respect to nominations received shortly before the deadline, as soon as reasonably possible thereafter. (See Paragraph 3 below.) The deadline can be extended if it is determined that the pool is inadequate, whether for equal opportunity/affirmative action reasons or otherwise. As noted in the advertisement, the Regents may begin to consider candidates after the criteria have been approved at the May meeting.
3. Definition of Candidates (The applicant/Nominee Issue): Only individuals who agree to be candidates by the deadline may be considered. It is not required that an individual file a formal application or submit anything in writing before the deadline. However, Heidrick & Struggles must contact each nominee and determine in good faith that s/he is willing to allow her or his name to remain under consideration.
4. Administrative Handling of Candidates: The Regents Office will acknowledge all nominations by sending a letter to the nominator. The Regents will also acknowledge receipt of all applications by sending a letter to the applicant. The Regents Office will copy the applications and nominations and send them to Heidrick & Struggles. Heidrick & Struggles will notify each nominee in writing and, in writing or in telephone conversations, will determine if the nominee is willing to be considered as a candidate. The file for each nominee must reflect this communication which, as noted in Paragraph 3, above, must be completed by September 1 or, with respect to nominations which come in shortly before then, as soon as reasonably possible thereafter. The

Regents' Office or Heidrick and Struggles will send to all candidates a Form 24 as required by the University's affirmative action plan.

5. Search Committee: The Regents shall be the Search Committee. Regent Lebedoff, as chair of the Board of Regents, will be Chair of the Committee. The Committee will meet with Director Mullen at the May Regents' meeting. Ms. Mullen will review the applicable procedures, including equal opportunity and affirmative action considerations, and will discuss the availability pool.
6. Advisory Committee: The Faculty Consultative Committee will recommend an Advisory Committee of faculty, P/A employees, civil service staff, and students to advise the Regents in the search. Pat Mullen will be an ex officio member of the Advisory Committee. This Committee will be approved by the Regents.
7. Initial Screening: Heidrick & Struggles will transmit information regarding applicants and nominees to the Board of Regents' Office periodically and as promptly as possible for inclusion in each person's file. These files will be available for individual review by members of the Advisory Committee and the Board of Regents. This process can begin at any time after the criteria have been approved and does not have to wait for the deadline. Advisory Committee members and Regents will advise Heidrick & Struggles of the names of candidates who they believe should be given more serious consideration. Based on this information, and on their own review, Heidrick & Struggles will prepare a list of candidates for further consideration. This list will be approved by the Chair and Vice Chair. Heidrick & Struggles may proceed to obtain additional information about these candidates and narrow the list before the deadline, but they will not foreclose consideration of any candidate whose name is properly in the pool.
8. Review of Candidate Pool: At intervals and as soon as possible after September 1, 1988, the Regents Office will report to Ms. Mullen the number of women and minorities in the pool. Ms. Mullen will then determine whether the composition of the candidate pool meets the requirements of the Rajender Consent Decree.

9. Screening Interviews: Based on information provided by the individual members of the Advisory Committee, Regents, and Heidrick & Struggles, the Chair and Vice Chair will ask Heidrick & Struggles to schedule screening interviews for certain candidates. Screening interviews may be conducted by different groups of two or three Regents depending on scheduling and other considerations. The Regents who participate in the screening interviews will advise Heidrick & Struggles as to their views on the candidates selected for such screening interviews.
10. Finalists: As soon as possible after September 1, 1988, the Chair and the Vice Chair, with advice from Heidrick & Struggles, the Chair of the Advisory Committee and individual Regents, will develop a list of proposed finalists. Each person on this list will be individually contacted to determine if they are willing to have their name become public and have a public interview with the Board of Regents. After these communications, the Board of Regents will announce the group of finalists to be interviewed. The Regents' Office will work with Ms. Mullen to prepare a Form 17, as required by the Consent Decree.
11. Data Practices and Candidate Privacy: The Minnesota Data Practices Act requires that names of candidates be private and not made public. Therefore, no names will be released until a finalist or finalists have been determined. The Regents' Office will, however, provide on a periodic basis a summary of the candidate pool, including composition by gender and current job position. Names of candidates to be interviewed by the appointing authority -- i.e., the full Board of Regents -- will be made public in accordance with the Data Practices Act.
12. Open Meetings: Although the University is not subject to the State Open Meeting Law, the Board of Regents has determined to run the search consistent with the requirements of the State Law. There is no personnel or hiring exception in the Open Meeting Law. News media attorneys have suggested that, under recent cases, if the Regents meet as a Board to discuss candidates, they would have to meet in public and the names of the candidates discussed would then become public. This result seems to violate the requirements of the Data Practices Act that the names of the candidates are private and must be held in confidence. Such premature public disclosure is also likely to discourage many

candidates who would not want their names discussed in public at an early stage in the search before it is even determined whether they will be given serious consideration.

If the Regents challenge this new interpretation of the Law and meet in private to discuss names of candidates, the news media may well file suit. There would be sound arguments in support of the Regents' position, but, whatever the outcome, a lawsuit would damage the University and interrupt the search. Therefore, the Regents will not meet to discuss candidates or to conduct initial interviews. The use of screening interviews by two or three Regents allows individual Regents to participate in the search and give advice to the Chair and Vice Chair and to Heidrick & Struggles without violating the statutory privacy rights of the candidates.

13. Public Information: Although names of candidates may not legally be made public, the Regents' Office will provide information to the public on a periodic basis describing the search process, composition of the candidate pool, and other information about the search which does not violate the Data Practices Act. At the end of the search, it is the expectation that the name(s) of finalist(s) will be public and that one or more finalists will be interviewed by the Regents in public session.

Patricia Mullen, Director of the Office of Equal Opportunity and Affirmative Action, reiterated the distinction between equal opportunity and affirmative action, and noted that the laws and regulations governing the search are very broad and offer protection to everyone. She noted that this is an affirmative action search and under the terms of the consent decree, every ad for any academic position at the University contains the following language: "The University of Minnesota is an equal opportunity educator and employer and specifically invites and encourages women and minorities to apply." Ms. Mullen stressed the importance of that language, and she stated that the broad set of criteria approved by the Board, personal efforts by individual Board members, the extensive advertising the Board is committed to and aggressive assistance from the professional search firm will result in a broad cross-section of applicants for the position.

Ms. Mullen reviewed a form relating to the goals for the applicant pool for this position. The form reflects

that the estimated availability of women and minorities for the position of President is approximately 16 percent and 10 percent, respectively. Ms. Mullen stated that as equal opportunity officer, it is her obligation to ensure that the pool corresponds to the established goals.

Ms. Mullen stated for the record that she has discussed with the committee the availability figures and the so-called workforce for this position and that the committee understands its obligations in that respect.

The meeting adjourned at 12:15 p.m.

A handwritten signature in cursive script that reads "Duane A. Wilson".

DUANE A. WILSON, Secretary

Year 1987-88

UNIVERSITY OF MINNESOTA

BOARD OF REGENTS

Special Meeting - Committee of the Whole

May 12, 1988

A special meeting of the Committee of the Whole was held on Thursday, May 12, 1988, at 1:25 p.m. at the Sunwood Inn, Morris, Minnesota.

Regents present: Regent Lebedoff, presiding; Regents Casey, Craig, Grahek, Hilke, Kuderer, McGuiggan, Moore, Roe, Sahlstrom, and Schertler. Regent Anderson was absent due to a possible conflict of interest.

Staff present: President Sauer, Vice Presidents Benjamin, Dunham, Heydinger, Vanselow and Wilderson; Acting Vice Presidents Allen and Campbell; Secretary Wilson; Associate Vice Presidents Hewitt and Robb.

Others present: William R. Maddux, Jr., President of Maddux Hotel Corporation and Lawry Larson, Manager of the University Radisson Hotel.

UNIVERSITY RADISSON HOTEL

Chair Lebedoff called the meeting to order and stated that this meeting was called to discuss the critical financial situation facing the Radisson University Hotel.

Mr. William Maddux, Jr., President of Maddux Hotel Corporation and general partner of the Radisson University Hotel presented information to the committee on the hotel's financial status. He indicated that from the beginning the hotel operated at a substantial cash shortfall and that the amount of business generated from the University Hospital and other University sources has fallen short of the projections. He stated that he feels the University has not generated sustained referrals of business to the hotel and that business is often referred routinely to other competing hotels in the metropolitan area.

Mr. Maddux provided the following financial projections which he stated are important for the Board of Regents to consider:

1. A projection of the anticipated net ground rent which would be available to the University based on current year projections of room sales, food and beverage sales compounded at conservative growth rates.
2. Current land value based on tax valuation figures provided by the City of Minneapolis, and an estimate of the current fair market value of the land.
3. Fair market value of the hotel structure added to the land value over the life of the lease to reflect the value of the hotel at the end of the lease term.
4. Comparison over the lease term of the value of the land and building together with a comparison of the cost of replicating the structure on the land out to the end of the lease term.
5. An illustration of the possible costs and losses facing the University if no action is taken.
6. An illustration that the increased revenues generated from additional University business, together with possible expense savings, will generate a small profit to the hotel.

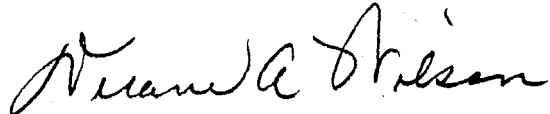
Mr. Maddux stated that during the first week of June, the mortgage holder will be in a position to foreclose on the property and has advised him that it intends to proceed with a foreclosure sale on the property. He asked that the Regents consider the following commitment to make the Radisson University Hotel economically viable and to protect its financial and economic interest in this property by:

1. Guaranteeing the revenues which would be generated from utilizing 116 economy rooms per night at the negotiated rental rate of \$39.95;
2. Increase market rate referrals from other departments of the University by 7,000 rooms;
3. Abate the parking charge for hotel guests until such time as competitive factors allow the resumption of a parking fee.

Vice President Campbell reported on behalf of the Administration indicating that presently the recommendation from the Administration would be not to guarantee any funds for the hotel at this time. She stated that presently the Administration is in the process of completing an analysis of the financial problems of the hotel and that the analysis would be finished by the June meeting.

The committee decided to delay any decision on this item until the analysis is complete.

The meeting adjourned at 1:50 p.m.

A handwritten signature in cursive script, reading "Duane A. Wilson".

DUANE A. WILSON, Secretary

Year 1987-88

UNIVERSITY OF MINNESOTA

BOARD OF REGENTS

Physical Planning & Operations Committee

May 12, 1988

A meeting of the Physical Planning and Operations Committee of the Board of Regents was held on Thursday, May 12, 1988, at 2:20 p.m. in the Black Box Theatre of the Humanities Fine Arts Center on the University of Minnesota Morris Campus.

Regents present: Regent Roe, presiding; Regents Anderson, Craig, Grahek, Kuderer, and Sahlstrom.

Staff present: President Sauer; Vice Presidents Campbell, Dunham, Heydinger, Wilderson, and Vanselow; Secretary Wilson; Associate Vice Presidents Hewitt and Roszell; Chancellor Frederick.

Student Representatives present: Brian Thalmann and Mike Rice.

VICE PRESIDENT'S MONTHLY REPORT

The committee voted unanimously to recommend approval of the Vice President's Monthly Report with one error noted by Vice President Campbell.

Committee members had several concerns regarding individual items in the report which included questions relating to items under sole source awards, purchase awards to other than apparent low source and change orders over \$100,000 that exceed the original order by over 20%. Questions were also raised relating to the Quarterly Equipment Report from Property Accounting.

Chair Roe made reference to the Eastcliff Renovation project indicating that the University has some contractual obligations to meet on work that was started and subsequently halted by the Board of Regents and needs to be finished. In addition, there is other physical plant work estimated to cost \$25,000 that needs to be

completed prior to the contractual obligations. He stated that Vice President Campbell has asked for a direction from the committee regarding whether this work and these contractual obligations can be completed. Members of the committee discussed this briefly with Regent Kuderer moving that the University proceed with the contractual obligations relating to Eastcliff as well as the \$25,000 of physical plant preparatory work. The committee voted unanimously to approve Regent Kuderer's motion.

COMMITTEE AGENDA GUIDELINES

Vice President Dunham reviewed the revised Committee Agenda Guidelines which had been discussed at the April meeting. Mr. Dunham stated that the guidelines have been revised according to changes suggested by committee members at the last meeting. He reviewed those changes for the committee.

Chair Roe raised several questions relating to Physical Plant and in particular questioned the policy of a \$2,500 limit which has been set for work to be done by the Physical Plant Operations Department necessitating that jobs over \$2,500 be sent out for bid. He stated that he does not understand why such a limit has been set. He also stated that he understands there have been some individuals laid off in the Department and that he is concerned about the University eliminating tradesmen with this type of policy. Associate Vice President Foster stated that he is not familiar with the particular reasons for the \$2,500 and that Associate Vice President Thomas would be more qualified to answer any specific questions relating to the Department operations.

He indicated that Mr. Thomas would be available at the June meeting to answer these questions.

Regent Roe requested that Mr. Thomas and Mr. Bailey be present at the June meeting to respond to these concerns and asked for a complete organizational chart of the Physical Plant Operations Department. In addition, a request was made that figures be provided relating to the actual number of individuals that have been laid off and the types of shifts being made in the department.

Questions were also raised regarding a management study that had been requested by members of the committee. President Sauer stated that the Chair and Vice Chair had put the management study on hold as the

Legislative Audit Commission is currently conducting an audit which is a program audit as well as a financial audit. Regent Craig stated that there is no guarantee that the legislative audit will provide the kind of information that a management study would and she would like to proceed with a management study. No further discussion ensued about the management study.

Chair Roe returned to the discussion relating to the proposed Committee Agenda Guidelines and asked that the item be delayed at this time and that before the next meeting he would like a meeting with the parties involved in developing this policy to review points of concern.

Regent Anderson requested that a tour of the Physical Plant Operations Department be scheduled for committee members before the June meeting. The Administration responded that a tour could be scheduled for Thursday morning, June 9.

MILLARD HALL, PHARMACOLOGY OFFICES REMODELING TWIN CITIES CAMPUS

The committee voted unanimously to authorize the design and construction of the Millard Hall, Pharmacology Offices Remodeling Project located on the Twin Cities Campus. The estimated cost of the project was reported to be \$290,140 with funding provided from Medical School Funds.

PARKING STRUCTURES ANNUAL REPAIRS

The committee voted unanimously to recommend approval to proceed with the design and construction of the Parking Structures Annual Repairs Project located on the Twin Cities Campus. Total cost estimated of the project was \$869,000 with funding from Parking Services Deferred Maintenance Funds.

NORTHROP AUDITORIUM, RENOVATION OF STAGE LIGHTING AND LIGHTING CONTROL EQUIPMENT

The committee voted unanimously to recommend approval to proceed with the design and construction renovation of the Northrop Auditorium Stage Lighting and Lighting Control Equipment located on the Twin Cities Campus. Estimated cost of the project was \$235,000 with funding provided from the Department of Concerts and Lectures.

**FORD HALL REMODELING, ROOMS 256, 261 AND 269
DEPARTMENT OF ANTHROPOLOGY, TWIN CITIES CAMPUS**

The Administration requested that this item be deferred.

**HEATING PLANT BUILDING #34, MAKE-UP AIR SYSTEM REPLACEMENT
TWIN CITIES CAMPUS**

The committee voted unanimously to recommend approval to proceed with the design and construction of the Heating Plant Building #34 Make-up Air System Replacement Project located on the Twin Cities Campus. Associate Vice President Hewitt noted an increase in the cost estimate of the project and stated that the new cost estimate is \$291,450 with funding provided from Physical Plant Deferred Maintenance Funds.

**VETERINARY SCIENCE BUILDING, AVIAN HEALTH LABORATORY
REMODELING, TWIN CITIES CAMPUS**

The committee voted unanimously to recommend approval to proceed with the design and construction of the Veterinary Science Building, Avian Health Laboratory Remodeling Project on the Twin Cities Campus. Estimated cost was \$520,000 with funding provided from endowment income and indirect cost recoveries.

**AQUIFER THERMAL ENERGY STORAGE UTILIZATION FOR
SPACE HEATING, PETERS HALL, TWIN CITIES CAMPUS**

The committee voted unanimously to recommend approval to proceed with the design and construction of the project that would allow Peters Hall to be heated by utilizing stored aquifer thermal energy. Cost estimate was \$180,000 with funding from a Batelle National Laboratory Grant.

SALE OF WEEKS AVENUE PROPERTIES, MINNEAPOLIS

The committee voted unanimously to recommend approval to proceed with the sale of Lots 22-27, inclusive, Block 7, Cole and Weeks Addition to Minneapolis, for not less than \$52,600; and Lots 12-18, inclusive, Block 10, Cole and Weeks Addition to Minneapolis, including vacated streets, for not less than \$85,900.

**AGRICULTURAL LABORATORIES RENOVATION
WASECA CAMPUS**

The committee voted unanimously to recommend approval to proceed with the design and construction of the Agricultural Laboratories Renovation Project located on the Waseca Campus. Estimated cost of the project is \$1,117,900 with funding from a 1987 legislative appropriation and Physical Plant Deferred Maintenance funds.

**PATTEE HALL WINDOW REPLACEMENT
TWIN CITIES CAMPUS**

The committee reviewed a proposed project to replace original windows in Pattee Hall with insulated glass, low maintenance wood sash units. The estimated cost of the project was reported to be \$193,500 with funding to be provided from the Deferred Maintenance Fund and an estimated completion date of December 1988.

**SOCIAL SCIENCES BUILDING
COMPLETION OF NEW INTERIOR STORM SASH
TWIN CITIES CAMPUS**

The committee reviewed a proposed project to complete the New Interior Storm Sash Project in the Social Science Building on the Twin Cities Campus. The scope of the project includes the installation of new interior gasketed, removable storm sash with aluminum frames and tinted tempered glass on the west, south and east facades of the Social Science Tower. It was noted that the north facade was done in 1982. Estimated cost of the project was reported to be \$109,000 with funding from Deferred Maintenance Funds.

**NEW BUSINESS
ROSEMOUNT WATER SUPPLY**

Vice President Heydinger reported to the committee on a matter relating to water contamination at the Rosemount Research Center. He provided a brief background stating that the University has a consent decree because of two items of pollution in Rosemount. One deals with PCB's in the soil and the second deals with chloroform contamination in the water system and that the University began installing a \$750,000 water system in 1987 for the 28 homes affected by the contaminated water. He stated that the University has allocated \$292,000 for the system and were hoping to receive legislative funding for the remaining amount

before the 1988-89 legislative request was withdrawn. He reported that drilling for the water system has begun. However, in the meantime, the University has received notice that the Minnesota Pollution Control Agency plans to raise the limit on chloroform in drinking water and that the University is no longer legally obligated to proceed with the project under the new standards. Vice President Heydinger stated that he would like some guidance from the committee as to whether or not the University should continue to build and complete the water system. He reported that he will be meeting with individuals who live at the Rosemount Center on Monday evening, May 16, and would like to be authorized to tell the residents that the University needs more time to discuss the issue before making a decision.

President Sauer stated that there are basically three options:

1. Because of new standards, say that there is no longer a legal obligation.
2. Take \$290,000 that is set aside and turn it over to Rosemount indicating that they can use those funds in whichever manner they see fit to alleviate the problem.
3. Continue to fulfill the original obligation.

Regent Craig stated that while she doesn't have an answer to the problem, the University must be cognizant to the public relations aspect as the residents at Rosemount are not going to believe that the water is safe to drink.

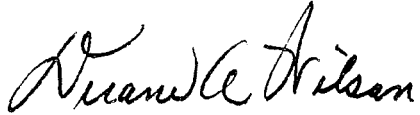
After further discussion, it was the consensus of the committee that Vice President Heydinger should inform the residents of Rosemount that the University will need more time to decide what steps should be taken next.

The following agenda items were delayed due to time constraints:

1. Rosemount Long Range Planning Framework
2. Rosemount Research Center, Sale of 105 Acres to Dakota County Vocational-Technical Institute.
3. Rosemount Research Center, 160th Street Extension

4. Salt Spring Lands, St. Louis and Cook Counties:
Proposed Land Sale

The meeting adjourned at 4:00 p.m.

A handwritten signature in cursive script, reading "Duane A. Wilson".

DUANE A. WILSON, Secretary

Year 1987-88

UNIVERSITY OF MINNESOTA
BOARD OF REGENTS
Finance & Legislative Committee
May 12, 1988

A meeting of the Finance & Legislative Committee of the Board of Regents was held on Thursday, May 12, 1988 at 4:20 p.m. in the Black Box Theatre of the Humanities Fine Arts Center on the University of Morris Campus.

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

Staff present: President Sauer; Vice Presidents Campbell, Dunham and Heydinger; Secretary Wilson; Investment Director Paschke; Associate Vice Presidents Foster and Roszell.

Student Representatives present: Ann Bernard and Elizabeth Wilson.

VICE PRESIDENT'S MONTHLY REPORT

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

CHANGE OF INVESTMENT MANAGEMENT FIRMS

The committee voted unanimously to recommend approval that the University employ Piper Capital Management Inc. as an investment manager for a portion of the University endowment funds.

PROPOSED EXPENDITURE OF CENTRAL RESERVES

President Sauer reviewed a detailed listing of proposed Reserve expenditures for 1988-89. A summary of activity for 1988-89 as well as a description of each of

the proposed expenditures were also provided for the committee's review.

Regent Kuderer proposed making one change to the listing relating to Physically Disabled Access by adding an additional \$200,000 to the item as he considers this particular item of high priority to the University and to assure that the project is complete in two years. President Sauer stated that he had no problem with that addition, however, he would like to note that in some cases expenditures have been spread out over a number of years because it isn't possible to spend all of the allocated money in one year. If all of the money for the Physically Disabled Access cannot be spent in one year, it will still be available the next year.

Several committee members asked questions regarding the proposed expenditures and then Regent Lebedoff moved that the proposed expenditure of Central Reserves be approved with the addition of the \$200,000 to the Physically Disabled Access item.

The committee voted unanimously to approve Regent Lebedoff's motion.

Committee members commended President Sauer for the fine proposal which he presented.

CENTRAL RESERVES GUIDELINES

President Sauer presented proposed guidelines for maintaining, spending and reporting central reserves in the future. Items covered in the guidelines included Annual Reserve Spending, contingency funding, allowable expenditures, reporting and approval requirements, and other transitional matters. He stated that the guidelines were presented this month for information and will be on the agenda in June for action. If approved, the guidelines will go into effect for reporting at the beginning of the 1988-89 fiscal year.

DISCLOSURE OF FINANCIAL ARRANGEMENTS WITH INDUSTRY

The committee voted unanimously to recommend approval of the proposed policy entitled "Disclosure of Financial Arrangements with Industry". Assistant Vice President Tony Potami, Director of Research Administration, reported that the policy was developed in response to a recommendation in the Guidelines on Interactions with Industry, and because of the increasing numbers and variety of relationships with the private sector.

DELEGATION OF AUTHORITY REGARDING LEGAL SERVICE

The committee voted unanimously to recommend approval of the proposed policy regarding the hiring of outside legal counsel. General Counsel Dunham reported that the committee reviewed the policy at the April meeting and stated that this proposed policy clarifies the Delegation of Authority - Legal Matters approved by the Board of Regents December 14, 1984.

QUARTERLY MANAGEMENT REPORT

Vice President Campbell presented the Quarterly Management Report. The information contained in the report included the over-all fiscal status of the University as of March 31, 1988; the status of the General Operations and Maintenance budget as of March 31, 1988; and the status of collegiate budgets as of March 31, 1988.

The meeting adjourned at 4:45 p.m.



DUANE A. WILSON, Secretary

Year 1987-88

UNIVERSITY OF MINNESOTA

BOARD OF REGENTS

Educational Planning & Policy Committee

May 12, 1988

A meeting of the Educational Planning and Policy Committee of the Board of Regents was held on Thursday, May 12, 1988, at 2:15 p.m. in the Art Gallery, Humanities Fine Arts Center, on the University of Minnesota, Morris Campus.

Regents present: Regent Casey, presiding; Regents Hilke, Lebedoff, McGuiggan, Moore and Schertler.

Staff present: Vice Presidents Allen and Benjamin; Secretary Wilson; Chancellors Ianni, Imholte and Sargeant.

Student Representatives present: Eyenga Bokamba and Dave Minkkinen.

VICE PRESIDENT'S MONTHLY REPORT

Vice President Benjamin presented the Vice President's Monthly Report to the committee for review. The report included information on program-related issues, items approved at the April 21, 1988 meeting of the Minnesota Higher Education Coordinating Board, and an update on items previously presented to the committee.

A brief discussion followed, and committee members made several suggestions regarding the format and content of the report.

PROPOSAL TO CHANGE M.S. DEGREE PROGRAM IN MUSEOLOGY TO A FREE-STANDING MINOR AT THE MASTER'S AND DOCTORAL LEVELS/
NAME CHANGE OF THE RESTRUCTURED PROGRAM TO MUSEUM STUDIES

AND

**ESTABLISHMENT OF A FREE-STANDING MINOR IN WATER RESOURCES
FOR THE M.A./M.S./Ph.D. DEGREES**

The committee voted unanimously to recommend approval of a proposal to change the M.S. degree program in Museology to a free-standing minor at the master's and doctoral levels and to change the name of the restructured program to Museum Studies, and a proposal to establish a free-standing minor in Water Resources for the M.A., M.S. and Ph.D. degrees.

**CHANGE IN UNIVERSITY OF MINNESOTA, MORRIS CURRICULUM
(PROSPER GENERAL EDUCATION REQUIREMENTS
AND UMM HONORS PROGRAM)**

Regent Casey stated that the Regents are very proud of the Morris Campus, and he indicated that Academic Dean Elizabeth Blake would lead a report on changes in the Morris curriculum. Vice President Benjamin introduced Chancellor John Imholte and Academic Dean Blake, and noted that the Morris Campus has achieved great success under their leadership.

Dean Blake introduced the following individuals:

Dr. Wilbert Ahern, Chair
Division of Social Sciences

Dr. C. Frederick Farrell, Chair
Division of Humanities

Dr. Arnold Henjum, Acting Chair
Division of Education and Member,
UMM Honors Committee

Dr. James Olson, Chair
Division of Science and Mathematics

Dr. Roger McCannon, Director
Continuing Education, Regional Programs
and Summer Session

Dr. Theodore Uehling, Director
General Education

Dr. William Campbell, Director
Academic Assistance and Coordinator,
UMM Honors Program

Ms. Danita Carlson, Student
Biology and Chemistry double major,
Presidential Scholar and Member,
UMM Honors Committee

Dr. Blake presented a report on two major curriculum changes that will begin in the Fall of 1988, Project PROSPER and an Honors Program. These programs will be phased in over the next few years, and are designed to strengthen UMM's role as an undergraduate liberal arts college.

Project PROSPER represents a complete revision of the general education requirements, and its goals are to make students familiar with the process of liberal learning and to expand their intellectual perspectives. The Honors Program will be open to all students, and it will have three components: honors courses, co- and extracurricular activities and Senior honors projects.

The committee discussed the two programs, and commended the UMM administration and faculty on the new initiatives and the overall excellence of the campus. Dr. Blake expressed appreciation to the committee on behalf of the faculty, stating that they devote extensive time and effort to provide UMM students with a personalized educational experience.

MINNESOTA EXTENSION SERVICE - ANNUAL UPDATE

Regent Casey introduced Gene Allen, Vice President for Agriculture, and Patrick Borich, Director of the Minnesota Extension Service. Vice President Allen stated that Director Borich has played a key role in the changes which have occurred in the Minnesota Extension Service over the past few years, and noted that those changes have received national attention. Dr. Borich introduced Gail Skinner, the new Associate Director of the Minnesota Extension Service.

Dr. Borich indicated that the organizational restructuring has been completed, and he reported on some of the activities of the Minnesota Extension Service during the past year, including implementation of the strategic plan, "Focus on People". Dr. Borich also discussed Project Future, which is the first major interdisciplinary project undertaken by the reorganized Minnesota Extension Service. Dr. Borich noted that regardless of the recent difficulties, the people in the counties still maintain a deep sense of pride at being associated with the University of Minnesota.

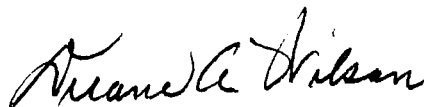
A lengthy discussion followed the report. In response to a question, Dr. Borich asked the Regents to consider supporting the following:

1) A commitment to support the Minnesota Extension Service in using the resources of the total University, including coordinate campuses, to develop and implement non-credit educational programs.

2) A confirmation that in the 1989-91 Legislative Request, the Regents will approve a major request to equip the Minnesota Extension Service to provide issue-oriented Extension programs across the state.

Following the discussion, the committee members commended Dr. Borich for his work.

The meeting adjourned at 3:25 p.m.

A handwritten signature in cursive script, reading "Duane A. Wilson".

DUANE A. WILSON, Secretary

Year 1987-88

UNIVERSITY OF MINNESOTA

BOARD OF REGENTS

Faculty, Staff & Student Affairs Committee

May 12, 1988

A meeting of the Faculty, Staff and Student Affairs Committee of the Board of Regents was held on Thursday, May 12, 1988, at 4:15 p.m. in the Art Gallery, Humanities Fine Arts Center, on the University of Minnesota, Morris Campus.

Regents present: Regent Hilke, presiding; Regents Casey, Craig, Grahek, Sahlstrom and Schertler.

Staff present: Vice Presidents Benjamin and Wilderson; Secretary Wilson; Chancellor Frederick.

Student Representatives present: Geoff Pollak and Leslie Ball.

VICE PRESIDENT'S MONTHLY REPORT

Vice President Benjamin presented the Vice President's Monthly Report, including a supplement, to the committee for approval. The supplement included a leave of absence for Kenneth Keller from the Office of the President from May 14, 1988 to August 15, 1988, and the appointment of Nicholas Barbatsis as Assistant Vice President for Student Affairs, effective May 1, 1988.

A brief discussion ensued. Regent Schertler asked that the Administration provide the Regents with a flow chart on the search for the position of Assistant Vice President for Student Affairs and on all future searches for major positions. Student Representative Geoff Pollak commended the Administration for providing students with an opportunity to be involved in the search process for the new Assistant Vice President for Student Affairs.

Following the discussion, the committee voted unanimously to recommend approval of the Vice President's Monthly Report, including the supplement.

PROMOTION AND TENURE RECOMMENDATIONS

Vice President Benjamin presented the promotion and tenure recommendations to the committee for approval. He noted that a report on affirmative action is currently being prepared and it will be shared with the Regents when it is complete.

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

RESOLVED, that on the recommendation of the Provost and Vice President for Academic Affairs, the promotion and/or tenure recommendations on pages 1-6 and page 9 presented to the Board of Regents on May 12 and 13, 1988, are hereby approved, effective with the beginning terms of appointment in 1988-89.

RESOLVED, that on the recommendation of the respective Chancellors of the University of Minnesota, Duluth and the University of Minnesota Technical College, Waseca and after review by the Provost and Vice President for Academic Affairs in accord with the Agreement for 1987-89 between the Regents of the University of Minnesota and the University Education Association, the promotion and/or tenure recommendations on pages 7, 8 and 10 presented to the Board of Regents on May 12 and 13, 1988, are hereby approved, effective with the beginning terms of appointment in 1988-89.

1988-89 CIVIL SERVICE SALARY PLAN

Roger Forrester, Director of Personnel, and John Erickson, Assistant Director-Compensation & Operations, presented the 1988-89 Civil Service Pay Plan principles to the committee for information. Barbara Bartholomew, Chair of the Civil Service Committee, stated that the committee supports the proposed principles.

Following a brief discussion, Regent Hilke noted that this item will be presented for approval at the June meeting.

CIVIL SERVICE CLASS CHANGES

Roger Forrester, Director of Personnel, presented

the following Civil Service Class Changes to the committee for approval:

1) New Class No. 1513, Unemployment Claims/Placement Specialist, \$1613-2546 (A05), Target Grade A08, effective December 1, 1987.

2) New Class No. 1517, Vocational Rehabilitation Specialist, \$1665-2634 (A06), Target Grade A08, effective May 16, 1988.

3) New Class No. 1518V, Manager of Disability and Unemployment/Workers' Compensation Programs, \$2126-3489 (A14), Target Grade A17, effective December 16, 1987.

4) Pay range and title change of Class No. 5164V from Assistant Supervising Engineer, \$2721-4503 (A23), to Managing Engineer/Architect, \$2925-4851 (A25+), effective May 16, 1988.

5) Title change of Class No. 1170 from Emergency Preparedness Coordinator to Director of Emergency Management, effective May 16, 1988.

In response to concerns, Mr. Forrester stated that in the future he will provide additional information on Civil Service Class Changes relating to management positions.

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

1988-89 STUDENT SERVICES FEES - ALL CAMPUSES

Vice President Wilderson presented the following 1988-89 student services fees to the committee for approval:

Twin Cities Campus - \$109.20
Summer Session - \$50.76

Crookston Campus - \$59.75

Duluth Campus - \$74.10
Summer Session - \$27.70

Morris Campus - \$73.00

Waseca Campus - \$53.10

Following a brief discussion, the committee voted unanimously to recommend approval of the proposed 1988-89 student services fees.

Regent Schertler noted for the record that the committee received resolutions relating to the operation of the Student Services Fees Committee, which were passed by that Committee on March 5, 1988.

EXTENSION OF PARENTAL LEAVE TO TEAMSTERS AND AFSCME BARGAINING UNITS

Roger Forrester, Director of Personnel, presented a proposal to extend parental benefits included in the revised Civil Service Rules to the Teamsters and AFSCME bargaining units. He noted that this benefit is also available to faculty members.

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

RESOLVED, that the Director of Personnel is authorized to enter into a Memorandum of Understanding to extend parental leave benefits included in the revised Civil Service Rules to employees in the following employee units represented by the Teamsters Local 320 and the American Federation of State, County and Municipal Employees Local 1164: Law Enforcement Unit (Teamsters); Service, Maintenance and Labor Unit (Teamsters); and Health Care Non-Professional Unit (AFSCME).

PROFILE OF UNIVERSITY OF MINNESOTA, MORRIS STUDENTS


Gary McGrath, Vice Chancellor for Student Affairs, used visual aids to present a brief profile of the UMM student body, a comparison of the UMM student body in 1960 and 1987, and enrollment trends between 1982 and 1987. In summary, he noted that the UMM student body is comprised of full-time, high ability students, the majority of whom are from rural areas of Minnesota.

Robert Vikander, Director of Admissions and Financial Aid, reported on recruiting efforts at UMM and the strategy used in recruiting high ability students. He noted that since 1982, they have hired only UMM graduates to recruit potential students.

Two students, Joan Bannister and Ian Stuart, spoke briefly regarding their educational experience at UMM.

A brief discussion followed the presentation, and Regent Casey thanked everyone for their participation.

The meeting adjourned at 5:30 p.m.

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

DUANE A. WILSON, Secretary

Year 1987-88

UNIVERSITY OF MINNESOTA

BOARD OF REGENTS

Committee of the Whole

May 13, 1988

A meeting of the Committee of the Whole of the Board of Regents was held on Friday, May 13, 1988, at 8:45 a.m. in the Black Box Theatre, Humanities Fine Arts Center, on the University of Minnesota, Morris Campus.

Regents present: Regent Lebedoff, presiding; Regents Anderson, Casey, Craig, Grahek, Hilke, Kuderer, McGuigan, Moore, Roe, Sahlstrom and Schertler.

Staff present: President Sauer; Vice Presidents Allen, Benjamin, Campbell, Dunham, Heydinger, Vanselow and Wilderson; Secretary Wilson; Associate Vice Presidents Foster, Robb and Roszell; Assistant Vice Presidents Bakkenist and Potami; Chancellors Frederick, Ianni, Imholte and Sargeant.

Student Representative present: Geoff Pollak.

HONORS COMMITTEE REPORT

President Sauer presented the report of the All-University Honors Committee to the committee for approval.

Regent Moore asked that the Regents not be asked to approve additional honors until the committee which was appointed to review the criteria for awarding honors at the University completes its work. Regent Lebedoff concurred with the request, and stated that he will appoint a new committee to review the criteria.

Following the discussion, the committee voted unanimously to recommend approval of the recommendations of the All-University Honors Committee.

SUMMARY OF EXPENDITURES

The committee voted unanimously to recommend

approval of the summary of expenditures for the Board of Regents' Office and the Office of the President for the period July 1, 1987 to March 31, 1988.

1988-89 TUITION PLAN

President Sauer stated that the 1988-89 Budget Plan is predicated on a 5.5 percent increase in tuition. He reviewed three alternative plans for implementing the proposed 5.5 percent increase, all of which produce the same revenue:

- A 5.5 percent across-the-board increase

- A schedule that moves 10 percent toward cost-related tuition, uses upper and lower limits of 8 percent and 3 percent, respectively, and limits increases in certain health science programs where tuition would otherwise be higher than third place among peer schools.

- A schedule that moves 10 percent toward cost-related tuition, uses upper and lower limits of 8 percent and 3 percent, respectively, with no third place cap.

Dr. Sauer stated that the administrative recommendation is to implement the 5.5 percent increase in tuition across the board. However, he noted that the students proposed the second option, which would result in a move of 10 percent toward cost-related tuition with upper and lower limits of 8 and 3 percent, respectively, and would limit increases in certain professional programs where tuition would otherwise be higher than third place among comparable institutions. He indicated that regardless of which method of implementation is adopted, the high cost of professional school tuition and how it affects recruiting is a long-term problem.

Vice President Vanselow addressed the issue of professional school tuition, and spoke in support of the across-the-board tuition increase. Geoff Pollak, Chair of the Student Representatives spoke in support of the student proposal.

There was an extensive discussion regarding implementation of the proposed tuition plan, and committee members expressed concern and some opposition regarding the high cost of tuition and its impact on access to the University.

Regent Schertler reiterated her opposition to the proposed 5.5 percent tuition increase, and she moved approval of the students' proposal for implementation of the 1988-89 tuition increase. Regent Lebedoff noted that the motion relates only to the method of implementing the 1988-89 tuition increase, and that the actual tuition increase will be approved as a part of the 1988-89 Budget Plan.

Following the discussion, the committee voted by a majority of 11 to 1 to recommend approval of the motion, with Regent Casey voting against the motion.

1988-89 BUDGET PLAN

President Sauer presented the 1988-89 Budget Plan to the committee for approval. He reiterated that the plan is based on a 5.5 percent increase in tuition, and provides for increases of 4.25 percent on the academic salary base and 2.5 percent on the civil service salary base. The plan also provides that \$1 million will be taken from the increase in the supplies, expenses and equipment budget to fund a mid-year comparable worth adjustment of 2 percent.

Regent Kuderer moved approval of the 1988-89 Budget Plan, and the motion was seconded. A lengthy discussion ensued, and Regent Lebedoff suggested that Regents with concerns relating to specific portions of the plan should move to amend the plan.

Regent Schertler expressed a concern relating to the administrative recommendation to distribute the faculty salary increases on a merit basis. Regent Moore moved to amend the 1988-89 Budget Plan to provide for distribution of faculty salary increases as follows: 2 percent across-the-board and 2 percent on a merit/pay equity basis. Regent Schertler seconded the motion. Following the discussion, the motion failed by a vote of 7 to 5, with Regents Casey, Craig, Grahek, Hilke, Kuderer, Lebedoff and Sahlstrom voting against the motion.

In response to concerns raised by Regent Schertler, President Sauer noted for the record that although academic salary increases for 1988-89 will be based on merit, administrators will be instructed to consider issues of pay equity and to be responsive to the extent that this year's resources allow. He also indicated that a study is currently being conducted regarding pay equity between male and female faculty, and a recommendation on that issue will be presented to the

Regents before the budget is presented for approval next year.

Regent Schertler moved to amend the 1988-89 Budget Plan to provide for a tuition increase of 4.25 percent. The motion failed for want of a second.

Following an extensive discussion, the committee voted unanimously to recommend approval of the 1988-89 Budget Plan. Regent Schertler asked that the minutes reflect her opposition to the level of the tuition increase included in the 1988-89 Budget Plan.

UMM AND COMMITMENT TO FOCUS - THE MORRIS PLAN

Jack Imholte, Chancellor of the University of Minnesota, Morris Campus, led a discussion regarding academic planning at UMM. He noted that the current plan is the result of previous planning efforts.

Dr. Imholte commented on the mission of UMM, noting that it has a strong liberal arts focus and that there is no intent to become a more comprehensive campus. He reviewed the goals and objectives of the planning process, and he stated that the efforts are directed toward providing a total living and learning environment with the highest quality at the lowest possible cost.

Dr. Imholte commented briefly on Project PROSPER, which is a complete revision of UMM's general education requirements and the Honors Program. He noted that those two programs will be phased in, beginning in the Fall of 1988.

Dr. Imholte reported that in Fall of 1987, UMM had 1877 FYE students (1967 headcount). He indicated that the proposed plan is to reduce the enrollment to 1750 FYE students (1840 headcount) by 1991-92. He stated that without additional funding, the reduction in enrollment is necessary to maintain the quality of the campus.

A brief discussion followed the presentation. Several Regents expressed concerns regarding the proposed reduction in enrollment and the information upon which decisions were made to reduce enrollments as a part of Commitment to Focus. Regent Lebedoff stated that the issue will be discussed at the June meeting.

Following the discussion, Regent Lebedoff stated that the Morris Campus is an example of the kind of quality and access which the Regents would like to see

throughout the entire University, and he commended Chancellor Imholte and Lucy Imholte for their leadership.

COMMITMENT TO FOCUS - ACADEMIC PRIORITIES

The discussion regarding Academic Priorities was delayed until the June meeting due to time constraints. Regent Schertler stated for the record that the Deans and faculty leaders will be invited to participate in the discussion at the June meeting.

LEGISLATIVE REQUEST UPDATE

Due to time constraints, Vice President Heydinger referred the Regents to the summary of the 1988 Legislative Session which was included in the docket materials.

Dr. Heydinger noted that the Morris Campus was set up with a special mission to serve American Indians. He stated that a rider was passed during the legislative session which pertains to all of post-secondary education in terms of broadening the curriculum and ensuring recognition of American Indian language as a second language for the purpose of education requirements.

Regent Schertler asked that a discussion be scheduled of the portions of the Omnibus Higher Education Bill which directly affect the University, particularly that part which addresses increasing the staff to the Board of Regents.

The meeting adjourned at 11:25 a.m.



DUANE A. WILSON, Secretary

UNIVERSITY OF MINNESOTA

BOARD OF REGENTS

May 13, 1988

A meeting of the Board of Regents of the University of Minnesota was held on Friday, May 13, 1988, at 11:45 a.m. in the Black Box Theatre of the Humanities Fine Arts Center on the University of Minnesota Morris Campus.

Regents present: Anderson, Casey, Craig, Grahek, Hilke, Kuderer, Lebedoff, McGuiggan, Moore, Roe, Sahlstrom and Schertler. President Sauer presided.

Staff present: Vice Presidents Allen, Benjamin, Campbell, Dunham, Heydinger, Vanselow and Wilderson; Secretary Wilson; Associate Vice Presidents Foster, Hewitt, Robb, and Roszell. Assistant Vice President Potami; Chancellors Frederick, Ianni, Imholte, and Sargeant.

Chair Lebedoff acknowledged gifts presented to the Board of Regents on behalf of the University community at Morris and thanked them for their hospitality.

APPROVAL OF MINUTES

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

Audit Committee - April 6, 1988
Special Meeting - Committee of the Whole
April 7, 1988 (Open Hearing on Academic
Priorities)
Physical Planning & Operations Committee -
April 7, 1988
Finance & Legislative Committee -
April 7, 1988
Faculty, Staff & Student Affairs Committee -
April 7, 1988
Educational Planning & Policy Committee -
April 7, 1988
Committee of the Whole - April 8, 1988
Board of Regents - April 8, 1988

REPORT OF THE PRESIDENT

President Sauer reported that the development of the next biennial request is approaching and a timetable will be presented to the Board in the near future.

He stated that he recently held a forum on the Twin Cities Campus with Civil Service Employees. Numerous concerns were expressed particularly in the areas of salary and health care. He also held a forum on the Morris campus on Thursday and stated that he feels both sessions went well.

President Sauer further reported that he has allocated office space in North Hall to the University of Minnesota Retiree volunteers who will be mobilized to provide leadership both to the community and to the University.

He reported briefly regarding fundraising for the University Art Museum; and incidents regarding the Office of Minority & Special Student Affairs and Sanford Hall; an update on leasing a supercomputer; and extension of library hours for study space during finals.

President Sauer also apologized to the Board of Regents for any embarrassment caused to the University of Minnesota relating to a speech given by him without acknowledging authorship of a quotation during his presentation. He stated that he was very appreciative of the strong support that the members of the Board of Regents had shown to him relating to this incident.

Regent Craig made the following motion:

"I move that the Board commend, show support for, and concern for and appreciation of our interim president in the light of some difficult times that he has been through in the last week."

The Board of Regents unanimously approved the motion proposed by Regent Craig.

REPORT OF THE CHAIR

Chair Lebedoff reported that a chair in honor of Roy Wilkins has been proposed at the Hubert H. Humphrey Institute of Public Affairs. He reported that funding of the Wilkins Chair and Center will be provided by contributions which will be matched on a two-to-one

basis from the Permanent University Fund. Chair Lebedoff stated that he would like to move the following resolution in support of the efforts to raise these funds:

BE IT RESOLVED, that the Board of Regents supports the efforts underway to solicit funds to endow a chair in honor of distinguished University alumnus Roy Wilkins. This chair will bring distinction to the University and honors the memory of a national leader in human relations and social justice.

The motion was seconded and approved unanimously by the Board of Regents.

Regent Moore reported briefly on the initial plans of the Regents' Committee to study the concept of providing a commission to oversee Eastcliff. She stated that they are in the process of surveying other Big Ten institutions and how the residence of the president is operated at each school.

Regent Schertler also reported briefly on several events that she has attended during the past month which included the first meeting of the Blue Ribbon Commission, the retirement party of Regents' Professor Herbert Wright, and the signing of the Higher Education Omnibus Bill at the new site of the Metropolitan State University and East Side Educational Center.

GIFTS

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

The Board of Regents voted unanimously to approve the gifts. Documentation is filed supplement to the minutes, No. 22,015.

CONTRACTS & GRANTS/APPLICATIONS & AWARDS

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

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

Documentation is filed supplement to the minutes, No. 22,016.

Joseph J. Latterell, Professor of Chemistry on the Morris Campus, presented information on a summer educational program called "Project C".

REPORT OF THE PRESIDENTIAL SEARCH COMMITTEE

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

- a) Approval of the Criteria for the Selection of the President of the University, as follows:

The University of Minnesota seeks a President who can provide leadership to move it forward toward its goal of achieving nationally recognized academic excellence in its programs of teaching, research, and service. He or she must be able to articulate the missions, the goals, the responsibilities, and the needs of the University and to represent them convincingly within the University and with the people of the state.

The President of the University of Minnesota must enjoy the respect of the academic community. He or she must also be dedicated to the search for knowledge and to the freedom a community of scholars must have for that search. The President must be sensitive to the needs and interests of students and to the maintenance of quality in all of the University's instructional programs. To these ends, he or she should provide a climate in which scholars and administrators of distinction can be brought to and kept at the University. Above all, the President must symbolize in his or her own values and accomplishments those high standards to which the University is committed.

Because of the complexity and diversity of the University of Minnesota, it must have a president with the skills to manage its affairs efficiently and effectively. He or she must be able to work productively with the Board of Regents, with administrative colleagues, and with a strong and vital system of faculty-student governance. As the University's chief

executive at a time of change and challenge, the President must especially be able to manage resources creatively and to chart effective plans for the future of the University.

As a land-grant research institution, the University of Minnesota has been engaged in a strategic planning process that has included clarifying its mission in relation to other higher education institutions in the state, sharpening the focus of its mission, reordering academic program priorities, strengthening undergraduate and graduate education, and developing academic reorganization proposals. A capital campaign has raised over \$330 million in private funds and endowed more than 110 chairs to support these planning initiatives. The new President must provide critical leadership in continuing this program of academic improvement and strengthening the institution's position as one of the strongest public universities in the country.

More specifically, candidates for the Presidency must be able to demonstrate:

- Commitment to the values of a land-grant research university and to the related values of educational opportunity and services to the state.
- The skills necessary to articulate the goals and aspirations of the University and to marshal support for them, both within the University community and with the general public.
- A clear ability to provide leadership for the Board of Regents and to establish and maintain the confidence of the Board as the University's chief executive.
- Commitment to programs of affirmative action and equal opportunity in all parts and operations of the University.

- Clearly demonstrated concern for faculty, staff and students of color -a willingness to support fiscally and programmatically a diverse academic environment.
- Significant administrative experience (preferably in an academic setting), especially in managing budgetary, planning and personnel systems and in recruiting and supervising able administrative colleagues.
- A record of distinction in scholarship and commitment to the values of free inquiry.
- A capacity for working harmoniously with all of the constituent groups of the five University campuses- faculty, students, staff and alumni - both informally and within the formal avenues of participation and consultation.
- The ability to mobilize support for the University, both financial and other, in the executive and legislative branches of the state, and with all other appropriate public and private sources.
- An understanding of the role of the international dimension in higher education and the University of Minnesota's commitment to that concept.
- The health, stamina, temperament, and resilience for this demanding position.

b) Approval of Proposed Procedure for the Presidential Search Process at the University of Minnesota, as follows:

PROPOSED PROCEDURE FOR THE
PRESIDENTIAL SEARCH PROCESS AT THE
UNIVERSITY OF MINNESOTA

1. Form 16, Advertising and Criteria: The Chair, Vice Chair and Secretary, in

consultation with Patricia Mullen, Director of the Equal Opportunity and Affirmative Action Office, should prepare a Form 16 for the position of President. These same Board officers should prepare an advertisement which is sufficiently complete to notify prospective applicants of the nature of the position and the minimum requirements. Once the Form 16 is signed and the advertisement is placed, the search firm, Heidrick & Struggles, can begin to solicit candidates. This part of the process was authorized by the Regents at the April meeting. In addition to the advertising in publications, Secretary Wilson will directly solicit nominees and applicants from groups and individuals including groups and agencies considered potential sources of women and minority candidates, land-grant institutions and other major universities, and letters to the editor of Minnesota newspapers. A Regents' committee will prepare criteria for review and approval by the Board at the May meeting.

2. Deadline: Although the Rajender consent Decree does not require that searches set absolute deadlines for identification of candidates, Pat Mullen has advised that sound principles of equal opportunity require use of a deadline. The Form 16 and the advertisement set a deadline of September 1, 1988. Applications and nominations must be postmarked by September 1, 1988, and nominees must express a willingness to be considered by that date or, with respect to nominations received shortly before the deadline, as soon as reasonably possible thereafter. (See Paragraph 3 below.) The deadline can be extended if it is determined that the pool is inadequate, whether for equal opportunity/affirmative action reasons or otherwise. As noted in the advertisement, the Regents may begin to consider candidates after the criteria have been approved at the May meeting.
3. Definition of Candidates (The applicant/Nominee Issue): Only individuals who agree to be candidates by

the deadline may be considered. It is not required that an individual file a formal application or submit anything in writing before the deadline. However, Heidrick & Struggles must contact each nominee and determine in good faith that s/he is willing to allow her or his name to remain under consideration.

4. Administrative Handling of Candidates: The Regents Office will acknowledge all nominations by sending a letter to the nominator. The Regents will also acknowledge receipt of all applications by sending a letter to the applicant. The Regents Office will copy the applications and nominations and send them to Heidrick & Struggles. Heidrick & Struggles will notify each nominee in writing and, in writing or in telephone conversations, will determine if the nominee is willing to be considered as a candidate. The file for each nominee must reflect this communication which, as noted in Paragraph 3, above, must be completed by September 1 or, with respect to nominations which come in shortly before then, as soon as reasonably possible thereafter. The Regents' Office or Heidrick and Struggles will send to all candidates a Form 24 as required by the University's affirmative action plan.
5. Search Committee: The Regents shall be the Search Committee. Regent Lebedoff, as chair of the Board of Regents, will be Chair of the Committee. The Committee will meet with Director Mullen at the May Regents' meeting. Ms. Mullen will review the applicable procedures, including equal opportunity and affirmative action considerations, and will discuss the availability pool.
6. Advisory Committee: The Faculty Consultative Committee will recommend an Advisory Committee of faculty, P/A employees, civil service staff, and students to advise the Regents in the search. Pat Mullen will be an ex officio member of the Advisory Committee. This

Committee will be approved by the Regents.

7. Initial Screening: Heidrick & Struggles will transmit information regarding applicants and nominees to the Board of Regents' Office periodically and as promptly as possible for inclusion in each person's file. These files will be available for individual review by members of the Advisory Committee and the Board of Regents. This process can begin at any time after the criteria have been approved and does not have to wait for the deadline. Advisory Committee members and Regents will advise Heidrick & Struggles of the names of candidates who they believe should be given more serious consideration. Based on this information, and on their own review, Heidrick & Struggles will prepare a list of candidates for further consideration. This list will be approved by the Chair and Vice Chair. Heidrick & Struggles may proceed to obtain additional information about these candidates and narrow the list before the deadline, but they will not foreclose consideration of any candidate whose name is properly in the pool.
8. Review of Candidate Pool: At intervals and as soon as possible after September 1, 1988, the Regents Office will report to Ms. Mullen the number of women and minorities in the pool. Ms. Mullen will then determine whether the composition of the candidate pool meets the requirements of the Rajender Consent Decree.
9. Screening Interviews: Based on information provided by the individual members of the Advisory committee, Regents, and Heidrick & Struggles, the Chair and Vice Chair will ask Heidrick & Struggles to schedule screening interviews for certain candidates. Screening interviews may be conducted by different groups of two or three Regents depending on scheduling and other considerations. The Regents who participate in the screening interviews will advise Heidrick & Struggles as to their views on the

candidates selected for such screening interviews.

10. Finalists: As soon as possible after September 1, 1988, the Chair and the Vice Chair, with advice from Heidrick & Struggles, the Chair of the Advisory Committee and individual Regents, will develop a list of proposed finalists. Each person on this list will be individually contacted to determine if they are willing to have their name become public and have a public interview with the Board of Regents. After these communications, the Board of Regents will announce the group of finalists to be interviewed. The Regents' Office will work with Ms. Mullen to prepare a Form 17, as required by the Consent Decree.
11. Data Practices and Candidate Privacy: The Minnesota Data Practices Act requires that names of candidates be private and not made public. Therefore, no names will be released until a finalist or finalists have been determined. The Regents' Office will, however, provide on a periodic basis a summary of the candidate pool, including composition by gender and current job position. Names of candidates to be interviewed by the appointing authority-- i.e., the full Board of Regents -- will be made public in accordance with the Data Practices Act.
12. Open Meetings: Although the University is not subject to the State Open Meeting Law, the Board of Regents has determined to run the search consistent with the requirements of the State Law. There is no personnel or hiring exception in the Open Meeting Law. News media attorneys have suggested that, under recent cases, if the Regents meet as a Board to discuss candidates, they would have to meet in public and the names of the candidates discussed would then become public. This result seems to violate the requirements of the Data Practices Act that the names of the candidates are private and must be held in confidence. Such premature public disclosure is also likely to discourage

many candidates who would not want their names discussed in public at an early stage in the search before it is even determined whether they will be given serious consideration.

If the Regents challenge this new interpretation of the Law and meet in private to discuss names of candidates, the news media may well file suit. There would be sound arguments in support of the Regents' position, but, whatever the outcome, a lawsuit would damage the University and interrupt the search. Therefore, the Regents will not meet to discuss candidates or to conduct initial interviews. The use of screening interviews by two or three Regents allows individual Regents to participate in the search and give advice to the Chair and Vice Chair and to Heidrick & Struggles without violating the statutory privacy rights of the candidates.

13. Public Information: Although names of candidates may not legally be made public, the Regents' Office will provide information to the public on a periodic basis describing the search process, composition of the candidate pool, and other information about the search which does not violate the Data Practices Act. At the end of the search, it is the expectation that the name(s) of finalist(s) will be public and that one or more finalists will be interviewed by the Regents in public session.

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

Chair Lebedoff also reported that Patricia Mullen, Director of the Office of Equal Opportunity and Affirmative Action reviewed the affirmative action procedures which need to be adhered to according to the Consent Decree.

REPORT OF THE SPECIAL MEETING COMMITTEE OF THE WHOLE

Chair Lebedoff reported that a special meeting of the Committee of the Whole was held on Thursday morning

to discuss the critical financial situation facing the Radisson University Hotel and that the matter had been taken under advisement.

REPORT OF THE COMMITTEE OF THE WHOLE

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

- a) Approval of the recommendations of the All-University Honors Committee. Documentation is filed supplement to the minutes, No. 22,017.
- b) Approval of the Summary of Expenditures of the Office of the President and Office of the Board of Regents for the period July 1, 1987 to March 31, 1988.
- c) Approval of the 1988-89 Budget Plan with the reflection of Regent Schertler's opposition to the level of the tuition increase included in the Budget Plan. Documentation is filed supplement to the minutes, No. 22,018.

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

Chair Lebedoff reported that the committee voted by majority vote to recommend approval of the following action:

- a) Approval of the 1988-89 Tuition Plan. Documentation is filed supplement to the minutes, No. 22,019.

The Board of Regents voted by a majority of 11 to 1 to approve the recommendation of the Committee of the Whole with Regent Casey voting against the motion.

Chair Lebedoff reported that the committee also reviewed the academic planning efforts on the Morris Campus; received a brief legislative update; and delayed the discussion on Academic Priorities due to time constraints.

REPORT OF THE FINANCE & LEGISLATIVE COMMITTEE

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

- a) Approval of the Vice President for Finance Report which includes Investments, Accounts Receivable, Property Accounting, and Miscellaneous - Finance & Investments. Documentation is filed supplement to the minutes, No. 22,020.
- b) Approval of resolution re Employment of Investment Manager Addition, as follows:

RESOLVED, that on the recommendation of the Interim President and the Acting Vice President for Finance and Physical Planning, the appropriate administrative officers are authorized to employ Piper Capital Management Inc. as an investment manager for a portion of the University's endowment funds.
- c) Approval of the proposed Expenditure of Central Reserves for the 1988-89 fiscal year. Documentation is filed supplement to the minutes, No. 22,021.
- d) Approval of policy re Disclosure of Financial Arrangements with Industry, as follows:

**DISCLOSURE OF FINANCIAL ARRANGEMENTS
WITH INDUSTRY**

1. PREAMBLE

The University of Minnesota actively encourages and participates in interaction with private companies as an important component of its research, education, and public service missions. Research agreements between the University and private companies provide a valuable source of funds, equipment, and topics for University research. Consulting arrangements and other contacts between faculty and private companies advance the faculty's ability to provide a high quality research and educational experience for students and enhance employment opportunities for students. Licensing by the University to private companies, consulting services by faculty for private companies, assistance by faculty in new company starts, and other forms of technology transfer are critical to meeting society's needs. The University, therefore, clearly has a responsibility to foster the free

flow of ideas and individuals between the University and the private sector.

The commitment of the University to this responsibility is reflected by its policies and guidelines relating to interaction with industry. The Patent and Technology Transfer Policy, Policy on Outside Consulting, and Guidelines on Interaction with Industry all recognize the value of various types of relationships with the private sector and provide the means to advance these relationships. These policies and guidelines are supported by the integrity of the faculty and by adherence of the faculty to principles of good scholarly and professional practice. In view of the increased interaction between the University and the private sector there is a need for a vehicle to safeguard the University's independence, credibility, and primary missions, and the integrity of those University staff members involved in such interactions. Accordingly, this statement of principles is intended to facilitate and encourage interaction with the private sector by ensuring an environment in which University personnel are permitted the maximum freedom to enter into and continue various types of relationships outside of the University, while at the same time furthering the principal missions of the University and maintaining high standards of professional and ethical conduct.

2. OTHER APPLICABLE POLICIES AND LAWS

This policy complements the provisions of other applicable policy, regulation, and laws, including the Policy on Outside Consulting, the Patent and Technology Transfer Policy, the statement "On Preventing Conflicts of Interest in Government-Sponsored Research at Universities," Guidelines on Interaction with Industry, the Tenure Code, and applicable state and federal law. This policy is intended to help implement and expand upon these other related requirements. It should be noted that this policy does not apply to Medical School consultation practices that are in accord with the Regents' Policy on Private Consultation Practice.

3. GENERAL PRINCIPLES

With the acceptance of appointment or employment, an individual makes a commitment to the University and accords the University his or her primary professional loyalty according to the terms of appointment or employment. Every person is expected to arrange outside obligations, financial interests, and activities so as not to conflict or interfere with this overriding commitment to the University. At the same time, no one benefits from undue interference with the legitimate external activities of individuals who fulfill their primary full-time duties -- teaching at the University, conducting scholarly research under its sponsorship, and meeting the other obligations to students and colleagues. Indeed, the involvement of individuals in outside professional activities, both public and private, often serves not only the participants but the University as a whole. It has been, and continues to be, assumed that all individuals will be alert to the possible effects of outside activities on the objectivity of their decisions, their obligations to the University, and the University's responsibility to others.

The areas of potential conflict may be divided into two broad categories. The first relates to conventional conflicts of interest-situations in which individuals may have the opportunity to influence the University's decisions in ways that could lead to personal gain or give improper advantage to their associates. The second is concerned with conflicts of commitment -- situations in which an individual's external activities, often valuable in themselves, interfere or appear to interfere with their paramount obligations to students, colleagues, and the University. Researchers and scholars are given great freedom in scheduling their activities with the understanding that their external activities will enhance the quality of their direct contributions to the University.

Currently, universities customarily use the term "industry" in the generic sense, to encompass their relations with all facets of the private sector. Throughout this policy,

therefore, the term "industry" is not used in any restrictive sense, but rather applies generally to all private enterprise. This policy is intended to apply solely to sponsored research, technology transfer, and other written agreements as provided for in Section 5.f.

4. DEFINITIONS

a) PERSONNEL shall mean all persons appointed, employed and/or compensated by the University, including faculty, visiting faculty and researchers, professional and administrative staff, civil service employees, research and teaching assistants, residents, fellows, and trainees.

b) COMPANY shall mean any corporation, partnership, proprietorship, firm, association, or other legal entities worldwide, excluding government entities in the United States.

c) INTEREST shall mean any of the following interests in the aggregate held in a COMPANY, but not in a mutual fund whose investment policies are beyond the control of the individual, by PERSONNEL and/or PERSONNEL's spouse/or dependent children:

(i) an investment comprising equity or options to purchase equity with a total current value of more than \$1,000 or representing more than 5% of the total COMPANY equity; and/or

(ii) personal payments (excluding consulting fees), gifts, and other benefits, including personal loans and services, received from a COMPANY to PERSONNEL within the previous twelve months with a total current value of more than \$1,000; and/or

(iii) a consulting arrangement with a COMPANY or other agreement to provide services to a COMPANY which is or should be disclosed in accordance with the Policy on Outside Consulting;

(iv) status as a director, scientific director or member of the scientific board of advisors, officer, partner, trustee, or employee (other than a consultant) of a COMPANY.

d) SPONSORED RESEARCH shall mean any research sponsored by a COMPANY at the University which is governed by an agreement, written or oral, in which there is ongoing expectation or interest by the COMPANY in information developed under the research, the results of the research and/or property rights in the product of the research.

5. OPERATION PRINCIPLES

a) General. PERSONNEL may form relationships with COMPANIES, including acquiring an INTEREST in a COMPANY, provided that such relationships satisfy this policy and any other applicable policies and laws. The University encourages all PERSONNEL to form relationships with COMPANIES which further its education, research, and public service missions. For example, effective transfer of University technology may require that the PERSONNEL who originally developed the technology have a consulting agreement with or otherwise assist the COMPANY in acquiring rights in the technology. Under such circumstances, equity in the COMPANY may be an appropriate means to compensate the PERSONNEL. The COMPANY may also desire to fund further University research concerning the technology to be conducted by those PERSONNEL. These combination relationships and other relationships are permissible, and may indeed be very desirable to meeting University objectives, provided that the disclosure requirements in this policy are satisfied. Disclosure will allow the opportunity for review to ensure that the performance of PERSONNEL's duties is not compromised.

b) Actual Conflicts. PERSONNEL shall not enter into or allow conflicts of interest or conflicts of commitment to the University, as those terms are annunciated in the General Principles. Determination whether an actual conflict exists shall be made by the

appropriate vice president, or chancellor, if a coordinate campus is involved. If PERSONNEL wish to initiate or continue such a conflicting relationship with a COMPANY and remain associated with the University, they shall seek a suitable leave of absence, reduction of appointment, or other arrangements with the University.

c) SPONSORED RESEARCH Proposals. PERSONNEL with an INTEREST in a COMPANY and who propose SPONSORED RESEARCH to be funded by that COMPANY shall disclose the existence of the INTEREST. To the extent allowed by law, such disclosure shall be considered private until the project is awarded. The disclosure shall be public information after the project is awarded.

d) SPONSORED RESEARCH Participation. PERSONNEL with an INTEREST in a COMPANY and who participate in SPONSORED RESEARCH funded by that COMPANY shall disclose the existence of the INTEREST. Such disclosure shall be considered public information.

e) Technology Transfer. PERSONNEL with an INTEREST in a COMPANY shall disclose the existence of that INTEREST in the instance that the University is considering the transfer of rights, by license or otherwise, in technology developed by PERSONNEL to the COMPANY. To the extent allowed by law, disclosure shall be considered private.

f) Other Written Agreements. In addition to restrictions in applicable law, PERSONNEL with an INTEREST in a COMPANY shall not propose, negotiate, or approve on behalf of the University a contract or other commitment concerning that COMPANY without full disclosure of the INTEREST. The disclosure shall be considered public information. This paragraph applies to all written agreements including, but not limited to, lease agreements, and orders and requests for goods, services, or personnel from COMPANIES (including equipment, consulting services, and legal services). This provision does not cover research grants and contracts and relationships otherwise covered by Section 5.c., 5.d. or 5.e. above.

g) Public Statements. PERSONNEL with an INTEREST in a COMPANY are expected to refrain from making public statements (statements for use by the press and/or to individuals with an interest in the stock of the COMPANY) regarding SPONSORED RESEARCH prior to publication of the results in recognized scientific literature or presentations at recognized scientific meetings. Whenever possible, the University shall include a clause reflecting this principle in each industry sponsored grant, contract, or agreement.

6. IMPLEMENTATION

a) Compliance with this policy requires a three step determination:

(i) Does an INTEREST exist?

(ii) When an INTEREST exists, must it be disclosed?

This is determined by applying Sections 5.c., 5.d., 5.e. and 5.f to the situation

(iii) When an INTEREST exists, must approval of a vice president, or chancellor, if a coordinate campus is involved, be obtained?

This is determined by applying Section 6.b. to the situation or, when a BA Form 23, Application for External Research or Training Support, is not involved, by the appropriate department head or dean after consultation with PERSONNEL involved.

b) Disclosure under Sections 5.c. and 5.d. shall be made in the manner prescribed by BA Form 23. These disclosures will be made as part of the proposal process and shall be updated as PERSONNEL are added to the project or as INTEREST of PERSONNEL changes during the term of the project. After acknowledgment by the appropriate department head and dean, the BA Form 23 and accompanying proposal shall be sent to the Office of Research and Technology Transfer Administration. The Office of Research and Technology Transfer Administration will forward the BA Form 23 to the appropriate

vice president, or chancellor, if a coordinate campus is involved, for approval when required.

It is required by University policy that all SPONSORED RESEARCH be covered by a BA Form 23. However, disclosures made during the term of the project and disclosures not made on a BA Form 23 shall be in the form of a memo to the appropriate department head and dean for their acknowledgment. The memo shall then be sent to the Office of Research and Technology Transfer Administration for consideration and for forwarding to the appropriate vice president, or chancellor, if a coordinate campus is involved, when approval is required.

The memo shall define the nature of the contract or other agreement and the COMPANY involved. Where possible, appropriate documentation from the COMPANY shall be attached. This memo shall be submitted in a timely manner so as to permit consideration by appropriate administration officials prior to consummation of the relationship.

c) Approval of the appropriate academic vice president, or chancellor, if a coordinate campus is involved must be obtained prior to submission of the SPONSORED RESEARCH proposal to the COMPANY or participation in SPONSORED RESEARCH, and approval of the Vice President for Finance and Operations must be obtained prior to the transfer of rights in technology developed by PERSONNEL to the COMPANY, when PERSONNEL have an INTEREST in the COMPANY that is:

(i) an investment comprising equity or options to purchase equity with a total current value of more than \$25,000 or representing more than 5% of the total COMPANY equity; and/or

(ii) personal payments (excluding consulting fees), gifts, and other benefits, including personal loans and services, received from a COMPANY to PERSONNEL within the previous twelve months with a total current value of more than \$2,000; and/or

(iii) a consulting arrangement with a COMPANY or other agreement to provide services to a COMPANY which is or should be disclosed in accordance with the Policy on Outside Consulting and with annual compensation of more than \$10,000; and/or

(iv) status as a director, scientific director or member of the scientific board of advisors, officer, partner, trustee, or employee (other than a consultant) of a COMPANY.

Faculty may wish to seek the above approval in appropriate cases where an INTEREST exists but does not meet the above definitions. Approval shall be granted or denied within two weeks of submission to the vice president, or chancellor, if a coordinate campus is involved.

Factor that will be taken into account by the appropriate vice president, or chancellor, if a coordinate campus is involved determining approval include:

(i) THE PROMINENCE AND SIGNIFICANCE GIVEN THE UNIVERSITY AFFILIATION. Where the name and/or authority of the University (as opposed to that of the researcher) is more clearly being invoked, the University should institutionally examine research affiliations more carefully.

(ii) THE EFFECT OF THE OUTCOME OF THE PROJECT ON EXPECTED BEHAVIOR OF OTHERS. Where endorsement of a project or policy will result in people in significant numbers using a product or investing money or otherwise changing their lives, the University must bear responsibility to maintain objective evaluations. Where these first two factors combine to suggest the University, or a segment thereof, is acting as an independent evaluative laboratory, University responsibility is at a maximum.

(iii) DEGREE OF INVOLVEMENT AND DANGER OF OVER-COMMITMENT TO DETRIMENT OF UNIVERSITY MISSIONS. The University has the duty to scrutinize requests in the light of its

own missions. High quality research should be encouraged. The extent of involvement of PERSONNEL in a project should not conflict with University activities.

d) Disclosure under Section 5.e. shall be made in the form of a memo to the Assistant Vice President for Research and Technology Transfer Administration. This memo shall be submitted in a timely manner so as to permit consideration by appropriate administration officials prior to consummation of the relationship.

e) Disclosure under Section 5.f. shall be made by memo to PERSONNEL with no INTEREST in the COMPANY who have final authority over negotiations and approval. The memo shall define the nature of the contract or other agreement and the COMPANY involved. Where possible, appropriate documentation from the COMPANY shall be attached. This memo shall be submitted in a timely manner so as to permit consideration by appropriate administration officials prior to consummation of the relationship.

f) The University will maintain a standing committee to deal with issues concerning this policy. This committee shall have the following principal functions:

(i) to assist in the implementation of this policy.

(ii) to answer questions concerning this policy (the identity of PERSONNEL asking questions and the specific facts of questions shall be kept private to the extent allowed by law);

(iii) to review and comment on any disciplinary action to be taken under this policy;

(iv) upon the request of affected faculty, to review a decision by an administration official that an INTEREST constitutes an actual conflict of interest. The results of this review shall be forwarded to the appropriate vice

president, or chancellor, if a coordinate campus is involved, and President of the University for final action; and

(v) to periodically review this policy, including the set financial thresholds established herein.

This committee shall be comprised of:

- 1 member of the Senate Research Committee
- 1 member of either the Senate Faculty Affairs or Judicial Committees
- 1 member of the Patent and Technology Transfer Council
- 1 member of the Medical School
- 1 member of the Institute of Technology
- 1 member representing the other colleges
- 1 member representing the coordinate campuses
- 1 ex officio member of the Office of Research and Technology Transfer Administration
- 1 ex officio member of the University Attorney's Office.

Members from standing committees, the Patent and Technology Transfer council, and ex-officio members, shall be appointed by the committees, Council, and offices, respectively, which they represent. The members from the Medical School and the Institute of Technology shall be appointed by their respective deans. The member representing the other colleges shall be appointed by the Vice President for Academic Affairs in consultation with the deans of the other colleges. The member representing the coordinate campuses shall be appointed by consultation among the chancellors of the coordinate campuses.

g) Appropriate disciplinary action (for faculty, under the Tenure Code) may be taken by the University against PERSONNEL who violate this policy.

- e) Approval of Delegation of Authority - Attorneys and Related Services, as follows:

RESOLVED, that the Regents of the University of Minnesota hereby delegate the authority to hire attorneys from outside the

University Attorneys Office and to enter into related contracts for services (i.e., expert witnesses, special masters' costs, arbitrators' fees) incurred as part of a legal matter to the Vice President and General Counsel and his or her delegates in the University Attorneys Office, including the attorneys serving the Hospital and Clinic.

Without limitation of this delegation, the University Attorneys Office should consider any one or all of the following factors in the decision to hire outside attorneys and to contract for related services:

- 1) the existence of insurance coverage for legal expenses (for example, personal injury and professional malpractice coverage under the Ruminco Insurance Policy);
- 2) the need for special expertise to handle a particular legal problem not present in the University Attorneys Office (for example, patent litigation, tax law matters, NCAA investigations, immigration and naturalization, securities law);
- 3) an actual or perceived conflict of interest;
- 4) the need for additional resources beyond those available in the University Attorneys Office to handle a particular matter because of the size or time demands of a case;
- 5) the need for independent counsel or a second opinion in matters of unusual sensitivity;
- 6) the need for legal services outside the State of Minnesota.

Under this delegation of authority, the University Attorneys Office may retain attorneys on a case-by-case basis without competitive bidding. In choosing outside legal counsel, the University Attorneys Office should seek attorneys with substantial expertise and experience in the subject area.

Every six months the University Attorneys Office shall report to the Board of Regents all of the contested matters involving the University with the exception of workers compensation claims, collection cases handled by outside agencies, labor arbitrations not involving faculty, and cases in conciliation court. As part of this report, the University Attorneys Office shall indicate which attorneys are handling each matter. In addition, the report dated as of June 30 of each year shall include a list of outside counsel (other than patent counsel and counsel paid under insurance policies) and fees paid to such counsel during the preceding fiscal year.

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

Chair Anderson reported that the committee also reviewed proposed Central Reserve Guidelines and the Quarterly Management Report.

REPORT OF THE EDUCATIONAL PLANNING & POLICY COMMITTEE

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

- a) Approval of resolution re M.S. Degree Program in Museology, as follows:

RESOLVED, that the proposal to restructure the M.S. Degree Program in Museology to a free-standing minor (at the Master's and doctoral levels), with a corresponding name change (from Museology to Museum Studies), as presented to the Board of Regents at the April 1988 meeting, be approved.

- b) Approval of a resolution re Free-Standing Minor in Water Resources, as follows:

RESOLVED, that the proposal to establish a free-standing minor in Water Resources at the M.A./M.S./Ph.D. levels, as presented to the Board of Regents at the April 1988 meeting, be approved.

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

Chair Casey reported that the committee also reviewed the Vice President's Monthly Report, received a presentation on the Morris curriculum and received the Minnesota Extension Service Annual update.

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

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

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

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

Documentation is filed supplement to the minutes, No. 22,022.

- b) Approval of resolution re Promotion and Tenure Recommendations, as follows:

RESOLVED, that on the recommendation of the Provost and Vice President for Academic Affairs, the promotion and/or tenure recommendations on pages 1-6 and page 9 presented to the Board of Regents on May 12 and 13, 1988, are hereby approved, effective with the beginning terms of appointment in 1988-89.

RESOLVED, that on the recommendation of the respective Chancellors of the University of Minnesota, Duluth and the University of Minnesota Technical College, Waseca and after review by the Provost and Vice President for Academic Affairs in accord with the Agreement for 1987-89 between the Regents of the

University of Minnesota and the University Education Association, the promotion and/or tenure recommendations on pages 7, 8 and 10 presented to the Board of Regents on May 12 and 13, 1988, are hereby approved, effective with the beginning terms of appointment in 1988-89.

Documentation is filed supplement to the minutes, No. 22,023.

- c) Approval of Civil Service Class Changes as recommended to the committee and filed supplement to the minutes, No. 22,024.
- d) Approval of 1988-89 Student Services Fees for all campuses as follows:

- Twin Cities Campus - \$109.20
 - Summer Session - \$ 50.76

- Crookston Campus - \$ 59.75

- Duluth Campus - \$ 74.10
 - Summer Session - \$ 27.70

- Morris Campus - \$ 73.00

- Waseca Campus - \$ 53.10

- e) Approval of resolution re Extension of Parental Leave to Teamsters and AFSCME Bargaining Units, as follows:

RESOLVED, that the Director of Personnel is authorized to enter into a Memorandum of Understanding to extend parental leave benefits included in the revised Civil Service Rules to employees in the following employee units represented by the Teamsters Local 320 and the American Federation of State, County and Municipal Employees Local 1164: Law Enforcement Unit (Teamsters); Service, Maintenance and Labor Unit (Teamsters); and Health Care Non-Professional Unit (AFSCME).

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

Chair Hilke reported that the committee also reviewed the 1988-89 Civil Service Pay Plan which will be before the committee in June for action and received a

presentation on the profile of the University of Minnesota Morris student body.

**REPORT OF THE PHYSICAL PLANNING &
OPERATIONS COMMITTEE**

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

- a) Approval of the Monthly Report of the Vice President for Finance, which included Purchasing, Project Status Report, and Miscellaneous - Physical Planning & Operations. Documentation is filed supplement to the minutes, No. 22,025.
- b) Approval to proceed with contractual obligations and \$25,000 of Physical Plant preparatory work on Eastcliff.
- c) Approval of resolution re Millard Hall, Pharmacology Offices Remodeling, as follows:

RESOLVED, that on the recommendation of the Interim President and the Acting Vice President for Finance and Physical Planning, the appropriate administrative officers are authorized to proceed with the design and construction of the Millard Hall, Pharmacology Offices Remodeling Project located on the Twin Cities Campus.

- d) Approval of resolution re Parking Structures Annual Repairs, as follows:

RESOLVED, that on the recommendation of the Interim President and the Acting Vice President for Finance and Physical Planning, the appropriate administrative officers are authorized to proceed with the design and construction of the Parking Structures Annual Repairs Project located on the Twin Cities campus.

- e) Approval of resolution re Northrop Auditorium Renovation of Stage Lighting and Lighting Control Equipment, as follows:

RESOLVED, that on the recommendation of the Interim President and the Acting Vice President for Finance and Physical Planning,

the appropriate administrative officers are authorized to proceed with the design and construction renovation of the Northrop Auditorium Stage Lighting and Lighting Control Equipment located on the Twin Cities campus.

- f) Approval of resolution re Heating Plant Building #34, Make-up Air System Replacement, as follows:

RESOLVED, that on the recommendation of the Interim President and the Acting Vice President for Finance and Physical Planning, the appropriate administrative officers are authorized to proceed with the design and construction of the Heating Plant Building #34 Make-up Air System Replacement Project located on the Twin Cities/Minneapolis Campus.

- g) Approval of resolution re Veterinary Science Building, Avian Health Laboratory Remodeling, as follows:

RESOLVED, that on the recommendation of the Interim President and the Acting Vice President for Finance and Physical Planning, the appropriate administrative officers are authorized to proceed with the design and construction of the Veterinary Science Building, Avian Health Laboratory Remodeling Project on the Twin Cities Campus.

- h) Approval of resolution re Aquifer Thermal Energy Storage Utilization for Space Heating, Peters Hall, as follows:

RESOLVED, that on the recommendation of the Interim President and the Acting Vice President for Finance and Physical Planning, the appropriate administrative officers are authorized to proceed with the design and construction of the project that would allow Peters Hall to be heated by utilizing stored aquifer thermal energy.

- i) Approval of resolution re Sale of Weeks Avenue Properties, Minneapolis, as follows:

RESOLVED, that on the recommendation of the Interim President and the Acting Vice President for Finance and Physical Planning, the appropriate administrative officers are

authorized to execute the necessary documents to sell Lots 22-27, inclusive, Block 7, Cole and Weeks Addition to Minneapolis, for not less than \$52,600; and Lots 12-18, inclusive, Block 10, Cole and Weeks Addition to Minneapolis, including vacated streets, for not less than \$85,900.

- j) Approval of resolution re Agricultural Laboratories Renovation, Waseca Campus, as follows:

RESOLVED, that on the recommendation of the Interim President and the Acting Vice President for Finance and Physical Planning, the appropriate administrative officers are authorized to proceed with the design and construction of the Agricultural Laboratories Renovation Project located on the Waseca Campus.

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

Chair Roe reported that the committee also reviewed revised Committee Agenda Guidelines; reviewed a proposal project to replace windows in Pattee Hall; reviewed a proposal to complete the new interior storm sash project in the Social Science Building; and reviewed information pertaining to water contamination at the Rosemount Research Center.

In addition, he reported that the following agenda items were deferred:

Ford Hall Remodeling Project
Rosemount Long Range Planning Framework
Rosemount Research Center, Sale of 105 Acres to
Dakota County Vocational-Technical Institute
Rosemount Research Center, 160th Street Extension
Salt Spring Lands, St. Louis and Cook Counties;
Proposed Land Sale

OLD BUSINESS

Regent Schertler stated that she appreciated the correspondence she received during the past month relating to collective bargaining and the faculty members from the Duluth and Waseca campuses. She stated that she felt that the correspondence misrepresented the Regents'

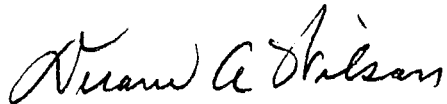
position in terms of having faculty members removed from Senate governance at the time they voted for collective bargaining, however, she stated that her main concern is to work for getting representation from those two campuses back in Senate governance.

NEW BUSINESS

Regent Schertler stated that she had two items of new business. The first pertained to the 1986 Management Reports issued by Peat Marwick Main & Co. Regent Schertler suggested that the Board of Regents schedule time on future agenda to discuss those reports.

The second item was a reminder that the meeting of the trustees for the Big Ten will be held June 26-27, 1988 in Illinois and that Regents should coordinate travel plans through the Secretary's Office and that she would encourage attendance by all members of the Board.

The meeting adjourned at 1:15 p.m.



DUANE A. WILSON, Secretary