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UNIVERSITY OF MINNESOTA

BOARD OF REGENTS

MINUTES

BOARD OF REGENTS MEETINGS

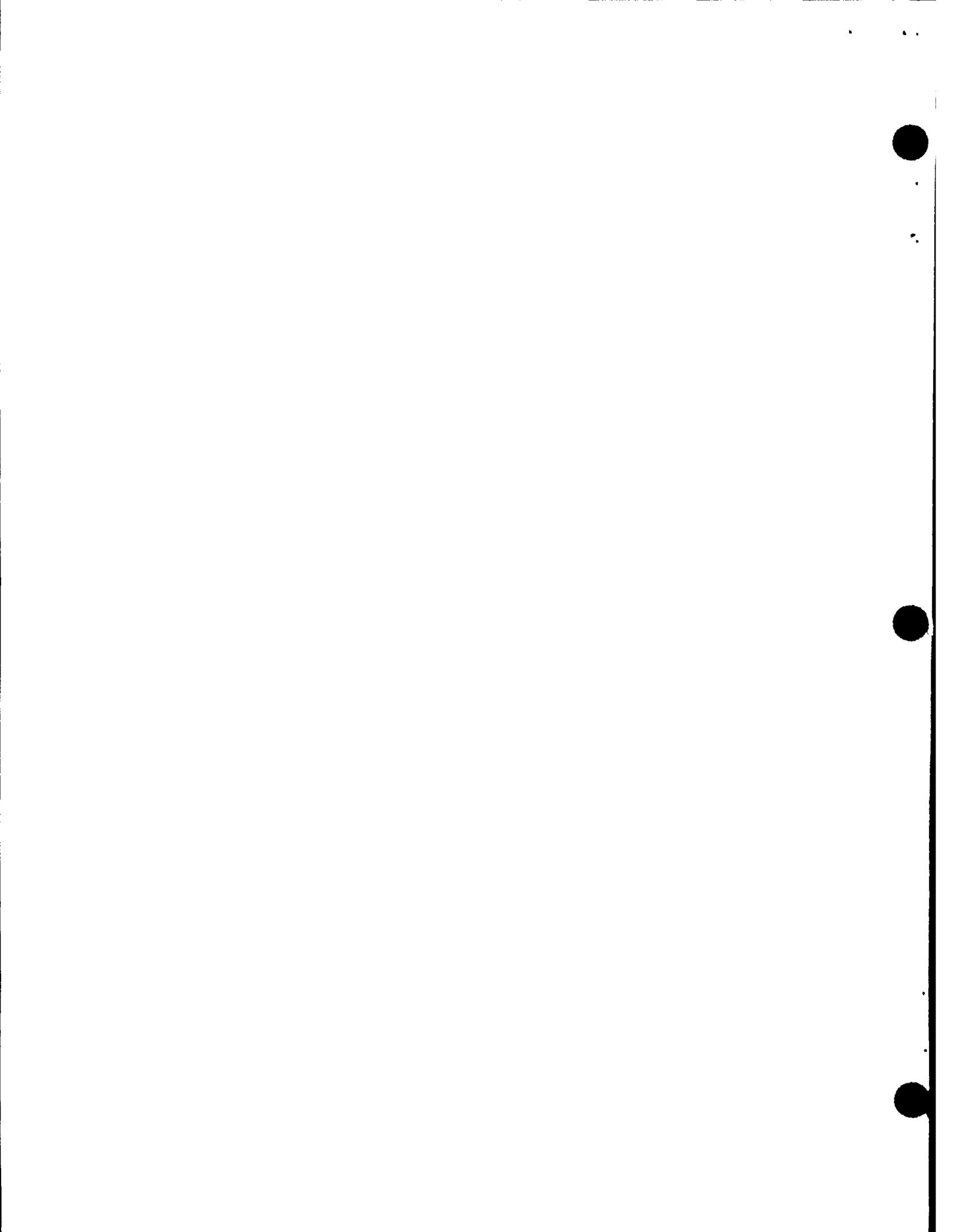
AND

COMMITTEE MEETINGS

March 11-12, 1999

Office of the Board of Regents

220 Morrill Hall



UNIVERSITY OF MINNESOTA

BOARD OF REGENTS

Minutes of the Board of Regents Meetings
and Committee Meetings

March 11-12, 1999

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UNIVERSITY OF MINNESOTA

BOARD OF REGENTS

Audit Committee

March 11, 1999

A meeting of the Audit Committee of the Board of Regents was held on Thursday, March 11, 1999, at 4:30 p.m. in Room 300, Morrill Hall.

Regents present: Warren Larson, presiding, Maureen Reed (via telephone) Robert Bergland, William Hogan, Michael O'Keefe, H. Bryan Neel.

Staff present: President Mark Yudof, Executive Vice President & Provost Robert Bruininks, Senior Vice President Frank Cerra; Acting Executive Director Gregory Brown; Associate Vice Presidents Gail Klatt, Terrence O'Connor, Terry Bock and Richard Pfutzenreuter; and Interim Associate Vice President Stephen Cawley.

Student Representative present: Jennifer Molina.

PRESIDENT'S RESPONSE TO MANAGEMENT LETTER

President Yudof stated that he was pleased with the conclusions of the external auditor, Deloitte & Touche, that there were no material weaknesses noted in the University's operations or internal control environment. Yudof agreed with Deloitte & Touche's recommendations as set forth in the management letter, which was printed in the docket materials.

INFORMATION ITEM

Associate Vice President Klatt reported to the committee regarding the University's Year 2000 (Y2K) status. Klatt requested the members of the committee review the Y2K update report in the docket materials. Regent Larson asked if there is anything in particular in the report that should concern the committee. Klatt stated that the administration is making very good progress in tracking and fixing the university's higher risk systems. Regent Larson complimented Klatt's department on its good work. Klatt asked that the committee note the delineation of the top ten risk items and their risk mitigation strategies on page 3 of the docket materials.

INTERNAL AUDIT UPDATE

Associate Vice President Klatt reported the Audit Department had completed two audits in the last quarter. One was for the Office of Research Technology and Transfer Administration (ORTTA). The second was a review of the controls over contracts that result in licensing and commission revenues. In the contracts revenues area, the auditors determined that there is not a good control system in place and there was difficulty determining whether contracts exist. Klatt recommended that the Office of the Treasurer and the Office of the General Counsel assist in a re-structuring of the contracts and licensing area.

Klatt reported that the Audit Department is engaged in several special projects at the request of management. Klatt stated that non-mainframe security continues to present a problem. Information Services has been looking for solution but up to this point the proposed solutions have been unsuccessful. In response to a question from Regent Hogan, Interim Associate Vice President Cawley responded that the University needs a system-wide security implementation strategy and that headway in being made. The PeopleSoft project has serious security deficiencies, but an additional security software program should address the problem. Cawley estimates that in May 1999 they should have the security problem addressed before financial information is put on the system. Klatt added that compliance checks have been made and no evidence of any systemic problems was found.

EXTERNAL AUDIT PLAN

Cliff Hoffman, a partner at Deloitte & Touche, presented the audit plan and objectives for fiscal year ending June 30, 1999, which is printed in the docket materials. Hoffman stated there are new standards and rules pertaining to an organization's audit committee, many of which effect the private sector, but the University Audit Committee should be aware of the new standards and rules, since they could present some risk.

Hoffman noted he is very pleased with progress the University had made in Y2K compliance since last month. In particular, the number of projects which were slated to be non-compliant after August 1999 has decreased substantially. Hoffman reminded the committee that Deloitte & Touche audits other Big Ten universities. He said that the firm will try to extract from those audits "best practices" for comparison to the University of Minnesota's Audit Committee.

Regent Hogan asked how the litigation matters discussed under the risk assessment section of the docket materials could effect the Audit Committee. Hoffman stated that the ALG and social security matters have been removed from the financial statements. The litigation surrounding those issues has been a concern of the external auditor and was reflected in its prior reports.

INTEGRATED FRAMEWORK - (AHC)

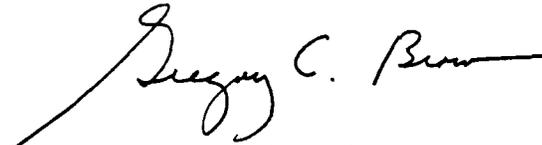
Senior Vice President Cerra presented a progress report on the use of the Integrated Framework in the Academic Health Center (AHC). Four areas were presented in the handout provided by Cerra -- Sponsored Research Management, Financial Conflict of Interest, Training for Financial Transaction Processing and Implementing Audit Recommendations. Cerra has appointed an internal review committee, a compliance officer and an office of compliance in the AHC. Cerra informed the committee that AHC is implementing a link of the following databases: conflict of interests, internal review board, external consulting arrangements and the practice plans. This new database system will be fully operational in six months and will provide an important cross-check for the AHC. Cerra stated that they are working with the Executive Vice President & Provost's office to help implement this in the rest of the University.

Cerra stated that the AHC has completely implemented an entire new financial infrastructure. He reported that the School of Veterinary Medicine is 97% on-line with this system and that he had mandated that all schools in the AHC must be 90% on-line or they will face a financial penalty. Currently 55% of the departments have implemented the system and the feedback has been positive. Cerra noted that in a certain series of transactions, they have documented \$500,000 in cost savings.

Cerra said that his office is now responsible for following up on and implementing audit recommendations. Cerra stated that the AHC is now in the position for early detection and correction of problems before they become material. The budgets of the AHC are now on-line and public information. On a final note, Cerra stated that an incredible amount of progress has been made in the last few years and the culture is changing. Regent Larson stated that he was very pleased to see this progress and that it fits in with everything that's been discussed since he's been on the board. Larson asked if AHC can share this information with other University departments to save time and energy.

Cerra stated that they meet regularly with the Executive Vice President & Provost's office and there is good cross-communication and sharing of information.

The meeting adjourned at 4:35 a.m.

A handwritten signature in cursive script that reads "Gregory C. Brown". The signature is written in black ink and is positioned above the printed name and title.

GREGORY C. BROWN
Acting Executive Director and
Corporate Secretary

UNIVERSITY OF MINNESOTA

BOARD OF REGENTS

Facilities Committee

March 11, 1999

A meeting of the Facilities Committee of the Board of Regents was held on Thursday, March 11, 1999, at 9:00 a.m. in Room 300, Morrill Hall.

Regents present: David Metzen, presiding; Anthony Baraga, William Peterson, Maureen Reed, and Patricia Spence.

Staff present: President Mark Yudof; Vice President Eric Kruse; Vice Chancellor Gregory Fox; Acting Executive Director Gregory Brown; and Associate Vice Presidents Stephen Cawley and Georgina Stephens.

Student Representatives present: Tammy Koob and Jennifer Molina.

CAPITAL BUDGET AMENDMENT

Vice President Kruse reviewed the proposed addition of \$340,000 for the Kirby Student Center project as noted in the docket materials.

A motion was made and seconded to recommend approval of the following action:

The President recommends that the FY 1999 capital budget be amended by \$340,000 to incorporate the budget for the Kirby Student Center window replacement project on the Duluth campus.

The committee voted unanimously to recommend approval of the amendment to the fiscal year 1999 capital budget.

CAPITAL BUDGET AMENDMENTS

**Murphy Hall Renovation
Networking and Telecommunications Services Building Renovation
Twin Cities Campus**

Vice President Kruse reviewed the proposed capital budget amendments for the renovation of Murphy Hall and the renovation of the Networking and Telecommunications Services Building on the Twin Cities campus as noted in the docket materials.

A motion was made and seconded to recommend approval of the following action:

The FY 1999 capital budget is amended by \$250,000 to increase the budget for the Murphy Hall renovation project and by \$1,797,000 to increase the budget for the Networking and Telecommunications Services Building renovation project.

The committee voted unanimously to recommend approval of these amendments to the fiscal year 1999 capital budget.

SCHEMATIC PLANS

Ford Hall Renovation, Twin Cities Campus

Vice President Kruse discussed the scope, justification, and budget implications of the proposed renovation of Ford Hall on the Twin Cities campus as noted in the docket materials. The project will be completed ahead of schedule because of its design/build mode, with anticipated occupancy in Winter/Spring of 2000.

A motion was made and seconded to recommend approval of the following action:

The schematic plans for the Ford Hall renovation on the Twin Cities campus is approved and the appropriate administrative officers are authorized to proceed with the award of contracts and the development of construction documents and construction.

In response to a question from Regent Peterson, Kruse explained why the cost of this project at \$106 per square foot is higher than other projects recently presented to the committee.

In response to a concern from Regent Metzen, Kruse stated that \$200,000 in increased annual operating and maintenance costs is caused by the addition of air conditioning and increased maintenance and custodial services to bring the facility to a satisfactory standard.

The committee voted unanimously to recommend approval of the motion.

Murphy Hall Renovation, Twin Cities Campus

Vice President Kruse discussed the scope, justification, and budget implications of the proposed renovation of Murphy Hall on the Twin Cities campus as noted in the docket materials. Because of the design/build mode of the project, it will be completed ahead of schedule with anticipated occupancy in Winter/Spring of 2000.

Kruse noted that increased annual operating and maintenance costs is caused by the addition of air conditioning and increased maintenance and custodial services to bring the facility to a satisfactory standard.

A motion was made and seconded to recommend approval of the following action:

The schematic plans for the Murphy Hall renovation on the Twin Cities campus are approved and the appropriate administrative officers are authorized to proceed with the award of contracts and the development of construction documents and construction.

The committee voted unanimously to recommend approval of the motion.

Regent Metzen asked that Kruse and Associate Vice President Pfutzenreuter provide the committee with an update and overview of project budgets. Regent Peterson stated the tunnel being considered as part of this renovation would be an important addition to the project, and suggested that efforts should be made to locate the necessary funds.

**Networking and Telecommunications Services Building Renovation,
Twin Cities Campus**

Vice President Kruse discussed the scope, rationale, and budget implications of the proposed renovation of the Networking and Telecommunications Service Building on the Twin Cities campus as noted in the docket materials. He noted the facility is near the Gateway, and the exterior and landscaping will be designed to reflect an entrance to the campus.

In response to questions from Regents Baraga and Reed, Kruse and Harvey Turner, Director of Planning and Programming, discussed the decision to renovate the existing facility versus new construction. Kruse noted the facility is sound and will last 20-30 years without any other major investment. Turner stated that the University's facility needs exceed its financial capabilities and while this is an important need, the decision to renovate is prudent.

A motion was made and seconded to recommend approval of the following action:

The schematic plans for the Networking and Telecommunications Services Building renovation project on the Twin Cities campus are approved and the appropriate administrative officers are authorized to proceed with the award of contracts and the development of construction documents and construction.

The committee voted unanimously to recommend approval of the motion.

St. Paul Parking Ramp, Twin Cities Campus

Vice President Kruse discussed the scope, rationale, and budget implications of the proposed 600-space parking ramp on the St. Paul campus as noted in the docket materials. He reviewed the non-construction costs related to the project, which have a significant impact on the cost per parking space.

In response to a questions from the committee, Kruse and Harvey Turner, Director of Planning and Programming, discussed the possibility of adding a fourth level to the ramp. They reviewed the cost implications of adding a level at this time versus waiting for five years and stated this issue will be studied.

In response to Student Representative Tammy Koob, Robert Baker, Director of Parking Services, stated that the rates for the new facility will be approximately \$3.00-3.50 per day.

A motion was made and seconded to recommend approval of the following action:

The schematic plans for the St. Paul Parking Ramp on the Twin Cities campus are approved and the appropriate administrative officers are authorized to proceed with the award of contracts and the development of construction documents and construction.

The committee voted unanimously to recommend approval of the motion.

Regent Reed asked for an update on the relocation process at a future meeting. She also requested an update on the University's Master Plan and a discussion of plans to review and update it on an on-going basis.

QUARTERLY CAPITAL IMPROVEMENT PLAN REPORT (2ND QUARTER FY 99)

Vice President Kruse reviewed the Quarterly Capital Improvement Report for the second quarter of FY 99, as included in the docket materials. Currently there are \$750,000 million in projects in process, and Kruse reviewed a breakdown of unexpended budget balances totaling \$374,591,000 on projects in process.

Kruse reviewed the master project schedule, noting that projects are on schedule and budget across the board. Some projects, including the renovation of Ford Hall and Murphy Hall, will be done ahead of schedule. He noted that the Dance Center on the West Bank will be ready for occupancy during spring break. Kruse reviewed charts outlining projects in process on the Twin Cities campus, and discussed the status of program relocations as noted in the docket material.

Regent Metzen acknowledged the impact that the extensive schedule of construction projects will have on members of the Twin Cities campus community.

Student Representative Molina noted that the Disabled Student Center may be seeking board support to continue paratransit services especially during construction.

ACADEMIC HEALTH CENTER STRATEGIC FACILITY PLAN

Terry Bock, Associate Vice President and Chief of Staff of the Academic Health Center (AHC), distributed the AHC Strategic Facility Plan and Precinct Plan to the committee. He reviewed the AHC facility planning process and goals, project organization, and a list of projects. Bock discussed the following facilities issues, which have major policy implications:

- The AHC needs an additional 300,000 square feet of space to meet current academic program needs (in addition to the remodeling of Jackson, construction of the Molecular & Cellular Biology Building and renovation of Fairview release space).
- Changing program needs require extensive remodeling and reassignment of space.
- The AHC is land-locked, but interdisciplinary education and research require faculty to be located near each other to be effective.

Vice President Kruse stated the AHC Facility Plan will be subject to the same type of analysis as was done for the South Mall Development Project. Factors to be considered include the Master Plan, program space and use requirements, open space, historic issues, utility issues, and the impact on surrounding neighborhoods. He noted that part of the plan is to address the AHC facility needs from program and facility standpoints, with the goal of improving the collegiate feel of the AHC precinct. Kruse then reviewed existing conditions and current development projects in the AHC precinct. Issues regarding linkages between buildings, open/connecting spaces, parking, and pedestrian/traffic problems are being addressed.

Harvey Turner, Director of Planning and Programming, stated that Senior Vice President Frank Cerra has a clear image of what the AHC needs to be successful and serve Minnesota. The challenge is to develop a plan for selective pruning and to give the AHC Precinct the look and feel of a campus. He stated the process is working and a framework will be developed by the end of this year. Kruse stated that the administration will report to the committee as plans develop.

Regent Reed asked the administration to explore how pressure on the four-block AHC Precinct could be relieved by expanding health professional education and service into the community. She suggested there would be many advantages to having an

interdisciplinary team in the community, which would also relieve facilities pressures on the Twin Cities campus.

In response to a question from Regent Baraga, Bock stated the AHC intends to address the need for an additional 300,000 square feet of space through new construction, replacement, and renovation.

REAL ESTATE TRANSACTION

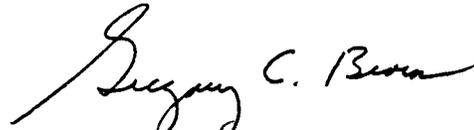
Associate Vice President Georgina Stephens noted that action on the proposal to sell Parking Lot C91 on the West Bank for \$314,500 was tabled in February. She addressed the issues raised at that time, including how the project fits within the University's student housing strategy, how it will serve the needs of University students, how it fits within the University's parking strategies, and other development opportunities for the land. Stephens discussed the issue of affordability of the housing portion of the project, noting the average rent will be \$635 per month. She stated it is difficult to make a direct comparison of the proposed facility with the kind of housing offered by the University.

A motion was made and seconded to recommend approval of the following action:

The appropriate administrative officers are authorized to execute the appropriate documents providing for the sale of Parking Lot C91 on the West Bank of the Twin Cities campus.

The committee voted unanimously to recommend approval of the real estate transaction.

The meeting adjourned at 11:35 a.m.



GREGORY C. BROWN
Acting Executive Director and
Corporate Secretary

UNIVERSITY OF MINNESOTA

BOARD OF REGENTS

Faculty, Staff & Student Affairs Committee

March 11, 1999

A meeting of the Faculty, Staff and Student Affairs Committee of the Board of Regents was held on Thursday, March 11, 1999, at 10:30 a.m. in Room 238, Morrill Hall.

Regents present: H. Bryan Neel, presiding; Robert Bergland, Dallas Bohnsack, William Hogan, and Warren Larson.

Staff present: Executive Vice President and Provost Robert Bruininks; Chancellor Donald Sargeant; Interim Chancellor Samuel Schuman; Acting Executive Director Gregory Brown; and Associate Vice President Jane Canney.

Student Representatives present: Heidi Frederickson and Benjamin Solomon.

**SEMESTER CONVERSION: TUITION RATE &
BOARD OF REGENTS POLICY: TUITION**

Executive Vice President and Provost Bruininks noted that last month the committee had a very thorough discussion of the issues involved with semester conversion and the recommended 1999-2000 tuition plan. Board action on tuition is being requested earlier than usual to allow students, advisors, and faculty more time to plan their academic programs during the transition from quarters to semesters. He introduced Director Peter Zetterberg who made the presentation.

Zetterberg reviewed the major components of the tuition plan and the revisions to the Board of Regents policy: *Tuition* which are needed to implement the changes. The information is detailed in the docket materials. He explained that there are three main objectives to the tuition plan:

- to sustain tuition revenue;
- to convert tuition rates from quarter-based to semester-based; and
- to build into the plan financial incentives for students to maintain adequate credit loads which keep retention rates high and enable the University to improve graduation rates.

He noted the following significant changes from the current tuition plan:

- eliminating the base tuition;
- changing the graduate student tuition band from 7-14 credits to 6-14 credits; and
- restructuring the tuition rates for Twin Cities undergraduate students by charging half price for all credits over 12.

The new tuition structure equalizes upper and lower division charges. As a result, students taking 15 or more credits each semester will pay less in total tuition over four years than they would have paid under the current plan. Total tuition for a degree will be more only for those students taking only 12 credits per semester. Zetterberg emphasized that when considering some of the proposed increases, one needs

to look at what the University has done to restructure tuition not just this year, but for the past two years.

Zetterberg briefly discussed the proposed changes to the Board of Regents policy: *Tuition* regarding base tuition, the selective use of non-resident rates tuition rates for distance courses and at the Crookston campus, and other changes related to course fees. He directed attention to the resolution in the docket materials.

In response to a question from Regent Hogan, Zetterberg stated that he was convinced that after modeling many scenarios, this plan is in the best interest of students and it is good for the University in terms of revenue. Neel applauded the work of the staff in developing this plan and for keeping students as the focal point.

Bruininks emphasized that the staff has been working several years on semester conversion and significant time has been spent educating the faculty, advisors and students. Advising is very important if the goal is maintaining student course loads and making progress to degrees.

A motion was made and seconded and the committee voted unanimously to recommend approval of the resolution adopting the revised Board of Regents policy: *Tuition* and approving the 1999-00 tuition rates, academic fees, and course fees.

BOARD OF REGENTS POLICY: ANIMAL CARE & USAGE

Executive Vice President and Provost Bruininks introduced Assistant Vice President Richard Bianco, the Institutional Officer for the Animal Care Program, to present the proposed policy, which will be reviewed this month and acted upon in April. Bianco reported that the policy was first adopted in 1978 and describes the care and use of all University-owned animals.

The proposed revisions describe the administrative authority of the Animal Care Program and the operations of the Animal Care and Use Committee, as well as define the requirements for veterinary services and support. The revisions also eliminate language outlining administrative procedures and provide for these procedures to be developed by the President in consultation with the Senate Research Committee. Bianco concluded that the policy accurately describes the University's efforts to ensure the humane treatment and appropriate use of all University-owned animals.

Regent Neel noted the importance of the Animal Care and Use Committee for a research university. In response to a question from Neel, Bianco reported that the committee has a permanent seat for the University's attending veterinarian. Bianco also stated that these revisions address any questions and concerns that have arisen in the past.

CONSENT REPORT

Executive Vice President and Provost Bruininks presented the Consent Report for approval. The report contained the appointment of Eric Kruse as Vice President for University Services, effective February 12, 1999.

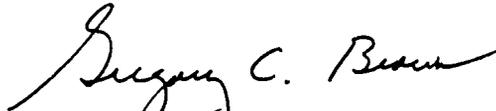
A motion was made and seconded and the committee voted unanimously to recommend the approval of the Consent Report.

INFORMATION ITEMS

Executive Vice President and Provost Bruininks noted the following appointments:

- Victor Bloomfield as Vice Provost and Associate Dean of the Graduate School effective January 8, 1999.
- Donna Peterson as Associate Vice President in the Office of the Vice President for Institutional Relations.
- Mary Heltsley as Associate Vice President responsible for the University's outreach mission.

The meeting adjourned at 11:07 a.m.



GREGORY C. BROWN
Acting Executive Director
and Corporate Secretary

UNIVERSITY OF MINNESOTA
BOARD OF REGENTS
Finance and Operations Committee
March 11, 1999

A meeting of the Finance and Operations Committee of the Board of Regents was held on Thursday, March 11, 1999, at 1:30 p.m. in Room 300, Morrill Hall.

Regents present: Robert Bergland, presiding; Anthony Baraga, Dallas Bohnsack, William Hogan, Warren Larson, and Bryan Neel.

Staff present: Senior Vice President Frank Cerra; Acting Executive Director Gregory Brown; Associate Vice Presidents Ronald Campbell, Terrence O'Connor, Richard Pfutzenreuter, and Georgina Stephens; and Acting Associate Vice President Steve Cawley.

Student Representatives present: Heidi Frederickson and Kevin Leiran.

CONSENT REPORT

Associate Vice President Pfutzenreuter presented the Consent Report for March 1999 as found in the docket materials. Associate Vice President O'Connor reported the following expenditures of greater than \$250,000:

- to Call Technologies/Intercom for \$1,454,164 for the purchase of a Call Technologies messaging system by Networking and Telecommunications Services; and
- to New England Woodcraft for an estimated \$400,000 for student furniture for Housing and Residential Life for placement at University Village apartment complex.

A motion was made and seconded and the committee voted unanimously to recommend approval of the Consent Report.

OGDEN ENTERTAINMENT CONCESSIONS AGREEMENT

Associate Vice President Campbell presented a letter of intent to enter into an agreement with Ogden Entertainment to provide food service at University concession venues as found in the docket materials. Campbell stated that if the board approved the letter of intent, Ogden can commence work under the letter this weekend while the details of the contract are negotiated.

Regent Bergland expressed his discomfort with the short notice and lack of time afforded the committee and the board to adequately review the information regarding this agreement. However, given the urgent circumstances and the need to find a vendor before the weekend, the board is required to act expeditiously. Regent Bergland informed the committee that he had reviewed the information earlier with Campbell and General Counsel Mark Rotenberg and Rotenberg assured him that the contract was acceptable.

In response to Regent Larson's concerns, Campbell assured the committee that future contracts will terminate at the end of the University's financial year to prevent this situation from occurring again.

In response to a question from Regent Hogan, Campbell explained that if the University were unable to negotiate an agreement with Ogden, University Food Services could provide food concessions on a limited basis until an agreement with another vendor could be reached.

A motion was made and seconded to approve the negotiation and execution of the letter of intent and contract with Ogden Entertainment in accordance with the information contained in the docket materials. The committee voted unanimously to approve the motion.

FINANCIAL UPDATE: REPORT OF FUNDS FROM HOSPITAL TRANSACTION

Senior Vice President Cerra presented a financial update on the flow of funds from the merger of the University Hospital with Fairview Health System, as found in the docket materials. Cerra noted the update was not complete. The accounting of the funds continues to be reconciled and could take another six months to finalize the numbers.

In response to a question from Regent Bergland, Cerra explained that the balance sheet in the docket materials does not include the \$4 million grant offset that is required as part of the ALG settlement with the National Institutes for Health. This financial piece will come to the board at a later date. The rest of the settlement is included in the docket materials and has been cashed out.

QUARTERLY PURCHASING REPORT

Associate Vice President O'Connor presented the Quarterly Purchasing Report for the quarter ending December 31, 1998, which is included in the docket materials.

In response to a question from Regent Bergland, O'Connor explained that all purchases over \$2,000 require competitive bidding, unless an exception is granted.

QUARTERLY MANAGEMENT REPORT

Associate Vice President O'Connor presented the Quarterly Management Report for the quarter ending December 31, 1998, which is included in the docket materials.

QUARTERLY ASSET AND DEBT MANAGEMENT REPORT

Associate Vice President Stephens presented the Quarterly Asset and Debt Management Report for the quarter ending December 31, 1998, which is included in the docket materials. George Pendergast, an investment consultant from Cambridge Associates, presented a comparative analysis of the University's asset allocation as found in the docket materials.

In response to a question from Regent Hogan, Stephens explained that in the most recent offering the University received the unusually good bond rate of 4.37% through a combination of issuing the bonds at the right time and utilizing an above average life of 34 years.

Regent Hogan announced that Regent Neel will chair the Investment Advisory Committee and Regent Bergland will chair the Debt Management Advisory Committee.

In response to concerns from Regent Neel, Stephens explained that the investment funds may need to be rebalanced prior to assembling the Investment Advisory Committee. Regent Hogan added that the committee should be ready to meet prior to the next board meeting in April. Stephens stated that, as the advisory committees get started, she will be back to the committee to address reallocating asset classes.

The meeting adjourned at 2:45 p.m.



GREGORY C. BROWN
Acting Executive Director
and Corporate Secretary

UNIVERSITY OF MINNESOTA

BOARD OF REGENTS

Educational Planning & Policy Committee

March 11, 1999

A meeting of the Educational Planning & Policy Committee of the Board of Regents was held on Thursday, March 11, 1999, at 1:30 p.m. in Room 238, Morrill Hall.

Regents present: Michael O'Keefe, presiding; David Metzen, William Peterson, Maureen Reed, and Patricia Spence.

Staff present: President Mark Yudof; Chancellors Kathryn Martin and Donald Sargeant; Interim Chancellor Samuel Schuman; Executive Vice President and Provost Robert Bruininks; Vice President Christine Maziar; Acting Executive Director Gregory Brown; Associate Vice Presidents Jane Canney and Robert Kvavik.

Student Representatives present: Tammy Koob and Jennifer Molina.

REVISED UNDERGRADUATE STRATEGY - PART II

Chancellor Kathryn Martin, University of Minnesota, Duluth (UMD), discussed the academic profile of UMD students and the institution's strategies to ensure that the needs of its students are being met. Activities include establishment of an advising and retention initiative, implementation of a Freshman Seminar, the Introduction to College Learning program, and the Study in England program. She discussed the Undergraduate Research Opportunities Program (UROP), and stated that a strong faculty and tools like the "Blue Heron", a research vessel on Lake Superior, make it possible for UMD faculty and students to participate in a variety of research activities.

In response to Regent Reed, Martin discussed efforts to recruit high ability students and the increased competition for those students.

Chancellor Donald Sargeant, University of Minnesota, Crookston (UMC), noted that the institution's mission was changed by the Board of Regents in 1993, at which time all students were provided with laptop computers. He discussed the following curriculum features of the "Polytechnic Mission" at UMC:

- technology enriched
- project and activity centered
- employer influenced
- personalized growth

Sargeant stated that UMC has worked toward the goal of becoming an exemplary polytechnic institution through the strategy of meeting and exceeding student and employer expectations. He stated an issue facing UMC is the need for one tuition rate, and he hopes the board will approve that proposal.

In response to a question from Regent Peterson, Sargeant stated students pay a \$480 technology access fee per semester. The fee includes a laptop computer, software, an internet service provider, Help Desk assistance, and updates as technology changes. In response to Student Representative Tammy Koob, Sargeant noted the technology access fee has not increased in three years.

In response to a question from Regent Spence, Sargeant discussed cooperative programs with other educational institutions.

Interim Chancellor Samuel Schuman, University of Minnesota, Morris (UMM), stated that UMM students are exceptionally well-qualified. He discussed the institution's strategies to meet its goal to be the best public liberal arts college in the nation. Programs include a Freshman Seminar, with the overarching topic of diversity; the Morris Junior Year Program of travel, internships, research and other intensive learning experiences; and two all-campus advising days in preparation for the conversion to semesters in Fall 1999.

Schuman stated that the UMM administration must keep working hard to continue to improve and wants to work with the board to address issues facing UMM, including the need to chart a clearer course for athletics, the Native American tuition waiver, assistance for spouses of potential new hires, and an increase in scholarships.

In response to a question from Regent Reed, Schuman stated UMM is a diverse community in a geographic area where that is not the case. UMM is a model of what can be done when there is commitment to diversity, with 16 percent of the student body being men and women of color. Regent Spence said the UMM community is alive and successful because of its diversity, and stated there is much to be excited about at all of the University's campuses.

In response to Student Representative Koob, Schuman stated it can be a challenge to attract faculty to UMM given its location, but its high quality students, faculty, and programs are the attraction. Schuman concurred with Regent O'Keefe's assessment that college's relationship with the community adds to the quality of life in Morris.

O'Keefe stated the Regents should be very pleased with the diverse and creative ways the Twin Cities and coordinate campuses are meeting the needs of undergraduates within their environment with the resources and tools available.

Regent Reed suggested the board should schedule a meeting at the Morris Campus.

UNIVERSITY CENTER ROCHESTER

Executive Vice President and Provost Robert Bruininks led the discussion regarding a proposed agreement between the University of Minnesota and the Minnesota State Colleges and Universities (MnSCU) Board of Trustees to provide leadership and to expand higher education services in the Rochester area.

Bruininks reviewed the reasons for providing expanded higher education in Rochester and discussed economic, demographic, and higher education trends in Rochester. He reviewed the current programmatic role of the University of Minnesota and the University of Minnesota Extension Service, and discussed the implementation of new programs in 1998-2000.

Bruininks reviewed the current model in Rochester. He noted principles for expanding academic partnerships and research, and discussed future University of Minnesota contributions in allied health and technology fields and education and social services.

Linda Baer, MnSCU Senior Vice Chancellor, discussed some of the core issues in the Statement of Principles which resulted from the collaborative effort. She reviewed the 1998 Annual Report of the University Center Rochester (UCR), and thanked Dr. Dale Bower, UCR Provost, for her efforts.

Dr. Franklin Knox, on behalf of Hugh Smith, Chair of the Mayo Clinic Board of Trustees, expressed enthusiasm about the addition and enhancement of programs offered by the University of Minnesota in Rochester. He noted there is extensive community support for an increased University presence in Rochester.

Senator Sheila Kiscaden spoke in support of the proposal and noted that although there is anxiety in some quarters, she believes it is a win-win opportunity for everyone in the state. She stated the community is pleased the University is ready to expand and work in partnership with the fine institutions that have been serving Rochester for many years --Rochester Community and Technical College and Winona State University -- and to work in partnership with the Mayo School of Allied Health Sciences.

A motion was made and seconded to recommend approval of the following resolution:

WHEREAS, the University of Minnesota, as a public, land-grant, research university has a responsibility to provide higher education resources to Minnesota citizens throughout the state; and

WHEREAS, over the past thirty years, the University of Minnesota has invested resources in the provision of higher education programs and services in Rochester, is a partner institution at the University Center Rochester, and has signed a partnership agreement with Minnesota State Colleges and Universities (MnSCU) to affirm their values and mutual interest in joint development of programs; and

WHEREAS, the Rochester community is one of the state's fastest growing communities, facing the challenge of creating and maintaining a skilled and competent workforce as its businesses, industries and services increase; with an increasing need for upper division, graduate, and professional education and research that exceeds the capacity of the programs and collaborations currently in place; and

WHEREAS, recent consultant reports have stated that improvement in higher education in Rochester would require an improved and more accountable system of governance, a clear identification of academic leadership, and a stronger presence and greater visibility of the University of Minnesota in Rochester; and

WHEREAS, University of Minnesota administration has undertaken a process of consultation with colleges and academic leadership at the University of Minnesota to determine that the higher education needs in Rochester are aligned with the mission, strengths, and academic interests of our faculty; and

WHEREAS, administrators of the University of Minnesota and MnSCU have jointly developed a Statement of Principles ("the Statement")

that provides for increased University of Minnesota leadership, and collaborative expansion of higher education services in Rochester; and

WHEREAS, the MnSCU Board of Trustees approved the Statement on February 17, 1999 pending approval by the University of Minnesota Board of Regents;

NOW, THEREFORE, BE IT RESOLVED, that the Board of Regents approves the Statement of the University of Minnesota and Minnesota State Colleges and Universities in Rochester which will govern the establishment of a University of Minnesota Rochester branch campus; and

BE IT FURTHER RESOLVED, that the Board of Regents directs the administration of the University of Minnesota to continue to analyze and resolve with MnSCU outstanding issues identified in the Statement; and

BE IT FURTHER RESOLVED, that the Board of Regents directs the administration of the University to commence the academic, services, facilities, and budgetary planning described in the Statement; and

BE IT FURTHER RESOLVED, that a special state Legislative appropriation will be required to implement this proposed expansion; and

BE IT FURTHER RESOLVED, that the Executive Vice President and Provost shall report to this Board of Regents on the status of these plans at its July, 1999 meeting.

Regent Neel stated that the Rochester community has worked for many years on this effort and the Statement of Principles is the result of community spirit and extensive consultation on the part of everyone involved.

Committee members spoke in support of the proposal and expressed appreciation to everyone who participated in its development.

Regent Spence expressed support for the proposal. She stated that, while she can understand the fears raised by some at Mankato State University and Winona State University, she thinks those institutions and communities will achieve greater success as a result of this step because Rochester is such an economic engine in that part of the state.

Regent Peterson stated this is a win-win situation, but asked Bruininks to respond to concerns he has heard from legislators who represent Mankato and the surrounding area, claiming that this school is going to not only hurt Minnesota State University at Mankato, but could eventually put them out of business.

Bruininks noted that the legislative delegation from the Mankato area was well-represented at a recent meeting hosted by Senator Kiscaden, which provided an opportunity to address these issues and clear the air. At that meeting, he expressed his belief that the only way to think about higher education in the future is how to make it grow to ensure people have access to learning. Learning opportunities need to fulfill an individual's own curiosity, but also to benefit and support local communities. He noted extraordinary lengths have been taken in crafting the principles to minimize any adverse effect on the other campuses, and he believes the academic profile being presented is designed to minimize any possible overlap with existing academic programs of the other institutions. Bruininks stated that although there is some uneasiness and apprehension, he feels that by working together the institutions can determine effective ways to benefit all the campuses in that region of state and to develop a long-range

academic strategic plan. Peterson thanked Bruininks and others involved for developing the principles, stating the principles will ensure a very viable organization in Rochester.

Student Representative Koob stated the proposal will create an important link for University students to access research opportunities at the Mayo Clinic and IBM.

The committee voted unanimously to recommend approval of the proposed resolution.

REVISIONS TO CRITICAL MEASURES

A motion was made and seconded to recommend approval of the following resolution:

WHEREAS, on January 14, 1994, the Board of Regents approved a planning process that initiated "the development, by the University's central and unit administration and in consultation with University and unit governance organizations, of critical measures and benchmarks for measuring institutional, campus and unit performance"; and

WHEREAS, the 14 measures were developed in three phases and approved by the Board of Regents on December 8, 1994 (five measures), July 14, 1995 (seven measures), and September 5, 1996 (two measures); and

WHEREAS, the purposes for developing the measures and the principles used in developing the measures suggested that measures would need to be changed as conditions and performance issues changed; and

WHEREAS, measures need to be aligned with Board policies as well as the vision and academic direction of President Yudof and his administration; and

WHEREAS, that vision requires enhanced comparisons for the Twin Cities campus relative to the top 30 Research I Universities and the top 15 public research universities whenever possible, and alignment with the Compact Planning Process as well as with the investments included in the biennial budget and capital budgets; and

WHEREAS, complementary data profiles need to be developed for collegiate and support units to inform policy formation and evaluation and strengthen unit-level accountability; and

WHEREAS, terminology used in discussing the measures for the University of Minnesota should be consistent with terminology used by peer institutions;

NOW, THEREFORE, BE IT RESOLVED, that the critical measures be heretofore be renamed Institutional Level Performance Measures; and

BE IT FURTHER RESOLVED, that comparison groups for the Twin Cities campus will be broadened to include the top 30 Research I institutions and the top 15 public research universities whenever possible; and

BE IT RESOLVED, that Collegiate and Support Unit Data Profiles will be developed, and aligned when appropriate, with the Institutional Level Performance Measures and used in the Compact Planning Process; and

BE IT FURTHER RESOLVED, that necessary changes be made in the original set of 14 measures, including dropping the measure Investment per Student, adding one measure titled International Education: Preparing Global Citizens, realigning and/or enhancing five measures, and maintaining eight measures.

The committee voted unanimously to recommend approval of the proposed resolution.

INTELLECTUAL PROPERTY POLICY -- TIMETABLE

Vice President Christine Maziar distributed a proposed timeline for consultation with all appropriate groups regarding the Intellectual Property Policy before it is presented to the Senate for approval on May 20, 1999.

Maziar stated that she intends to review policy issues and present the draft policy to the committee at its April meeting. She also noted she will bring a faculty colleague to meet with the committee regarding the policy. Feedback from this committee will be taken into consideration in discussions with the faculty groups.

In response to a question from Regent O'Keefe, Maziar stated that, following discussions with the faculty groups and Senate, the policy will be presented to the Board of Regents for further discussion and approval.

The meeting adjourned at 3:55 p.m.



GREGORY C. BROWN
Acting Executive Director and
Corporate Secretary

UNIVERSITY OF MINNESOTA

BOARD OF REGENTS

March 11, 1999

A meeting of the Board of Regents of the University of Minnesota was held on Thursday, March 11, 1999, at 8:30 a.m. in Room 238, Morrill Hall.

Regents present: William Hogan, presiding; Anthony Baraga, Robert Bergland, Dallas Bohnsack, David Metzen, H. Bryan Neel, Michael O'Keefe, William Peterson, Thomas Reagan, Maureen Reed, and Patricia Spence.

Staff present: President Mark Yudof; Executive Vice President and Provost Robert Bruininks; Vice Presidents Sandra Gardebring, and Christine Maziar; Interim Vice President Eric Kruse; Acting Executive Director Gregory Brown; Associate Vice Presidents Jane Canney and Terry O'Connor.

OATH OF OFFICE - NEWLY-ELECTED REGENTS

Speaker of the House Steven Sviggum administered the oath of office to Regent Anthony R. Baraga, representing the 8th Congressional District, and Regent Dallas Bohnsack, representing the 2nd Congressional District.

The Board members were elected by the Minnesota State Legislature on February 18, 1999 to serve six-year terms on the Board of Regents.

The meeting adjourned at 8:40 a.m.



GREGORY C. BROWN
Acting Executive Director and
Corporate Secretary

UNIVERSITY OF MINNESOTA

BOARD OF REGENTS

March 12, 1999

A meeting of the Board of Regents of the University of Minnesota was held on Friday, March 12, 1999 at 9:00 a.m. in Room 238, Morrill Hall.

Regents present: William Hogan, presiding; Anthony Baraga, Robert Bergland, Dallas Bohnsack, Warren Larson, David Metzen, H. Bryan Neel, Michael O'Keefe, William Peterson, Maureen Reed, and Patricia Spence.

Staff present: President Mark Yudof; Interim Vice Chancellor Samuel Schuman, Executive Vice President and Provost Robert Bruininks; Senior Vice President Frank Cerra; Vice Presidents Carol Carrier, Sandra Gardebring, and Christine Maziar; Interim Vice President Eric Kruse; General Counsel Mark Rotenberg; Acting Executive Director Gregory Brown; Associate Vice Presidents Jane Canney, Gerald Fischer, Robert Kvavik, Terry O'Connor, and Richard Pfitzenreuter; and Interim Associate Vice President Steve Cawley.

Student Representative present: Scott Roethle.

RECOGNITION OF MCKNIGHT LAND-GRANT PROFESSORS

Recognition was given to the recipients of the 1999-2001 McKnight Land-Grant Professors. The goal of this program is to advance the careers of the University's most promising junior faculty at a crucial period in their professional lives. Recipients are honored with the title McKnight-Land-Grant Professor, an endowed chair which they will hold for two years. The recipients are:

Daphne Berdahl
Anthropology

Paul A. Crowell
Physics and Astronomy

Ray Gonzalez
English

Mats Per Erik Heimdahl
Computer Science & Engineering

March Hirschmann
Geology & Geophysics

Bradley J. Nelson
Mechanical Engineering

Elise A. Ralph
Large Lakes Observatory
Physics (UMD)

APPROVAL OF MINUTES

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

Litigation Review Committee - January 19, 1999
Litigation Review Committee - February 3, 1999
Litigation Review Committee - February 10, 1999
Audit Committee - February 11, 1999
Facilities Committee - February 11, 1999
Faculty, Staff & Student Affairs Committee - February 11, 1999
Finance & Operations Committee - February 11, 1999
Educational Planning & Policy Committee - February 11, 1999
Board of Regents - February 11, 1999
Committee of the Whole - February 12, 1999
Board of Regents Meeting - February 12, 1999

COMMITTEE REPORT ON SEMESTER CONVERSION: TUITION RATE & BOARD OF REGENTS POLICY: *TUITION*

Executive Vice President & Provost Bruininks provided introductory remarks for the agenda item relating to the 1999-00 tuition rate and proposed changes to the Board of Regents Policy: *Tuition*. The Faculty, Staff and Student Affairs Committee, at its meeting, had reviewed and recommended approval of the item.

Peter Zetterberg, Director of the Office of Planning/Analysis, presented details relating to the new tuition plan and changes to Board policy as provided in the docket materials. Regent Hogan commented that this is a major change in tuition policy for the University of Minnesota.

Regent Neel, Chair of the Faculty, Staff & Student Affairs Committee, reported that the committee had voted unanimously to recommend approval of the following resolution relating to the 1999-00 tuition rates, academic fees, and course fees and related changes to the Board of Regents Policy: *Tuition*. A motion was made and seconded to approve the following resolution and policy changes.

Whereas, the 1999-00 tuition plan requires revision of Section III, Subd. 1 of the Board of Regents Policy: *Tuition*, in order to eliminate a mandatory base tuition, and to Section III, Subd. 8 to permit the selective elimination of nonresident tuition rates on a campus or in specific colleges or programs, and to Section III, Subd. 12 to permit the use of course fees in distance education courses; and

Whereas, tuition, academic fees, and course fees are an important source of University of Minnesota revenue; and

Whereas, the Board of Regents Policy: *Tuition* calls for a single undergraduate tuition rate on each campus; and

Whereas, the Board of Regents Policy: *Tuition* calls for the recognition of the difference in the cost of educating full-time and part-time students; and

Whereas, the Board of Regents have established institutional performance measures calling for the improvement in graduation rates; and

Whereas, the Board of Regents have approved the change to a semester-based academic calendar in 1999-00; and

Whereas, the 1999-00 tuition plan converts all tuition rates, academic fees, and course fees for a semester-based academic calendar and meets all of the other objectives detailed above;

Now, Therefore, Be It Resolved, that the Board of Regents adopts the Board of Regents Policy: *Tuition*, with revisions to Section III, Subd. 1 to eliminate the mandatory base tuition and to Section III, Subd. 8 to permit the selective elimination of nonresident tuition rates on a campus or in specific colleges or programs, and to Section III, Subd. 12 to permit the use of course fees in distance education courses,

And, Therefore, Be It Also Resolved, that the Board of Regents approves:

- the 1999-00 tuition rates, as detailed in Schedule 1 of the 1999-00 Tuition Plan;
- * the 1999-00 academic fees, as detailed in Schedule 2 of the 1999-00 Tuition Plan;
- the 1999-00 course fees, as detailed in Schedule 3 of the 1999-00 Tuition Plan.

BOARD OF REGENTS POLICY: *TUITION*

SECTION I. PRINCIPLES.

Subd. 1. **Public Interest Purpose.** The University of Minnesota is a publicly-supported institution of higher learning whose programs benefit both individual students and the state and nation. This twofold benefit is reflected in a vast array of social, economic, cultural, and civic enhancements that flow from an educated and well-trained citizenry, whose appreciation for the University's unique contributions to Minnesota's system of higher education is evidenced by a willingness to provide individual tuition, state subsidization, and private support. Through this valuable partnership, students are able to pursue their specific educational aspirations, while the state concomitantly promotes the broader public interest.

Subd. 2. **Shared Responsibility.** Tuition assessments within the University of Minnesota as a public institution must reflect the shared responsibility, benefits, and needs of the state and of the individual student. The tuition rate structure must provide appropriate incentives for access, retention, and choice; must promote timely progress toward degree completion; and, must be responsive to federal and state financial aid policies. Tuition rates and related fees must reflect the costs and the competitive environment of individual programs, the personal benefits to individual students, and social needs. Tuition assessments and tuition rates necessarily reflect the level of state appropriations for the University's instructional programs. Authority for establishing the basic principles for assessing, collecting, and managing tuition at levels that ensure the educational quality and integrity of the University's instructional mission resides with the Board of Regents.

Subd. 3. **Access, Choice, and Quality Need-Based Grant Fund.** The University shall maintain an Access, Choice, and Quality Need-Based Grant Fund. The fund shall be used to supplement federal and state need-based grant funds to undergraduate students in order to maintain access, choice, and quality. While private gifts should eventually provide the principal revenue for this fund, operations and maintenance revenue may also be used upon the recommendation of the president and approval of the Board of Regents.

SECTION II. DELEGATION OF AUTHORITY.

Subd. 1. Delegation. The Board of Regents delegates to the president of the University of Minnesota the authority to implement tuition policy and assess tuition.

Subd. 2. Review and Study. The president will annually review instructional cost studies that take into account the University's unique mission and the nature and level of its programming and services. The information in these studies will be viewed in the context of available state funding and student financial aid, keeping in mind that student financial aid subsidizes the cost of the individual student's education and does not provide public higher education institutions with additional financial support. The president will then specify the expected level of revenue from each University campus and will solicit for consideration specific tuition-rate proposals for each campus from the provosts of the Twin Cities campus and from the chancellors of the Duluth, Morris, and Crookston campuses. A student tuition advisory committee will be maintained on each campus and consulted to assist in the development of these proposals.

Subd. 3. Recommendations to Board. The president will then recommend tuition rates and provide an estimate of tuition revenue in the yearly budget plan that is presented to the Board of Regents. The presentation will include final recommendations for tuition rates for all levels of students and, where applicable, detailed information regarding tuition practices such as banding. The president will also include any proposed administrative, academic or course fees, and tuition refund schedules. The president's recommendations will be subject to review and approval by the Board of Regents.

SECTION III. TUITION GUIDELINES.

Subd. 1. Tuition Assessment. All students receiving instruction will be assessed tuition. This includes formal as well as less formal modes of instruction, and thesis advising. Tuition rates and fees should recognize the difference in cost between full-time and part-time students.

Subd. 2. Undergraduate Student Tuition Rates. For each campus, the resident tuition rate must be the same for all undergraduate students. For each campus, the nonresident tuition rate must be the same for all undergraduate students.

Subd. 3. Tuition Plans. The annual tuition plans for undergraduate students on each campus must include a guaranteed tuition plan option for entering freshmen students. Costs associated with guaranteed tuition plans must be fully borne by students participating in the plan and participation in such plans may be limited. The Board of Regents encourages the exploration of tuition plan options.

Subd. 4. Graduate Student Tuition Rates. The resident tuition rates for students registered in the Graduate School may vary by program and should be established on a cost-related basis, with cost being the average fully-allocated cost of graduate programs, and with market as a limiting factor to tuition rate increases. The University's objective should be to establish graduate tuition rates, graduate assistant wage rates, and tuition waiver and remission policies that enable the University to remain competitive in recruiting the best graduate students, in order to maintain high quality graduate programs and to benefit from the important contributions such students make to the University's instructional and research programs.

Subd. 5. Professional Student Tuition Rates. The resident tuition rates for professional students should vary by program and should be established on a

cost-related basis, with market as a limiting factor to tuition rate increases. For the professional schools of medicine, dentistry, veterinary medicine, pharmacy, and law, the institutions to be compared in establishing market should be determined by the president, on the recommendations of the executive vice president and provost and the senior vice president for health sciences.

Subd. 6. Departmental Master's Degree Student Tuition Rates. The resident tuition rates for departmental master's students may vary by program. Resident departmental master's tuition rates should be established at a level greater than the corresponding undergraduate rate.

Subd. 7. Tuition Rates for Non-Admitted Students. The president will recommend to the Board of Regents tuition rates for non-admitted students in the University College and in summer session, and for students designated as "adult specials" in the day school, recognizing that differences exist between degree-seeking and non-degree-seeking students.

Subd. 8. Residency. The Board of Regents has the authority to establish residency policy for University purposes, consistent with state law. Interpretive conventions of resident tuition status must have the approval of the president and are subject to review by the Board of Regents. Students will be provided due process to present their arguments for possible classification as resident for University purposes. Nonresident, non-reciprocity student tuition rates for undergraduate, graduate, professional, and departmental master's degree students will be set to recover, on the average, the full cost used in establishing the corresponding resident tuition rate. Exceptions may be made for distance education courses that are delivered by correspondence or electronically. In unusual circumstances, the president may recommend that nonresident, nonreciprocity students be charged resident student tuition rates on a campus or in certain colleges or programs.

Subd. 9. Tuition Waivers and Remissions. Tuition may be waived or remitted selectively in order to accommodate state law, to provide financial discounts to students the University is seeking to attract, to offer University employees a benefit, to promote cooperation with other higher education institutions, to support the international exchange of students, and to serve humanitarian purposes. The cost of all tuition-waiver programs not financed by legislative appropriation will be recovered by the tuition revenue generated from students who are not receiving them. As a general rule, a tuition-waiver program should be offered only if the University intends to provide it to all students meeting the program's criteria, regardless of their financial circumstances. The cost of a tuition remission program will be recovered from the units offering this benefit.

The president will make final recommendations regarding the terms and conditions under which tuition waivers and tuition remission benefits are provided. The University will state publicly the exceptions it will approve and provide such information to students who might qualify for them.

The president may recommend that all tuition be waived for students in a limited number of categories, and will make final recommendations regarding the conditions under which the nonresident portion of tuition is waived for nonresident students. In general, waivers of the nonresident portion of tuition for individual students will be for fixed periods of time.

Tuition waivers and tuition remission benefits will be reported as student aid expenditures in University financial records and reports.

Subd. 10. Reciprocity and Exchanges. Subject to approval by the Board of Regents, the University may participate in reciprocity and exchange agreements between Minnesota and other states and the Canadian provinces. These

agreements will specify the extent to which tuition will be waived. Consistent with Minn. Stat. § 136A.08, the president will recommend to the Board of Regents for their approval any additions of and modifications in reciprocity agreements.

The Board of Regents affirms that admissions to programs are delegated to the faculties of the University and that agreements related to admissions are not, therefore, properly within the purview of others. The regents further affirm that their participation in reciprocity agreements involving the remission of nonresident tuition must be premised on the understanding that adequate funding-reimbursement procedures to the University will be developed through the Governor's Office and the Minnesota State Legislature.

The University may also enter into consortium agreements with other institutions and other academic programs under which student exchanges and visiting student/scholar programs will operate. The president is delegated authority to approve such programs on recommendation of the appropriate academic officer.

Subd. 11. Administrative Fees. The president may recommend to the Board of Regents that administrative fees that affect large classes of students may be assessed to those who directly benefit from the services for which the fees are being paid.

Subd. 12. Course Fees. The president may recommend to the Board of Regents that course fees be assessed:

- (1) when academic departments purchase materials that will be used in developing products that the students will retain or consume;
- (2) when they purchase from non-University vendors services or products that are subsequently provided to students as a requirement of a course;
- (3) when academic departments provide individual lessons to students; or
- (4) when distance education courses are delivered by correspondence or electronically in order to cover delivery costs.

Course fees should be assessed only in specifically justified situations and should not be substituted for general budget support. The appropriate campus student tuition advisory committee shall be consulted to assist in the development of fee proposals.

Subd. 13. Academic Fees. The president may recommend to the Board of Regents that campus-wide fees, college-wide fees, or both be assessed to all students enrolled on a campus or in a college for special equipment, supplies, and services, provided that each campus use no more than one campus-wide fee and that each college use no more than one college-wide fee.

Effective Date: Section III, subdivision 2 must be implemented no later than the 2000-2001 academic school year.

Supersedes: Tuition Policy dated February 12, 1993; Tuition Policy dated November 10, 1993; and Tuition Waiver for American Indian Students at the Morris Campus dated February 10, 1961.

Regent Spence stated that the proposed plan will only be successful if students are aware of and support the changes. She asked how the administration proposes to convey the changes in the plan. Zetterberg responded that funds have been made available to advertise the new tuition plan broadly. In addition, the Minnesota Student

Association has endorsed the tuition plan and has volunteered to help advertise it to students. There will be an aggressive movement to get the information to students by the time they register in May for Fall semester. Bruininks added that numerous meetings have been held with collegiate leaders on the changes and the leaders are ready to orient and train advisors and faculty.

In response to a question from Regent Reed, Zetterberg stated that it is hoped that any change in credit load would be limited to an average per student of a half-credit reduction, as a worst case scenario. A half-credit drop has been experienced at other institutions for this type of conversion. The University of Minnesota has been fortunate because the planning for this conversion occurred over a four-year time span. The University will continue to monitor this issue to try and avoid any significant credit drops.

Student Representative Roethle stated that he believes the students are ready for the conversion and the changes to the tuition plan have been marketed well. He stated he believes the new tuition plan will be beneficial to the students and while it is a revolutionary change, it has been handled in an outstanding manner by the administration.

In response to a question, Bruininks reported that the biennial budget request reflects lower growth in the first year than in the second in anticipation of some reduction of credits. Zetterberg added that in a worst case scenario, the amount of tuition revenue loss would be approximately \$12 million, plus a reduction of \$6 million in state appropriation for a total of \$18 million. The best case scenario would be that tuition revenue would increase by one percent.

The Board of Regents voted unanimously to approve the resolution including the adoption of the amended Board of Regents Policy: *Tuition* and the 1999-00 tuition rates, academic fees, and course fees.

COMMITTEE REPORT ON REVISIONS TO CRITICAL MEASURES

Regent O'Keefe, Chair of the Educational Planning & Policy Committee, reported that the committee reviewed and discussed in February and March proposed changes to the critical measures, including renaming the measures to Institutional Measures. He stated that the committee voted unanimously to recommend approval of the following resolution. A motion was made and seconded to approve the following resolution:

Whereas, on January 14, 1994, the Board of Regents approved a planning process that initiated "the development, by the University's central and unit administration and in consultation with University and unit governance organizations, of critical measures and benchmarks for measuring institutional, campus and unit performance"; and

Whereas, the 14 measures were developed in three phases and approved by the Board of Regents on December 8, 1994 (five measures), July 14, 1995 (seven measures), and September 5, 1996 (two measures); and

Whereas, the purposes for developing the measures and the principles used in developing the measures suggested that measures would need to be changed as conditions and performance issues changed; and

Whereas, measures need to be aligned with Board policies as well as the vision and academic direction of President Yudof and his administration; and

Whereas, that vision requires enhanced comparisons for the Twin Cities campus relative to the top 30 Research I Universities and the top 15 public research universities whenever possible, and alignment with the Compact Planning Process as well as with the investments included in the biennial budget and capital budgets; and

Whereas, complementary data profiles need to be developed for collegiate and support units to inform policy formation and evaluation and strengthen unit-level accountability; and

Whereas, terminology used in discussing the measures for the University of Minnesota should be consistent with terminology used by peer institutions;

Be It Resolved, that the critical measures be heretofore renamed Institutional Level Performance Measures; and

Be It Resolved, that comparison groups for the Twin Cities campus will be broadened to include the top 30 Research I institutions and the top 15 public research universities whenever possible; and

Be It Resolved, that Collegiate and Support Unit Data Profiles will be developed, and aligned when appropriate, with the Institutional Level Performance Measures and used in the Compact Planning Process; and

Be It Further Resolved, that necessary changes be made in the original set of 14 measures, including dropping the measure Investment per Student, adding one measure titled International Education: Preparing Global Citizens, realigning and/or enhancing five measures, and maintaining eight measures.

Executive Vice President and Provost Bruininks provided a brief overview, highlighting the four basic changes: 1) rename the measures to Institutional Level Measures; 2) broaden the comparison groups for the Twin Cities campus where appropriate; 3) align collegiate and support unit data profiles with the institutional level measures; and 4) refine selected institutional level measures. Detail of the changes was included in the docket material.

O'Keefe reiterated that the committee has discussed the issue at great length and unanimously supports and recommends the revisions.

In response to a question from Regent Neel, Bruininks reported that an annual performance report will be presented to the board. In addition, detailed reports of the compact planning process will be provided to indicate how the compacts relate to the measures.

The Board of Regents voted unanimously to approve the resolution concerning revisions to the University's Critical Measures.

QUARTERLY ENTERPRISE SYSTEMS UPDATE

Associate Vice President Kvavik and Interim Associate Vice President Steve Cawley presented the quarterly update on the Enterprise Systems Project, a copy of which was included in the docket materials.

Pursuant to the board's request, this report is to provide an accounting of the specific project milestones and schedule. Kvavik provided an update on the accomplishments, system modifications, process redesign, outstanding issues, and

budget projections for the project to date. He reported that overall the project closed the second quarter of the current fiscal year \$595,342 over the year-to date budget while completing all major milestones. As of December 31, 1998, the project has spent a total of \$27.3 million. As many of the project's largest components near completion, it appears certain that the project will exceed the total approved budget. Over the next weeks, senior management will complete its review of the project, make any needed adjustments to project plans and scope, and then at the May 1999 board meeting present a justification and request for approval for spending beyond the original \$42.3 million budget.

Regent Reed asked if there are any crucial functionalities that the University has decided to forego to remain close to budget. Cawley reported that no crucial functionalities have been or will be eliminated.

In response to a question from Regent Spence, Kvavik reported that there will be time to correct any problems relating to registration that may occur on the Duluth campus before the Twin Cities registration begins. He added that there is also a backup plan if the new process fails for any reason.

RECEIVE AND FILE REPORTS

Chair Hogan noted the receipt and filing of the Civil Service Report.

GIFTS

Associate Vice President Gerald Fischer presented the monthly list of gifts to the University of Minnesota, the University of Minnesota Foundation, the Arboretum Foundation, and the Minnesota Medical Foundation as listed in the docket material and on file in the Board Office.

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

REPORT OF THE FACILITIES COMMITTEE

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

- a) Approval of a recommendation of the President that the FY99 capital budget be amended by \$340,000 to add the Kirby Window Replacement Project on the Duluth campus.
- b) Approval of a recommendation of the President that the FY99 capital budget be amended as follows:
 - A. \$250,000 to increase the budget for the Murphy Hall Renovation Project to \$9,250,000;
 - B. \$1,797,000 to increase the budget for the Networking and Telecommunications Services Building Renovation to \$3,597,000.
- c) Approval of a recommendation of the President that the schematic plans for the Ford Hall Renovation Project on the Twin Cities campus be approved and the appropriate administrative officers be authorized to proceed with the award of contracts and the development of construction documents and construction.

- d) Approval of a recommendation of the President that the schematic plans for the Murphy Hall Renovation project on the Twin Cities campus be approved and the appropriate administrative officers be authorized to proceed with the award of contracts and the development of construction documents and construction.
- e) Approval of a recommendation of the President that the schematic plans for the Networking and Telecommunications Services Building Renovation project on the Twin Cities campus be approved and the appropriate administrative officers be authorized to proceed with the award of contracts and the development of construction documents and construction.
- f) Approval of a recommendation of the President that the schematic plans for the St. Paul Parking Ramp project on the Twin Cities campus be approved and the appropriate administrative officers be authorized to proceed with the award of contracts and the development of construction documents and construction.
- g) Approval of a recommendation of the President that the appropriate administrative officers be authorized to execute the appropriate documents providing for the sale of parking lot C91 on the West Bank of the Twin Cities campus.

A motion was made and seconded and the Board of Regents voted unanimously to approve the recommendations of the Facilities Committee.

Metzen reported that the committee reviewed the Quarterly Capital Improvement Plan Report and the Academic Health Center Strategic Facilities Plan.

REPORT OF THE FACULTY, STAFF, AND STUDENT AFFAIRS COMMITTEE

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

- a) Approval of the Consent Report for the Faculty, Staff and Student Affairs Committee as presented to the committee in the docket materials, with highlights listed below:
 - Appointment of Eric Kruse as Vice President for University Services, effective February 12, 1999.

A motion was made and seconded and the Board of Regents voted unanimously to approve the recommendations of the Faculty, Staff & Student Affairs Committee.

Neel reported that the committee reviewed an amended Board of Regents Policy: *Animal Care and Use* and a number of information items were reviewed by Executive Vice President and Provost Bruininks.

REPORT OF THE EDUCATIONAL PLANNING & POLICY COMMITTEE

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

- a) Approval of a resolution relating to the expansion of the University of Minnesota in Rochester, as follows:

Whereas, the University of Minnesota, as a public, land-grant research university has a responsibility to provide higher education resources to Minnesota citizens throughout the state, and

Whereas, over the past thirty years, the University of Minnesota has invested resources in the provision of higher education programs and services in Rochester, is a partner institution at the University Center Rochester, and has signed a partnership agreement with Minnesota State Colleges and Universities (MnSCU) to affirm their values and mutual interest in joint development of programs; and

Whereas, the Rochester community is one of the state's fastest growing communities, facing the challenge of creating and maintaining a skilled and competent workforce as its businesses, industries and services increase; with an increasing need for upper division, graduate, and professional education and research that exceeds the capacity of the programs and collaborations currently in place; and

Whereas, recent consultant reports have stated that improvement in higher education in Rochester would require an improved and more accountable system of governance, a clear identification of academic leadership, and a stronger presence and greater visibility of the University of Minnesota in Rochester; and

Whereas, University of Minnesota administration has undertaken a process of consultation with colleges and academic leadership at the University of Minnesota to determine that the higher education needs in Rochester are aligned with the mission, strengths, and academic interests of our faculty; and

Whereas, administrators of the University of Minnesota and MnSCU have jointly developed a Statement of Principles ("the Statement") that provides for increased University of Minnesota leadership, and collaborative expansion of higher education services in Rochester; and

Whereas, the MnSCU Board of Trustees approved the Statement on February 17, 1999 pending approval by the University of Minnesota Board of Regents;

Now, Therefore, Be it Resolved, that the Board of Regents approves the Statement of the University of Minnesota and Minnesota State Colleges and Universities in Rochester which will govern the establishment of a University of Minnesota at Rochester branch campus; and

Be It Further Resolved, that the Board of Regents directs the administration of the University of Minnesota to continue to analyze and resolve with MnSCU outstanding issues identified in the Statement; and

Be It Further Resolved, that the Board of Regents directs the administration of the University of Minnesota to commence the academic, services, facilities, and budgetary planning described in the Statement; and

Be It Further Resolved, that a special state Legislative appropriation will be required to implement this proposed expansion; and

Be It Further Resolved, that the Executive Vice President and Provost shall report to this Board of Regents on the status of these plans at its July 1999 meeting.

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

O'Keefe explained that the resolution authorizes a set of principles for the establishment of a branch campus of the University of Minnesota in Rochester. The goal of the principles is to meet the growing higher education needs of that area of the state. The campus would conceivably be a campus with resident faculty, but not a residential campus. It would proceed in close cooperation with MnSCU. The principles have been approved by the MnSCU Board of Directors. He added that the establishment of this program will be accomplished only with additional resources from the state legislature. He noted that details of the transaction are included in the docket materials.

O'Keefe further reported that Regent Peterson raised an issue regarding conversations he had with legislators in the Mankato area relating to concerns about what the establishment of this branch campus would mean for enrollment at Minnesota State University at Mankato. The response from administration indicated that there had been a series of meetings between legislators and administrators from the Mankato campus and campuses in the Rochester area. There will indeed be some impact, but it is not expected to adversely affect the Minnesota State University at Mankato. There will be monitoring relating to this issue.

Regent Neal stated that this is a tremendous investment for both the University and for MnSCU. He added that this is an historic occasion. He read the following excerpt from a letter to the University of Minnesota dated August 8, 1934 from Dr. William James Mayo, a regent from 1907 to 1939, and asked that it be included in the record:

"Our state University is not political in origin or management. Yet it comes from and belongs to the people. The representatives of the people at intervals, elect a continuing board of twelve members each for a term of six years. The members of the Board of Regents have always been representative citizens, eminently fitted for their responsibility in safeguarding the interests of education, and I have been impressed with their sympathetic understanding of the changing economic and social conditions. The Regents are responsive to the public voice, but not to public clamor."

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

O'Keefe reported that the committee also reviewed information relating to a revised undergraduate strategy at each of the coordinate campuses and information relating to anticipated timelines for the development of a revised intellectual property policy.

REPORT OF THE FINANCE & OPERATIONS COMMITTEE

Regent Bergland, chair of the committee, reported that the committee voted unanimously to recommend:

- a) Approval of the Consent Report for the Finance & Operations Committee as presented to the committee in the docket materials, with highlights listed below:
 - Purchase of goods/services over \$250,000 as described in the committee minutes.
- b) Approval of the recommendation by the President to authorize the negotiation and the execution of a Letter of Intent and contract with Ogden Entertainment in accordance with the information contained in the docket materials and the memorandum to the members of the Finance and Operations Committee, dated March 1, 1999. It is further approved that Vice President Boston is authorized to execute such a contract.

A motion was made and seconded and the Board of Regents voted unanimously to approve the recommendations of the Finance & Operations Committee.

Bergland reported that the committee also received a financial update on funds from the hospital transaction and reviewed the Quarterly Purchasing Report, the Quarterly Management Report, and the Quarterly Asset and Debt Management Report.

REPORT OF THE AUDIT COMMITTEE

Regent Larson, Chair of the committee, reported that the committee reviewed a number of information items, received an internal audit update; reviewed the President's response to the Management Letter; reviewed the External Audit Plan; and reviewed information on the integrated framework for the Academic Health Center.

REPORT OF THE LITIGATION REVIEW COMMITTEE

Regent Peterson, Chair of the committee, reported that the Litigation Review Committee had not met since the February board meeting.

REPORT OF THE PRESIDENT

President Yudof reported that he appeared before a legislative committee on March 12, 1999, to testify regarding recent allegations of academic misconduct by some of the members of the Twin Cities campus men's basketball team. He stated that he felt the hearing went well and does not think that this issue will have an impact on the University's budget request. Yudof reported that he will be requesting an independent investigation of this matter. He reported that, in answer to a question from a legislator, he did not intend to widen the investigation to other sports at the University. He stated that the discussion also reflected that cheating is a national problem and not one that is limited to athletics. Yudof informed legislators that he will keep them apprised of how the investigation is proceeding and will provide them with a final document when the investigation is complete.

REPORT OF THE CHAIR

Chair Hogan stated that, on behalf of the board, he wanted to express confidence in President Yudof with respect to the allegations of misconduct by the University of Minnesota men's basketball players and staff. It is important that there be no rush to judgment and that the rights of all parties be protected. He stated that the Board supports the President's recommendation to retain outside investigators. The Board also fully supports both the men's and women's athletic program and the outstanding

student athletes who represent the University of Minnesota in intercollegiate sports. Every effort will be made to ensure that, if wrongdoing by some persons is found, the scandal will not affect other players, coaches, or other University personnel. He stated that cheating, in any form or by any students, will not be tolerated by the University of Minnesota, and the Board is determined that the highest standards are upheld in this case.

**CAPITAL IMPROVEMENT PLAN
COMMUNITY STRATEGY**

The presentation on the agenda item relating to the Capital Improvement Plan Community Strategy was delayed due to time constraints.

NEW BUSINESS

Regent Peterson moved that on the recommendation of the President and as provided for by Minnesota State Statute 471.705, Subd. 1d, the Board of Regents conduct part of its previously scheduled and noticed meeting on Friday, March 12, 1999, in 238 Morrill Hall as a non public meeting for the purpose of discussing attorney-client privileged matters.

The motion was seconded and the Board of Regents voted unanimously to go into non-public session to discuss attorney-client privileged matters. The board met in non-public session until and no actions were taken. The meeting reconvened into public session at 11:59 a.m.

The meeting adjourned at 12:00 noon.



GREGORY C. BROWN
Acting Executive Director and
Corporate Secretary



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**UNIVERSITY OF MINNESOTA
BOARD OF REGENTS**

MINUTES

**BOARD OF REGENTS MEETINGS
AND
COMMITTEE MEETINGS**

April 8-9, 1999

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

UNIVERSITY OF MINNESOTA

BOARD OF REGENTS

Minutes of the Board of Regents Meetings
and Committee Meetings

April 8-9, 1999

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UNIVERSITY OF MINNESOTA

BOARD OF REGENTS

Facilities Committee

April 8, 1999

A meeting of the Facilities Committee of the Board of Regents was held on Thursday, April 8, 1999, at 9:00 a.m. in Room 238, Morrill Hall.

Regents present: Patricia Spence, presiding; Anthony Baraga, William Peterson, Jessica Phillips, and Maureen Reed.

Staff present: President Mark Yudof; Vice Presidents McKinley Boston and Eric Kruse; Interim Chancellor Samuel Schuman; Vice Chancellors Gregory Fox and Douglas Knowlton; Acting Executive Director Gregory Brown; and Associate Vice Presidents Stephen Cawley, Georgina Stephens, and James Turman.

Student Representatives present: Tammy Koob and Jennifer Molina.

INFORMATION ITEMS

Resolution Amending Bonding Resolution

Associate Vice President Stephens reviewed an amendment to a resolution authorizing the issuance of bonds. The resolution was originally adopted by the board on December 11, 1998. The amendment provides flexibility to the officers of the University in use of the bond proceeds to ensure compliance with tax laws. The resolution will be considered for approval by the Finance and Operations Committee today.

In response to questions from Regents Reed and Spence, Vice President Kruse stated that the committee will be informed when it is determined that construction projects, remodeling projects, and items of equipment should be financed with proceeds of the bonds.

Construction Update - Coordinate Campuses

Kruse presented an update on construction projects that are underway on the coordinate campuses. He reviewed slides showing the status of several projects on the Morris, Crookston, and Duluth campuses.

CAPITAL BUDGET AMENDMENT

Review

Vice President Kruse presented a proposed capital budget increase of \$50 million for the remodeling of Coffman Memorial Union on the Twin Cities campus. This increase is necessary to maintain the project schedule, with construction beginning in March 2000 and an estimated completion date of Fall 2001. Kruse reviewed the scope, cost, and funding of the project as noted in the docket materials.

In response to a question from Student Representative Koob, Kruse stated the 20-year debt service was established so the University will have debt capacity to address

future issues. Associate Vice President Turman added that the Student Services Fee Committee discussed the issue and decided on 20-year bonds. Regent Spence noted these are general obligation bonds with lower interest.

In response to a question from Student Representative Molina, Kruse stated he will report back to the committee when the relocation plan for programs and activities currently housed in Coffman Memorial Union is developed.

CAPITAL BUDGET AMENDMENTS
Review/Action

**Gortner Laboratory/Snyder Hall Laboratory Renovation for Biotechnology Center,
Twin Cities Campus**

A motion was made and seconded to amend the fiscal year 1999 capital budget by \$1,226,700 to increase the budget for the Gortner Laboratory/Snyder Hall Laboratory for Biotechnology Center Project to fund the added scope of work.

Vice President Kruse presented a proposed capital budget increase for the renovation of Gortner Laboratory and Snyder Hall for the Biotechnology Center Project on the Twin Cities campus. He discussed the scope, cost, and funding of the project as noted in the docket materials.

In response to a question from Regent Spence, Jeffrey Tate, Associate Director of the Biological Process Technology Institute, stated the renovation will result in consolidation of all biotechnology-related service operations currently taking place across the campus. He noted this project is supported by the Biological Sciences Policy Council and Dean Elde.

The committee voted unanimously to recommend approval of the amendment to the fiscal year 1999 capital budget.

**Shoreview Property Environmental Remediation Project,
Shoreview, Minnesota**

A motion was made and seconded to amend the fiscal year 1999 capital budget by \$700,000 to increase the budget for the Shoreview Property Environmental Remediation Project to fund the cleanup of additional debris discovered on the site.

Vice President Kruse presented a proposed capital budget increase for the environmental remediation of University property in Shoreview as noted in the docket materials.

In response to a question from Regent Reed, Kruse stated that he believes the University is now aware of all contaminated sites on this property.

The committee voted unanimously to recommend approval of the amendment to the fiscal year 1999 capital budget.

SCHEMATIC PLANS

**Gortner Laboratory/Snyder Hall Laboratory Renovation for Biotechnology Center,
Twin Cities Campus**

A motion was made and seconded to recommend approval of the schematic plans for renovation of Gortner Laboratory and Snyder Hall Laboratory for the Biotechnology Center Project on the Twin Cities

campus and authorizing the appropriate administrative officers to proceed with the award of contracts and construction.

Vice President Kruse discussed the project description, justification, and budget implications of the proposed renovation of Gortner Laboratory/Snyder Hall on the Twin Cities Campus as noted in the docket materials. Jeffrey Tate, Associate Director of the Biological Process Technology Institute, stated the renovation will result in streamlined and efficient use of existing space and will provide a tremendous research environment for the Biotechnology Center Project.

In response to a question from Regent Baraga, Tate explained this facility will not duplicate services available elsewhere on campus, but rather will complement those on the Minneapolis campus, and will be available to the entire campus. He noted that the Academic Health Center contributed \$300,000 to this project, and extensive interaction is anticipated.

In response to a question from Regent Reed regarding the 30 percent increase in the project cost, Kruse stated that the preliminary planning currently being done on all projects was not done on this project.

President Yudof stated this project is vital to the University's cellular and molecular biology initiatives. He indicated the project had to be developed quickly, which may explain the increased costs, and assured the committee that the process is improving.

The committee voted unanimously to recommend approval of the motion relating to the schematic plans.

Gibson-Nagurski Complex Phase III Remodeling, Twin Cities Campus

Regent Spence stated that approval of the Gibson-Nagurski Complex Phase III remodeling project on the Twin Cities campus was delayed until the May meeting to provide the administration additional time to address unresolved issues.

West Bank Bridgehead Restoration, Twin Cities Campus

A motion was made and seconded to recommend approval of the schematic plans for restoration of the bridgehead of the West Bank Bridge on the Twin Cities campus and authorizing the appropriate administrative officers to proceed with the award of contracts and construction.

Vice President Kruse discussed the scope, rationale, and budget implications of the proposed West Bank Bridgehead Restoration on the Twin Cities campus as noted in the docket materials. He added that the revised schedule for repair of the Washington Avenue Bridge by the Minnesota Department of Transportation and Hennepin County, noting that the bridge will be painted in 2000-01.

In response to questions from Regent Peterson, Kruse discussed the structural damage to the concrete deck. Dave Campbell, INSPEC, the project designer/engineer, discussed drainage issues for the deck. He stated the solution is to stop water, repair existing defects, and add new waterproofing. Peterson suggested enclosing the top as a way of addressing the drainage problems.

The committee voted unanimously to recommend approval of the motion related to the schematic plans.

DESIGN GUIDELINES

Jones Hall Renovation, Twin Cities Campus

Harvey Turner, Director of Planning and Programming, presented the design guidelines for the renovation of Jones Hall on the Twin Cities campus as noted in the docket materials. He noted this is part of what will be the "humanities corridor" on campus. This is a small, structurally sound building, which is part of the historic Knoll District and is eligible for the National Register of Historic Places.

Turner discussed the project rationale, project description, and the estimated project cost. As part of the renovation, an elevator will be added to make the building accessible. He noted that occupancy is anticipated in Winter/Spring 2001. A possible underground connection between Jones Hall and Williamson Hall is also being considered.

Regent Reed expressed appreciation for the commitment to preserving historic buildings on campus. Jim Litsheim from the University Architect's Office, who is the historic architect for the campus, gave a brief history of the building. Vice President Kruse noted that Litsheim is responsible for developing a close working relationship between the University and the state historic preservation office.

Regents Reed and Phillips spoke in support of the planning process, and commended the administration for its efforts. Reed noted the process worked for the proposed renovation of Jones Hall, and she doesn't see why it shouldn't be expected to work for all projects. Turner noted the following addition to the design guidelines for projects on all campuses: "Every individual project is expected to contribute to the advancement of the essential elements (built form, landscape, circulation) of the campus. These guidelines apply to all university facilities regardless of the reporting structure of the unit affected."

In response to a question from Student Representative Molina regarding the American Indian Student Cultural Center (AISCC) which is currently located in Jones Hall, Turner said the AISCC Board will have input to ensure the renovated space is suitable for the Center. He stated cultural issues will be addressed as part of the planning process, noting the administration is working with Associate Vice President Rusty Barcelo and students.

Mineral Resources Research Center Renovation, Twin Cities Campus

Harvey Turner, Director of Planning and Programming, stated that the building overlooks the river, is located in the historic Knoll District, and is eligible for the National Register of Historic Places. It has been vacant for several years and has great potential for reuse. He discussed the Master Plan, site and architectural guidelines related to the project as noted in the docket materials.

Vice President Kruse stated that President Yudof has emphasized the importance of finding the right use for the Mineral Resources Research Center. There has been discussion about locating some College of Education programs in the building, although the program element may change.

In response to a question from Regent Phillips, Turner stated that the \$600,000 related to environmental issues is included in the \$14.5 million estimate for the project. Phillips suggested that when determining which programs will be located in the renovated building, consideration should be given to how many students could benefit from this great facility.

In response to a question from Regent Reed, Jim Litsheim from the University Architect's Office stated that although the University works with the Park Service and the National Register of Historic Places on historic preservation, it has elected not to take its buildings to the registration level. Turner noted the University has found a

balance between doing all the historic preservation possible while supporting the mission of the institution. The administration has started to formally document the history of University facilities, and Turner stated that history should be displayed.

Steven Yussen, Dean of the College of Education, stated he is pleased with support for the project. The College needs space, and he hopes to persuade President Yudof that this is the appropriate use for the building.

Regent Baraga asked if there are any other hidden gems around campus, and Kruse noted Nicholson Hall, the Music Education Building, and others. Barrage suggested that the committee visit some of those buildings and Regent Spence stated it might be possible to schedule a tour as part of the committee's agenda.

UMD WOMEN'S ICE HOCKEY CENTER, DULUTH CAMPUS

Vice Chancellor Fox discussed the proposal to construct a Women's Ice Hockey Center on the University of Minnesota, Duluth (UMD) campus. He noted that UMD established women's ice hockey in September 1997 and is committed to running a Division I program with the best athletic program and facilities for young women throughout the state.

Fox stated that during its first season, the team will play at the Duluth Entertainment & Convention Center (DECC) and no rent will be charged. However, this is only a short-term solution because it places a large burden on the 35-year-old facility, since UMD men's and women's hockey will use 50 percent of the weekends but only provide 10 percent of the facility's revenue. He stated UMD is committed to the men's hockey team playing at the DECC into the future because the Bulldogs are an important part of the hospitality industry in Duluth, which is centered downtown.

Fox described the proposed \$12 million facility which, in addition to being the primary venue for the women's hockey program, would serve as a practice facility for the men's hockey team and include high performance labs and equipment, a weight training room, athletic therapy and rehabilitation space, classrooms, meeting and recruiting space, and a track in the concourse for use by the cross country teams and recreation.

In response to a question from Regent Reed, Fox stated this proposal has been discussed with the DECC Board, legislators, and community leaders. Support for this facility is strong since it is clear that UMD does not intend to move men's hockey out of the DECC. There is a belief that the project is necessary and other hockey teams in the city could use the facility.

In response to questions from Regent Baraga, Fox stated there will be approximately 3,000 seats in the facility and he discussed parking solutions and a possible arrangement with the Duluth Transit Authority to provide free transportation to games.

In response to questions from Regent Phillips, Fox stated that UMD currently has a five-year contract with the DECC for men's hockey. He noted that UMD Men's Ice Hockey Coach Sertich is on the Program Committee for the proposed facility and he is extremely supportive. The men would have locker rooms in the facility and practice time, which would be an enormous advantage for the men's team. Phillips urged a move towards shared facilities as much as possible.

Regent Spence expressed a concern about the need for a separate playing facility for women. As an alternative, she asked if the women's team could play its games at the DECC and build a shared practice facility on campus. Fox stated he would be willing to evaluate that alternative.

Regent Reed said all athletic facilities should be considered gender neutral. She stated that as future issues arise with athletic facilities in general, she wants explicit

statements about the impact on Title IX. Fox noted the proposal is for a multiple-use facility for men and women.

Regent Baraga stressed the importance of locating all facilities on campus and inquired about building an on-campus facility for both the men's and women's hockey programs. Fox indicated that the realities of UMD's relationship with the city and legislators and the cost of such a project make it difficult to do at this time. He noted that UMD is open to that possibility in the future. Harvey Turner, Director of Planning and Programming, stated it is possible to over-build a facility and he doesn't feel all of the issues related to how much the Duluth campus can handle have been explored. Fox indicated this site would allow expansion if that were necessary from the community's perspective in the future, but only to approximately 6,000 seats.

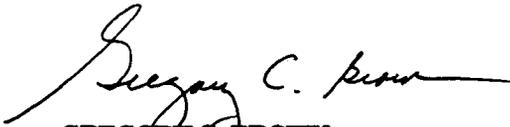
Spence requested that Fox report back to the committee on several issues: an assessment of community support for the women's hockey team competing in the DECC; the possibility of constructing an on-campus practice facility, including ancillary activities, at a lower cost; renaming the facility to more accurately describe the diverse uses; an assessment of Title IX impact for this and all athletic facilities; and adapting the community involvement plan for capital projects to make sure it works for each community.

GATEWAY BUILDING PARKING FACILITY

Vice President Kruse reported that construction costs for the Gateway Building parking garage and connections have increased to \$12 million for 300 spaces. Following a meeting with President Yudof, Margaret Carlson, Jerry Fisher, and Larry Laukka, construction on the parking facility has been stopped. He reviewed options that will remain in place.

Regent Reed requested that the master plan and parking need issued are addressed and asked Kruse to keep the committee informed. In response to a request from Regent Spence, Kruse agreed to send the board a memo regarding the costs of the project.

The meeting adjourned at 11:35 a.m.


GREGORY C. BROWN
Acting Executive Director and
Corporate Secretary

UNIVERSITY OF MINNESOTA

BOARD OF REGENTS

Faculty, Staff & Student Affairs Committee

April 8, 1999

A meeting of the Faculty, Staff and Student Affairs Committee of the Board of Regents was held on Thursday, April 8, 1999, at 9:00 a.m. in Room 238, Morrill Hall.

Regents present: H. Bryan Neel, presiding; Robert Bergland, Dallas Bohnsack, William Hogan, Warren Larson, and Michael O'Keefe.

Staff present: Interim Chancellor Samuel Schuman; Vice President Carol Carrier; Acting Executive Director Gregory Brown; and Associate Vice Presidents Rusty Barcelo, Jane Canney, and Robert Kvavik.

Student Representatives present: Heidi Frederickson and Cheryl Jorgensen.

INFORMATION ITEMS

Chair Neel announced that the agenda item related to a collective bargaining agreement for police employees was postponed to a future meeting.

Neel introduced Associate Vice President Robert Kvavik who reported on two appointments: Charles Casey as Interim Dean and Director of the University of Minnesota Extension Service effective April 1, 1999, and Daniel Detzner as Interim Dean of the College of Human Ecology effective July 1, 1999.

CONSENT REPORT

Associate Vice President Kvavik noted that the Consent Report included changes to the Civil Service Rules, the result of an extensive review undertaken approximately every five years. The proposed changes were developed by the Civil Service Rules Committee, considered by various committees and the administration, and finally presented to the Board of Regents for approval. About 50 changes are recommended and a copy of the changes are in the board office.

Vice President Carrier made brief comments. She recognized the outstanding work of Mary Jane Towle, Chair of the Civil Service Committee, and noted that most of the revisions update language to reflect changes in administrative organization and new federal, state, and University policies. Other changes were the addition of worldwide web addresses or for editorial purpose.

In response to a request from Regent Hogan, Carrier enumerated the substantive changes:

- to limit the time frame for job reclassification approvals to ensure a more timely response;
- to add the University's code of conduct policy to the rules to emphasize employees rights to a respectful and safe working environment;

- to lengthen the notification period for layoffs, consistent with unionized staff notification.

A motion was made and seconded and the committee voted unanimously to recommend approval of the Consent Report. Regent O'Keefe requested that, in the future, materials for items with this many details be provided by mail prior to the meeting, and not be handed out at the meeting.

BOARD OF REGENTS POLICY: ANIMAL CARE AND USAGE

Chair Neel noted that the committee had discussed the proposed revisions to this policy at its March, 1999 meeting. The policy revisions provide definitions for the Animal Care and Use Committee and the institutional officer appointed to monitor the care and use of animals in University activities. In addition, the changes remove language regarding administrative procedures. Assistant Vice President Richard Bianco, the director of the animal care facilities, was present to answer any questions.

A motion was made and seconded and the committee voted unanimously to recommend approval of the Board of Regents policy: *Animal Care and Usage*.

UNIT II COLLECTIVE BARGAINING AGREEMENT WITH GRAPHIC COMMUNICATIONS UNION, LOCAL 1B

Vice President Carrier presented information regarding a collective bargaining agreement with the Graphic Communications Union, Local 1B, as detailed in the docket materials. The agreement covers nine employees who work in the printing plant on the Twin Cities campus and provides terms and conditions of employment from November 1, 1998 through October 31, 2001. The contract includes the opportunity for employees to earn incentive pay linked to the profits of the printing plant. Carrier noted that the union has ratified the agreement.

A motion was made and seconded and the committee voted unanimously to recommend approval of the resolution approving the labor agreement with the Graphic Communications Union, Local 1B.

COMMERCIALIZATION OF TECHNOLOGY: REPORT ON IMPLEMENTATION STEPS

Vice President Maziar noted that this discussion is a continuation of a report she made at a previous committee meeting. The new information is presented in the docket materials in italic font.

The seven implementation steps are:

- provide a single front-door web-page for business and industry;
- expand the Minnesota Technology Inc. assistance program;
- expand collaborative efforts with local and regional expertise in technology commercialization;
- expand prospecting capability;
- expand technology evaluation committees;
- develop a master agreement strategy;
- hold a technology commercialization fair.

Maziar began where she left off previously at the fourth step, "expand prospecting capability." There is the desire to place patent and marketing professionals in the collegiate units to help researchers see the potential for moving ideas to the commercial sector. She announced a new hire to serve that purpose in the

Academic Health Center and hoped there would be another professional hired shortly for the College of Agriculture, Food, and Environmental Science.

Maziar reported that, as of the end of February, 1999, the University had already received as many intellectual property disclosures as it had all of the previous year and she expects the total for the year will be up about 30%. She attributes this increase to the greater awareness of the importance of disclosing by faculty members and researchers, the leadership of the President and the Board of Regents, and the interest shown by the press. The challenge is for University staff to manage the increase.

In response to Regent Bergland's comment about how quickly changes are occurring in this area and how universities will be hard-pressed to keep up-to-date, Maziar noted that universities bring the public interest to the commercialization discussion and it is a key role institutions must play. Regent O'Keefe expressed his congratulations on the strategic approach the University had developed and his hope that the institution will foster a collaborative approach with the many non-profit organizations and for-profit enterprises that exist across the state. He stated that a partnership like this has been needed for many years.

Maziar reviewed the remaining three implementation steps. The Technology Evaluation Committee will expand to three committees, each focused on a different research area -- biomedical; software and technology; and the physical sciences. Slow progress continues to be made on developing a master agreement for contracts between private enterprises and the university. A technology commercialization fair has been scheduled for May 17 to increase the interaction between potential sponsors and university researchers. The fair will be by invitation only, focusing on Fireside Chat attendees.

Regent Hogan observed that these steps seem to capture the essence of the challenge of moving technology to the marketplace. He recommended that the University find a process to use "angels' money," which he defined as patient, private start-up funds, whose investors are willing to wait for returns.

In response to Regent Larson's questions about how the University compares to other national institutions, Maziar noted that in royalty income the University ranks in the top 10 to 25; in active licenses in the top 10 to 15; and in start-up companies formed in the top 10 to 25. In terms of public benefit, one needs to look at the number of jobs created, as well as enhancing and strengthening existing companies, when new products are developed. When licensing technology, it is important to not limit the University to Minnesota companies, because there is a public benefit when a product or process reaches the marketplace. There is also a tertiary benefit which is the creation of a vibrant, intellectual community that attracts outstanding individuals to live in the area.

PROFILES IN DIVERSITY

Vice President Carrier introduced Associate Vice President Barcelo, Acting Director Julie Sweitzer of the Equal Employment Opportunity and Affirmative Action Office, and Vice Provost Robert Jones. They joined her for the presentation. A copy of the written report is provided in the docket materials.

Carrier stated that the presentation is on diversity in the University's workforce, focusing primarily on faculty. There is a major challenge: how to continue to make progress in recruiting and retaining a strong and diverse workforce, which creates an environment that enhances excellence.

Carrier noted that a cross-functional team, who are the individuals making today's presentation, had been formed to work on diversity. Through the compact process each college and unit is required to address diversity in all areas. The members of the team are available to review those section of the compacts and to provide guidance and suggestions to individuals units. In addition, managers, during their personnel reviews, will be held accountable for improvements in this area.

Barcelo noted that increasing the number of women and faculty of color is a national challenge. In October 1998 the University hosted a national symposium on this topic bringing together over 300 attendees from 36 states, reflecting a broad spectrum of thought. University participants learned about some new strategies and gained information which will help promote diversity in the future.

Jones reported that since 1988 the University has made slow, but significant progress in recruiting and retaining faculty of color. In ten years there has been a 48% increase in the number of faculty of color, who now comprise 10.6% of the faculty. The vast majority of the faculty of color are Asian-Americans; other ethnic groups are underrepresented. Jones reviewed data on a number of ethnic groups across colleges and campuses. He noted the significant under-representation of faculty of color on the Crookston campus and the need for the University to think creatively about ways to diversify the faculty on that campus.

Regarding women faculty, Jones reported that approximately 25% of faculty are women, which is 5% higher than the national average. He noted that women of color make up only 10.8% of women faculty and very few are at the full professor rank.

Jones summarized a number of strategies to increase the number and rank of faculty of color. A copy of these points is provided in the docket materials. Regarding attrition of faculty of color, Jones states that the data indicates no problem. The retention rates are consistent across the cohorts of faculty. He noted that in order to better understand why people leave the University, exit interviews will be instituted.

Sweitzer presented information on other University employee groups. Over the past decade there has been a steady increase in the number of women administrators. The rates for hiring and promotion of women and people of color show no negative treatment; however, there is a higher rate of termination, both voluntary and involuntary, for women and people of color. Exit interviews will be used to help the University determine the possible reasons.

Sweitzer noted that diversity extends beyond gender and race to include people with disabilities, differing sexual orientations as well as religion and other protected classes.

Several regents expressed their gratitude for the work of staff in addressing these issues and encouraged their continued efforts. Regent O'Keefe emphasized that there is a perception that the University does not provide a warm, inviting and accepting climate for diversity. He emphasized that this is a complex issue and needs continued work to break down barriers. The goal should be that this University is the most welcoming place in Minnesota for people of color. Climate is the true measure of the spirit of the institution.

**SEMESTER CONVERSION: PROGRESS
AND POLICY IMPLICATIONS**

Director J. Peter Zetterberg reported on a number of changes in policy and practice areas that have resulted as part of the University's conversion to the semester system. The report is included in the docket materials.

Zetterberg noted a number of changes in instructional policy, including reducing the number of calendars from five to two, a system wide requirement for a full-year of laboratory science, a simpler tuition plan, the development of a singular course catalog for Twin Cities undergraduate students, and the standardization of a number of admission and degree requirements across colleges.

Kvavik observed that the changes have resulted in altering the environment for students. Decisions will now be made in a less rule-intensive atmosphere. Under the new system, if students run into problems, they can find answers easily. It is the beginning of a new era.

**STUDENT FINANCIAL AID AND SCHOLARSHIP
POLICIES AND PROGRAMS**

Vice Provost Craig Swan presented a report on current financial assistance programs and led a discussion of policies. A copy of the report is in the docket materials.

Swan emphasized three points:

- The University provides financial assistance to students in partnership with federal and state governments and numerous third parties.
- There are many decision-makers at the University and the key to improving the financial aid system is coordination and communication among these staff.
- The needs of students, and resources to meet those needs, vary significantly. Undergraduates are best served by current federal aid policies; the University supports graduate students to a much larger extent.

Swan noted the following trends: there is an increase in funds available to students; and there is an increased reliance on loans to pay for education. The use of loans bears careful monitoring. Director Zetterberg noted that families pay the largest part of an undergraduate's tuition; the University contributes most to graduate students; and the professional students borrow the most.

Regent O'Keefe noted that the data indicates a drop in the number of professional students at the University and requested this as a topic at a future committee meeting. A request was also made for a discussion on whether the increasing costs and use of loans at the graduate level are affecting the enrollment of students.

The meeting adjourned at 11:40 a.m.


GREGORY C. BROWN
Acting Executive Director
and Corporate Secretary

UNIVERSITY OF MINNESOTA
BOARD OF REGENTS
Finance and Operations Committee
April 8, 1999

A meeting of the Finance and Operations Committee of the Board of Regents was held on Thursday, April 8, 1999, at 1:30 p.m. in Room 300, Morrill Hall.

Regents present: Robert Bergland, presiding; Anthony Baraga, Dallas Bohnsack, William Hogan, Warren Larson, Bryan Neel, and William Peterson.

Staff present: Interim Chancellor Samuel Schuman; Senior Vice President Frank Cerra; Vice President Eric Kruse; Acting Executive Director Gregory Brown; and Associate Vice Presidents Terrence O'Connor and Richard Pfutzenreuter.

Student Representatives present: Heidi Frederickson and Kevin Leiran.

CONSENT REPORT

Associate Vice President Pfutzenreuter presented the consent report for October 1998 as found in the docket materials. Associate Vice President O'Connor reported the following expenditures of greater than \$250,000 to:

- Arthur Andersen, LLP for \$515,700 to assume additional responsibilities on the Indirect Cost Rate Proposal project;
- Bindley Wester Drug Company for approximately \$5.1 million for the purchase of pharmaceuticals and related supplies by Boynton Health Service for the period of five years;
- IBM U.S. Marketing and Total Solutions Group for \$3.5 million for supercomputers; and
- Silicon Graphics Financial Services for \$1.2 million for computer processors.

Associate Vice President and Treasurer Stephens requested board approval for an amendment to a resolution authorizing the issuance of bonds. The resolution was originally adopted by the board on December 11, 1998. The amendment would allow for flexibility in use of the bond proceeds to ensure compliance with tax laws.

Pfutzenreuter requested board approval for an amendment to a resolution authorizing the acceptance of a grant for automatic external defibrillators. The resolution was originally adopted by the board on February 12, 1999. The amendment is a technical change to comply with state requirements.

Pfutzenreuter also requested board approval for an amendment to a resolution related to the spin-off of the College of Veterinary Medicine's PigCHAMP program. The resolution was originally adopted by the board on November 13, 1998. The amendment extends the deadline to complete the transaction to June 30, 1999.

Regent Baraga recused himself from the vote on the Consent Report due to a potential conflict of interest with one of the purchases.

The committee, with the exception of Baraga, voted unanimously to recommend approval of the consent report.

INVESTMENT MANAGER REVIEW: WELLINGTON MANAGEMENT COMPANY

Associate Vice President and Treasurer Stephens provided an overview of one of the University's investment managers, Wellington Management Company. Robert Payne, Senior Vice President, and Steven Eastman, Vice President, represented Wellington and presented a portfolio review of their management of a portion of the fixed assets in University's Consolidated Endowment Fund. Details of the presentation can be found in the docket materials.

Stephens stated that the Asset Advisory Committee will be analyzing and evaluating the University's asset allocation and should be ready to report its findings to the committee in the next three months.

1999-2001 BIENNIAL BUDGET REQUEST — UPDATE

Elizabeth Eull, Budget Officer, presented an update of the University's biennial budget request to the Legislature. Details of the presentation can be found in the docket materials.

In response to a question from Regent Bergland, Eull stated that the Governor's budget numbers do not include funding for the proposed University campus in Rochester.

In response to questions regarding the proposal for a campus in Rochester, Eull explained that Representative Bishop spoke in support of developing a University campus in Rochester at the Legislature.

Eull added that other related actions at the Legislature include a proposal for a regent recruitment committee consisting of current and former regents, alumni association and members of the Legislature to promote recruitment of regent candidates, particularly persons of color and women. In addition, there is a proposal for the University to conduct industrial hemp research.

1998-1999 BUDGET — UPDATE

Associate Vice President Pfutzenreuter gave an overview of the 1998-99 University budget. Details of the presentation can be found in the docket materials.

In response to questions from Regent Hogan, Pfutzenreuter explained that, historically, units budget for more than they spend. As a result, he predicted that there will be a slight increase in the dollar amount of the carry forward over last year's amount.

FINANCIAL UPDATE: FACILITIES MANAGEMENT

Vice President Kruse provided a compact and budget overview for Twin Cities Facilities Management. Details of the presentation can be found in the docket materials.

In response to concerns from Regent Hogan, Kruse explained that the current budget shortfall is \$6 million, however, this will grow over the next four years as additional buildings come on-line to about \$30 million.

In response to questions from Regent Neel regarding deferred maintenance, Kruse explained that he and his staff are developing a utility master plan to anticipate future utility needs. For example, it is anticipated that the University's chilled water needs will require an investment of \$80-100 million in the next 20 years. Without consideration of buildings coming on-line in the future, the University still has a considerable back log in unfunded capital investments. The work Facilities Management has done so far has just been able to halt the growth. Kruse added that he is facing difficulties retaining and hiring maintenance staff with the knowledge and skills necessary to maintain the University's old systems.

In response to a question from Regent Larson, Kruse stated that the most significant regulatory compliance issue for University facilities is indoor air quality. The older buildings do not have the physical equipment necessary to bring the buildings into compliance with indoor air standards and will require a large capital investment.

The committee expressed concerns regarding the coordination of efforts between offices, particularly in the development of technology infrastructure. Kruse stated that his office works closely with the Office of Information Technology, which has the primary responsibility for the technology infrastructure in University facilities. The investments required for technology infrastructure are not included in Facilities Management's budget. The Financial Management Group works to coordinate efforts between the different offices. Associate Vice President Pfitzenreuter acknowledged that there may be a small gap between the technology needs and facility development, but efforts are being made to close the gap. Regent Bergland recognized that, given the rapid pace at which technology changes, it is difficult to keep up.

Meeting adjourned at 3:20 p.m.


GREGORY C. BROWN
Acting Executive Director
and Corporate Secretary

UNIVERSITY OF MINNESOTA

BOARD OF REGENTS

Educational Planning & Policy Committee

April 8, 1999

A meeting of the Educational Planning & Policy Committee of the Board of Regents was held on Thursday, April 8, 1999, at 1:30 p.m. in Room 300, Morrill Hall.

Regents present: Michael O'Keefe, presiding; William Peterson, Jessica Phillips, Maureen Reed, and Patricia Spence.

Staff present: President Mark Yudof; Chancellors Kathryn Martin and Donald Sargeant; Interim Chancellor Samuel Schuman; Executive Vice President and Provost Robert Bruininks; Vice President Christine Maziar; Acting Executive Director Gregory Brown; Associate Vice Presidents Jane Canney and Robert Kvavik.

Student Representatives present: Tammy Koob and Jennifer Wagner.

INTELLECTUAL PROPERTY POLICY: FRAMING PRINCIPLES

Regent O'Keefe indicated this discussion was scheduled to provide the committee with an opportunity to shape the broad outline of the Intellectual Property Policy.

Vice President Maziar introduced the discussion of the draft Intellectual Property Policy, stating consultation is crucial to the development of this policy. Professor Len Kuhi reviewed the history of development of this policy and welcomed the committee to provide any input.

Maziar discussed the substantive issues related to the policy, as noted in the docket materials, including University ownership of intellectual property, exceptions to University ownership of intellectual property, and an analysis of academic work product.

There was extensive discussion regarding academic work products and ownership of intellectual property. O'Keefe stated that with regard to distance learning, the proposed policy opens up the possibility of faculty selling academic work product to competing institutions. He urged further conversation with the committee about how all University policies would address that issue directly in its broadest context. Maziar believes the solution to that problem belongs in the Conflict of Interest Policy rather than this policy. She suggested that rather than burdening this policy, the University community needs discussions regarding fostering competition with an individual's principal employer. Regent Spence concurred with O'Keefe that the issue should be addressed in the Intellectual Property Policy.

Maziar discussed the proposed distribution of income derived from University-owned intellectual property. In response to Spence, Maziar stated the proposed formula is comparable to that used by other institutions. O'Keefe stated that it should be included, as a specific policy position, that the University is committed to returning income on technology, which is generated by academic research, to research. Executive Vice President and Provost Bruininks suggested that the portion of the policy dealing

with decisions on changes to the distribution of income include consultation with the University's chief academic officer.

Maziar discussed the responsibilities of the University and its employees with respect to intellectual property.

In response to a question from Student Representative Koob, Maziar stated if intellectual property is created by a faculty member and a graduate assistant, they would share in the income distribution.

O'Keefe asked that the issue of a policy framework for intellectual property agreements with visitors be put on a future committee agenda because he believes the University needs specific policy language on that issue. Spence suggested using some current situations as models for that discussion. O'Keefe asked Bruininks and Maziar to work on this issue and the ones related to distance learning, and to report back to the committee before the policy is approved.

UNIVERSITY CENTER ROCHESTER

Executive Vice President and Provost Robert Bruininks updated the committee on the progress and process regarding the Statement of Principles developed cooperatively by the Minnesota State Colleges and Universities and the University of Minnesota for the possible designation of a University of Minnesota at Rochester.

Bruininks noted that since the Statement of Principles was adopted by the Board in March 1999, he was joined in presenting formal testimony to the Minnesota Senate and House of Representatives by Chancellor Anderson, Senator Kiskaden, Representative Bishop, and representatives from the broader Rochester community. As of this morning, he noted that the House put into legislation the core principles of the agreement.

Bruininks noted the presence at the meeting of Dr. Dale Bower, Provost of the University Center Rochester. Bruininks stated that work is underway on the academic plan, with the expectation that a more fully developed academic plan will be presented to the committee in November or December.

Bruininks stated that although discussions are continuing in the legislature on how to fund this proposal, some progress has been made to date. Regent Spence thanked Bruininks for his efforts on this issue.

In response to a question from Regent O'Keefe, Bower stated she is comfortable with how this is proceeding and noted that a very constructive management team has been formed among the three institutions to move forward on this proposal.

ROSEMOUNT: ACADEMIC AND PROGRAMMATIC ISSUES

Executive Vice President and Provost Bruininks introduced the discussion regarding the Rosemount/Empire Property. He introduced Thomas Fisher, Dean of the College of Architecture and Landscape Architecture; Philip Larsen, Interim Vice President and Dean of the College of Agricultural, Food, and Environmental Sciences; Al Sullivan, Dean of the College of Natural Resources; and Duane Thorbeck, Professor and Director of the Center for Rural Design.

Fisher acknowledged the members of the task force which developed a proposed Integrated Land Planning Framework for the Rosemount/Empire Property. He reviewed the final report, as included in the docket materials. He stated the 7,500 acres are located 30 minutes from the Twin Cities Campus and reviewed the current land uses. One goal of the planning effort is to consider the land as a single entity, which requires

a shift in management towards a comprehensive and integrated approach. He reviewed the principles that guided the planning effort and which will be used in the decision-making process as a foundation for future land use criteria.

Fisher stated the task force recommends that the administration and Board of Regents:

- approve the proposed planning framework and principles for on-going decision-making regarding the University's 7,500 acre property at Rosemount/Empire;
- approve and establish, as soon as possible, a single management entity (managed by an Executive Director) with authority for the property; expand the existing Advisory Council to include agencies and citizens; and create a Board of Directors representing interested University Colleges (COAFES, CNR, VM, CALA) and others selected by Central Administration, including agri-business, communities and citizens; and
- authorize the Center for Rural Design to work with the management entity by continuing to provide planning and guidance for the project to accomplish a number of objectives, as noted in the docket materials.

Larsen discussed the current and proposed uses for the land, including a turf and grounds research and education center, the possible development of a golf course and conference center, agri-business research park, precision natural resource management and urban/rural interface research and education. He noted potential partners in those efforts.

Harland Hiemstra from the Department of Natural Resources addressed the committee regarding the recommendations of the task force. Regent O'Keefe suggested that he submit his comments to the Board in writing.

In response to a question from Student Representative Koob, Thorbeck discussed the proposal to build a golf course on the land, as part of a turf and grounds research and education center.

O'Keefe applauded the work of the task force. However, he expressed concern that determining the uses for this land should be a three-stage process—establishing a general vision, getting strategies in place, and then making programmatic decisions—and he does not believe the analysis has been done to make strategic decisions on the appropriate combination of programmatic activities.

Larsen responded that many programmatic needs are currently being addressed in Rosemount and that this is an opportunity to pursue some programmatic dreams. O'Keefe stated there is intervening work to be done before he would be comfortable approving the principles. Thorbeck stated the group understood O'Keefe's concerns and his point was well taken.

O'Keefe stated he is excited about the notion of using this as an opportunity for different disciplines across colleges to experiment with the question of what to do with the fringe lands between urban and rural areas. He concurred with the proposal to establish a management structure that eliminates duality.

Bruininks stated that the planning process has moved consideration of the Rosemount/Empire property in the direction envisioned and it has brought the community and the University together. As a way to proceed, he suggested stating the vision that was articulated in the presentation, moving to a set of objectives, and then establishing framing principles to help make the strategic decisions related to programs.

In summary, O'Keefe stated it is his understanding that the management structure will be presented to the committee for approval at its June meeting. He suggested the framing principles within which planning will be done should also be

presented in June, with a clear understanding that the programmatic decisions are in the future.

CONSENT REPORT

A motion was made and seconded and the committee voted unanimously to approve the Consent Report, including:

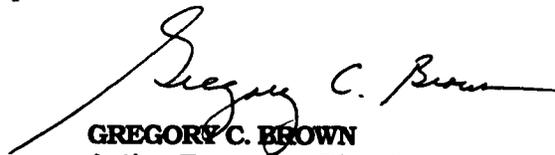
- change the name of the Master of Arts degree program in communication disorders at UMD to communication sciences and disorders;
- discontinue the free-standing graduate minor in building science;
- discontinue the minor-only program in psychoneuroimmunology;
- deliver the Master of Social Work at UMD to long-distance sites located at Hibbing, Bemidji, and Grand Rapids;
- add the option of a Master of Science degree to the existing graduate program in neuroscience.

INFORMATION ITEMS

The committee noted the information items distributed at the meeting, including:

- report on the supplemental academic initiatives;
- report on partnerships and collaborative programs between the University of Minnesota and the Minnesota State Colleges and Universities.

The meeting adjourned at 3:55 p.m.



GREGORY C. BROWN
Acting Executive Director
and Corporate Secretary

UNIVERSITY OF MINNESOTA

BOARD OF REGENTS

April 8, 1999

A meeting of the Board of Regents of the University of Minnesota was held on Thursday, April 8, 1999, at 3:45 p.m. in Room 238, Morrill Hall.

Regents present: William Hogan, presiding; Anthony Baraga, Robert Bergland, Dallas Bohnsack, Warren Larson, H. Bryan Neel, William Peterson, Jessica Phillips, Maureen Reed, and Patricia Spence.

Staff present: President Mark Yudof; Interim Chancellor Samuel Schuman; Executive Vice President and Provost Robert Bruininks; Senior Vice President Frank Cerra; Vice Presidents Philip Larsen and Christine Maziar; Acting Executive Director Gregory Brown; and Associate Vice President Richard Pfutzenreuter.

Student Representative present: Heidi Frederickson

**ACADEMIC INITIATIVES:
AGRICULTURAL RESEARCH AND OUTREACH;
COORDINATE CAMPUSES**

Executive Vice President and Provost Bruininks introduced Philip Larsen, Vice President for Agricultural Policy and Dean of the College of Agriculture, Food, and Environmental Sciences; Douglas Knowlton, Vice Chancellor of the Crookston campus; and Samuel Schuman, Interim Chancellor of the Morris campus to provide programmatic updates on academic initiatives relating to Agricultural Research and Outreach Initiative and the various initiatives being undertaken by the coordinate campuses as outlined in the docket materials.

In response to a question relating to regional sustainable partnerships, Larsen reported additional funding of \$1.2 million is being requested from the legislature to establish two or three more partnerships and added that legislators are aware of the request. If funding is approved, a statewide coordinating committee is expected to manage the process to select the new partnership regions. Currently, there are no partnerships located in the northwest or southwest regions of the state.

Regent Bohnsack asked the administration to provide him with more information relating to the planning and future of the Rosemount property. Larsen responded that he will provide the Board with information on the planning that has occurred relating to this facility.

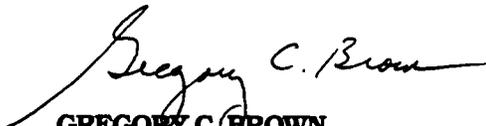
In response to a question from Regent Hogan, Larsen reported that the items he had presented are included in the compact report. Bruininks added that the issues are reexamined at least twice a year through the compact process.

Knowlton responded to a question from Regent Hogan relating to the increase (32%) in applications for UMC. He indicated that the administration believes the increase is due to a variety of reasons, including the academic partnerships with MnSCU. Technology offered at UMC is considered a major factor. With regard to the partnership programs, Regent Baraga asked if the degree will indicate that they were in a partnership program. Knowlton responded that it will be noted.

HEALTH PROFESSIONS EDUCATIONAL ENDOWMENT

Chair Hogan announced that due to time constraints the agenda item relating to the Health Professions Educational Endowment would be moved to the Board agenda on Friday, April 9, 1999.

The meeting adjourned at 4:45 p.m.



GREGORY C. BROWN
Acting Executive Director and
Corporate Secretary

UNIVERSITY OF MINNESOTA

BOARD OF REGENTS

April 9, 1999

A meeting of the Board of Regents of the University of Minnesota was held on Friday, April 9, 1999 at 9:00 a.m. in Room 238, Morrill Hall.

Regents present: William Hogan, presiding; Anthony Baraga, Robert Bergland, Dallas Bohnsack, Warren Larson, H. Bryan Neel, Michael O'Keefe, William Peterson, Jessica Phillips, Maureen Reed, and Patricia Spence.

Staff present: President Mark Yudof; Executive Vice President and Provost Robert Bruininks; Senior Vice President Frank Cerra; Vice Presidents McKinley Boston, Sandra Gardebring, Eric Kruse, and Christine Maziar; General Counsel Mark Rotenberg; Acting Executive Director Gregory Brown; Associate Vice Presidents Rusty Barcelo, Jane Canney, Terry O'Connor, Donna Peterson, and Richard Pfitzenreuter.

Student Representative present: Scott Roethle.

APPROVAL OF MINUTES

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

Audit Committee - March 11, 1999
Facilities Committee - March 11, 1999
Faculty, Staff & Student Affairs Committee - March 11, 1999
Finance & Operations Committee - March 11, 1999
Educational Planning & Policy Committee - March 11, 1999
Board of Regents - March 11, 1999
Board of Regents Meeting - March 12, 1999

HONORS COMMITTEE NOMINATION

President Yudof presented the following resolution relating to the All-University Honors Committee report:

RESOLVED, that on the recommendation of the President, the report of the All-University Honors Committee is hereby approved.

A motion was made and seconded and the Board of Regents voted unanimously to approve the resolution.

CAPITAL IMPROVEMENT PLAN COMMUNITY STRATEGY

Vice President Gardebring presented information and a resolution for approval relating to a revised planning/community relations plan intended to improve the level and quality of communication with neighborhood groups and elected officials in areas surrounding the Twin Cities campus. A summary of the proposed plan, developed by Gardebring, Vice President Kruse, and Associate Vice President Pfitzenreuter, was provided and is on file in the Board office. It was noted that the plan will continue to be

refined over the next few months with continued input from internal and external constituents.

The following resolution was moved and seconded:

WHEREAS, in addition to being a major institution of higher education, the University of Minnesota - Twin Cities campus is also a significant part of the communities of Minneapolis and St. Paul; and

WHEREAS, capital development, real estate transactions and similar activities undertaken by the University may have an impact on neighborhoods surrounding the Twin Cities campus; and

WHEREAS, land use decisions are better made in consultation with those surrounding neighborhoods; and

WHEREAS, decisions on individual projects are also better made after consideration of other projected land uses in the immediate area; and

WHEREAS, in February 1999, the Board of Regents received a presentation of the revised capital review/community relations procedures; and

WHEREAS, those procedures included:

- A requirement for a process of Precinct Planning on the Twin Cities campus;
- A requirement for the development of a Neighborhood Impact Assessment at the pre-design stage of capital development projects;
- A requirement for expanded community communication and consultation mechanisms, including annual development review meetings, written communications and periodic planning summits, and

WHEREAS, the administration has recommended approval of those revised capital review/community relations procedures;

NOW, THEREFORE, BE IT RESOLVED that the Board of Regents directs that the revised capital review/community relations be implemented forthwith.

Regent O'Keefe complimented Gardebring on the proposed plan. The University's relationship with its neighbors is an important part of its responsibility as a citizen of the community. He requested that Board members be informed of future meetings with the community so they might participate if possible.

Regent Phillips asked about extending the plan to the coordinate campuses. Gardebring responded that she has had general conversations with the chancellors about the plan. Generally, the coordinate campuses have their own plans. She would like to test the proposed plan on the Twin Cities campus and then talk with the chancellors about the possibility of extending it. Regent Reed added that it would be beneficial to have explicit guidelines for how communities would be involved at the coordinate campus areas. Gardebring responded that could be done.

The Board of Regents voted unanimously to approve the resolution relating to the capital improvement plan community strategy.

UNIVERSITY PLANNING FRAMEWORK 1999-2000

President Yudof presented background information and context related to the University's planning framework for the FY1999-2000 institutional budget. The framework elaborates upon the University's vision for the future and its aspirations. It takes into account major changes in the University's environment. It articulates strategic initiatives that are underway which guide campus, college, and support unit planning as well as annual budgetary decisions. A central focus of the framework is to continue to align the broad goals and priorities of the institution with the central and local initiatives advanced by the Board, the President and the administration, campuses, colleges, departments, faculty, and support units.

Yudof reviewed highlights of the planning framework, speaking to the University's near-term and future challenges and opportunities; the University's goals, priorities, and vision; and reviewing initiatives and evaluation strategies to achieve the University's goals. He spoke of aligning strategic directions and performance with the undergraduate experience and with graduate and professional education, as well as alignment within colleges. A copy of the 1999-2000 University of Minnesota Planning Framework document and presentation materials were distributed and are on file in the Board office.

Regent Spence complimented the president on the work that has been done to align the academic initiatives with the budget requests.

HEALTH PROFESSIONS EDUCATIONAL ENDOWMENT

Senior Vice President Cerra provided the Board with an update on the status of the health professions educational endowment. He reported that the University trains approximately two-thirds of the state's health professionals. The University is currently facing a crisis in that it can no longer afford to successfully meet this challenge without financial help from the state. Funding for medical school programs has decreased due to reduced patient care revenue (50% decrease in last four years) which is used to subsidize education. In addition, there are increased costs to prepare for a new type of provider - - a shift from hospital-based to community-based education. Cerra reported that the University needs approximately \$37 million from the state just to begin to address this crisis. However, partnering with the state will only be a start to fix the problem. The University is going to have to continue to work with the insurance companies and health systems at the federal level to solve the problem.

Cerra reported that the issue is currently before the governor and the legislature and he talked briefly about the discussions and proposals that have occurred to date. He stated that discussions are ongoing and the proposals change quickly. He emphasized that if the state does not contribute to the solution of this crisis, there will be severe repercussions: less health care access in Minnesota communities as providers retire; smaller education programs; loss of world-class clinical programs; reduced research productivity and competitiveness; and diminished support for Minnesota's medical device and bio-technology community.

Regent Neel complemented Cerra on his presentation and stated that the Board has been well apprised of this national problem for many years. If this erosion in funding continues, it will take many years to rebuild medical education. He hopes that the legislature will recognize this crisis and provide the funding requested. He asked that Cerra let the Board know what they can do to support the University in this effort.

President Yudof commented that he is very concerned about this issue. There is no decision that is more important to the citizens of the state than this one. He does, however, believe that legislators are beginning to understand the problem and are worried about the potential problems that may be facing the citizens.

Regent Reed stressed that there will continued pressure on the revenue stream in the future and cautioned that while the crisis may be lessened if the \$37 million is approved, the revenue problems will continue and be more intense in the next five to seven years. It is crucial that solutions to these problems be found.

In response to a question from Regent Baraga, Cerra reported that the legislature has received a number of presentations on this issue. He does believe that a level of understanding has been achieved by the leadership in the legislature. It is important that the citizens of the state also understand the problem and contact their legislators to express their concern.

Regent Spence asked if a public relations plan could be developed for the media so that citizens are aware of the crisis they are facing. Yudof responded that the administration is looking at strategies for communicating the message and will seek input from the Board.

ANNUAL EASTCLIFF REPORT

Regent Patricia Spence, Chair of the Friends of Eastcliff Committee, and Tom Meyer, Chair of the Eastcliff Technical Advisory Committee, presented the 1997-1999 Eastcliff Report, a copy of which was provided in the docket materials.

The report included information relating to the projects completed in 1997-98, projects that were planned for 1998-99, a summary of expenses for operating and maintaining Eastcliff, and a listing of events that were held at the residence.

Spence reported that the 5th Annual Garden Party event will be held on Sunday, June 27, 1999. It is the major fundraising event for Eastcliff and it is important that board members attend if possible.

In response to a question, Meyer reported that a new security system has been designed for the residence and will be completed during the next one to two years. The fire alarm system, which is part of the system, is fully functioning at this time.

REPORT OF THE PRESIDENT

President Yudof reported that there had been some discussions relating to moving the President's Office to Coffman Memorial Union (CMU) at some point in the future. He stated that the possibility was explored and it has been decided that a move out of Morrill Hall would not be practical at this time. A relocation to CMU would result in moving too many people into too little space and he also would not want to interfere with CMU's student focus.

He provided a brief update on the partnership agreement with Minnesota State Colleges and Universities (MnSCU) that was signed in January 1998. He reported that there are currently 180 partnership agreements with MnSCU – three times the number that there were in January 1998. He described a number of programs that have been instituted and stated that he is very proud of how the partnerships have worked.

Yudof also commented on an issue that was recently reported in the news media relating to graduation rates and athletic programs. Providing some background information, Yudof reported that measures to address graduation rates were developed in 1990 and tremendous progress has been made. However, since graduation rates are measured over a period of six years, progress will not show up until 2002 or later.

Yudof commended Vice President Boston, Associate Vice President Barcelo, and Dean Taylor on the work they have done to improve retention and graduation rates particularly for at-risk students. The retention from freshman to sophomore year has increased; preparation of minority students has improved greatly; and interim signs

are that the graduation rate will climb. He also commented that athletes have a higher graduation rate than do students who are not athletes. In general, he believes student athletes are doing quite well, but agreed there is a need to look very seriously at student athletes. The recent figures regarding men's basketball and the entering class of 1991 were discouraging. It is hoped that, with the hiring of a new head of Academic Counseling, the issues relating to graduation rates will be addressed.

Chair Hogan stated that the Board supports the President's policies relating to the graduation and retention issues. He requested that annual reports be given to the Board so that rates can be reviewed as progress is made.

REPORT OF THE CHAIR

Chair Hogan reported that the Board has selected Andrea L. Turner to serve as the Executive Director and Corporate Secretary for the Board of Regents. Ms. Turner recently served as Special Assistant to the Chancellor and Executive Director of Multicultural Affairs at the University of Wisconsin-Stevens Point. Her appointment will become effective April 26, 1999.

Hogan acknowledged and thanked Gregory Brown who served as Acting Executive Director until the position was filled. Hogan also thanked the individuals who served on the search committee for this position.

Hogan stated that a nominating committee will be appointed in May to recommend a slate of at least one candidate for chair, vice chair, secretary, and treasurer to be voted on at the annual meeting of the Board in June.

Hogan reported that earlier this year the Board agreed to create two committees to provide advice on University debt and investment policy and oversight. He stated that he has asked Gene Sit, CEO of Sit Investment Associates; Jim Campbell, Chair and CEO of Norwest Bank Minnesota; John Murphy, Executive Vice President of U.S. Bancorp; and David Lebedoff, former Chair of the Board of Regents and now with Voyageur Asset Management, to serve on a committee to nominate individuals to serve on the advisory committees.

Hogan also commented briefly on the strides the President is making with regard to recruiting, developing and retaining a diverse faculty and staff. He urged that the administration continue to strive to make the University a national leader in this area.

ELECTION OF OFFICER

The following resolution was moved and seconded:

RESOLVED, that Andrea L. Turner is hereby elected as Corporate Secretary of the Regents of the University of Minnesota.

The Board of Regents voted unanimously to approve the resolution.

GATEWAY BUILDING: 6TH FLOOR TENANT BULDOUT

Vice President Kruse introduced Lew Moran, KKE Architects, and Kate O'Reilly, Electronic Interiors, Inc., who presented information relating to the 6th floor tenant bulldout for the new Gateway Building. The Board of Regents will occupy the 6th floor of the Gateway Building which will consist of a main boardroom, two committee rooms, and an area for board office space.

Through the use of visual aids, Moran presented details relating to the specific design of the floor. O'Reilly presented information relating to the audio/visual

technology proposed for both the boardroom and committee rooms. The technology proposed will provide the Board with an easier means of viewing presentations, and will also provide voice-activated microphones for each regent, a "request to speak" option operated by the chair, and audio conferencing capabilities. The proposed system also includes the capability for cable casting and video conferencing. It was reported that the estimated cost of the buildout of the 6th floor is between \$750,000 and \$1.1 million. Estimated cost for furniture, finishes and equipment is \$300,000, and \$725,000 for audio/visual technology.

Regent Spence expressed concern about the life expectancy for the technology. O'Reilly responded that she expects this equipment to last a number of years. In addition, provisions have been made for future upgrades to the technology when necessary.

Regent O'Keefe asked about the use of e-mail by board members to communicate to each other during meetings. O'Reilly reported that some concerns had been expressed regarding the use of e-mail by board members at public meetings. O'Keefe asked that the University's General Counsel research the issue and provide an opinion. He also indicated that he believed the system could be designed so that only one-on-one communication could be made.

Regent Reed expressed concern about the total cost of the project and asked that the Regents ad hoc committee working on this project review the details again to be certain that the plans for the floor are appropriate.

Regent Spence indicated that she too is concerned about the cost of the space. She stated that she has had conversations with members of the Faculty Consultative Committee who are supportive of the level of technology proposed for this space in hopes that they too will be able to utilize this space for their governance meetings as well as other university groups that will be urged to use the space.

Regent Hogan stated that the ad hoc committee will be meeting soon to review these plans and urged that if Board members wish to have a more comprehensive update on the plans to arrange it through the Board office.

RECEIVE AND FILE REPORTS

Chair Hogan noted the receipt and filing of the Faculty and Academic Staff Leadership Development Program Report.

GIFTS

Foundation Vice President Linda Berg presented the monthly list of gifts to the University of Minnesota, the University of Minnesota Foundation, the Arboretum Foundation, and the Minnesota Medical Foundation as listed in the docket material and on file in the Board Office.

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

REPORT OF THE EDUCATIONAL PLANNING & POLICY COMMITTEE

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

- a) Approval of the Consent Report for the Educational Planning & Policy Committee as presented to the committee in the docket materials, with highlights listed below:

- Change the name of the Master of Arts degree program in Communication Disorders at UMD to Communication Sciences and Disorders.
- Discontinue the free-standing graduate minor in Building Science.
- Discontinue the minor-only program in Psychoneuroimmunology.
- Deliver the Master of Social Work at Duluth to long distance sites located at Hibbing, Bemidji, and Grand Rapids.
- Add the option of a Master of Science degree to existing graduate program in Neuroscience.

A motion was made, seconded, and the Board of Regents voted unanimously to approve the recommendation of the Educational Planning & Policy Committee.

O'Keefe reported that the committee reviewed three items for information: framing principles relating to the intellectual property policy; an update on the University Center Rochester; and academic and programmatic issues relating to Rosemount. He summarized the discussions from each of the information items with particular emphasis on the importance of the discussion concerning the intellectual property policy (detail is contained in the minutes from the committee).

REPORT OF THE FACULTY, STAFF, AND STUDENT AFFAIRS COMMITTEE

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

- a) Approval of the Consent Report for the Faculty, Staff and Student Affairs Committee as presented to the committee in the docket materials, with highlights listed below:
 - Approval of changes to the Civil Service Rules.
- b) Adoption of the amended Board of Regents Policy: *Animal Care and Usage*.

ANIMAL CARE AND USAGE

SECTION I. DEFINITIONS

Subd. 1. Institutional Animal Care and Use Committee. "Institutional Animal Care and Use Committee" or "IACUC" shall mean the committee established by the president to perform the review of University protocols, animal facilities, and uses of animals.

Subd. 2. Institutional Official. "Institutional official" means the individual designated by the president to monitor the care and use of animals in University activities.

SECTION II. COMPLIANCE WITH LAWS AND POLICIES.

Subd. 1. Applicable State and Federal Laws. All University activities involving animals must be in accordance with state

and federal laws and regulations applicable to the care and use of animals. These laws include, but are not limited to, the Animal Welfare Act; federal regulations implementing the Animal Welfare Act; the Health Research Extension Act of 1985; the Public Health Services Policy on the Humane Care and Use of Laboratory Animals; and the provisions and principles set forth in the most recent editions of the Guide for Care and Use of Laboratory Animals, published by the National Academy of Sciences, and the Guide for the Care and Use of Agricultural Animals.

Subd. 2. Applicable University Policies and Procedures. All University activities involving animals must be in compliance with all applicable University policies and procedures.

SECTION III. OBLIGATIONS OF THE ADMINISTRATION AND UNIVERSITY MEMBERS.

Subd. 1. Administrative Support. It is the responsibility of the president, the institutional official, the IACUC, and the Research Animal Resources to support and protect the officially sanctioned use of animals in research, teaching, and service at the University.

Subd. 2. Administrative Procedures. The president, in consultation with the Senate Research Committee, shall adopt appropriate administrative policies and procedures to implement this policy.

Subd. 3. University Members. University faculty, staff, or students involved in the care and use of animals shall:

- (1) be appropriately qualified or supervised for conducting procedures on animals;
- (2) receive and participate in adequate in-service training including the proper and humane care and use of laboratory animals;
- (3) receive periodic certification of training; and
- (4) abide by and carry out the decisions of the IACUC.

SECTION IV. INSTITUTIONAL OFFICIAL.

Subd. 1. Appointment of the Institutional Official. The president shall appoint an institutional official to oversee all aspects of the University's animal care and use programs.

Subd. 2. Authorities of the Institutional Official. The president shall delegate the authorities necessary to carry out the responsibilities identified in subdivision 3 to the institutional official.

Subd. 3. Responsibilities of the Institutional Official. The institutional official shall:

- (1) ensure compliance with applicable laws and policies identified in section II;

- (2) appoint IACUC members, in consultation with the administrative staff of the IACUC;
- (3) develop administrative policies and procedures for review and possible adoption by the president which are necessary to implement this policy;
- (4) implement this policy with the assistance of the president, the Research Animal Resources, and the IACUC;
- (5) perform all necessary reporting requirements; and
- (6) report to the appropriate federal governmental and University officials any serious or continuing noncompliance with the laws and policies identified in section II and any corrective action taken.

SECTION V. ANIMAL CARE AND USE COMMITTEE.

Subd. 1. Establishment of Animal Care and Use Committee. The president shall establish and maintain an Institutional Animal Care and Use Committee.

Subd. 2. Membership. The IACUC shall consist of at least five members with diverse backgrounds and expertise, one of whom comes from a community external to the University.

Subd. 3. Responsibilities. The IACUC shall:

- (1) review protocols for the use of animals;
- (2) conduct biannual inspections of facilities where animals are being used;
- (3) review and make a determination on all proposed activities involving animals prior to the start of the activity;
- (4) conduct continuing review of previously approved ongoing activities at least once per year;
- (5) review and investigate complaints of noncompliance;
- (6) report any serious or continuing noncompliance with federal, state, or University laws, policies or procedures to the institutional official; and
- (7) report any corrective actions taken in response to noncompliance to the institutional official.

Subd. 4. Determinations. The IACUC shall review and approve, require modifications in, or withhold approval of all University activities involving animals in accordance with University policies and procedures.

Subd. 5. Authorities. The IACUC has the authority to:

- (1) inspect all facilities used for the care and research of animals;
- (2) review and evaluate the University's animal care and use programs;

(3) obtain records and other relevant information related to the use of animals;

(4) take any actions, including suspending an activity, that are in its judgment necessary to ensure compliance with applicable federal, state, or University policies and procedures.

Subd. 6. Principles of Animal Research. In performing its duties, the IACUC shall adhere to the following recognized principles:

(1) procedures involving animals will be designed and performed with due consideration of their relevance to:

- (i) human or animal health,
- (ii) the advancement of knowledge, or
- (iii) the good of society; and

(2) the proper use of animals requires the avoidance or minimization of discomfort, distress and pain consistent with sound research design.

SECTION VI. VETERINARY SERVICES AND SUPPORT.

Subd. 1. Requirement for Veterinary Services and Support. The president shall establish and maintain a specific program to provide veterinary services and support as defined in subdivision 2 for animals used in University activities. The president may establish and maintain Research Animal Resources to fulfill this function.

Subd. 2. Services and Support Provided. The veterinary services and support provided shall include:

- (1) quality husbandry programs,
- (2) quality veterinary medical services; and
- (3) expert consultation on the selection, care, and use of University research and educational animals.

c) Approval of a resolution relating to the proposed labor agreement with Graphic Communications International Union, Local 1B, as follows:

WHEREAS, the parties have met and negotiated over the past six months and have reached agreement regarding terms and conditions of employment regarding the employees of this bargaining unit (a complete copy of which is available in the Board of Regents' Office); and

WHEREAS, Graphic Communications International Union Local 1B has ratified acceptance of the agreement; and

WHEREAS, according to the Board of Regents Policy on Board Operation and Agenda Guidelines, regental approval of labor agreements is required;

NOW, THEREFORE, BE IT RESOLVED that on the recommendation of the President and the Executive Vice President and Provost, the Board of Regents approves the addendum labor agreement as outlined in the docket for April 8, 1999.

A motion was made, seconded, and the Board of Regents voted unanimously to approve the recommendations of the Faculty, Staff & Student Affairs Committee.

Neel reported that the committee reviewed a report on the implementation steps relating to the commercialization of technology; reviewed a report on profiles in diversity; received an update on the progress and policy implications of the semester conversion; engaged in a discussion relating to student financial aid and scholarships policies and programs; and reviewed a number of information items presented by Executive Vice President and Provost Bruininks.

REPORT OF THE FACILITIES COMMITTEE

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

- a) Approval of a recommendation of the President that the FY99 capital budget be amended as follows:
 - A. \$1,226,700 to increase the budget for the Gortner Laboratory/Snyder Hall Laboratory for Biotechnology Center Project located on the Twin Cities/St. Paul campus to \$5,251,700.
 - B. \$700,000 to increase the budget for the Shoreview Property Environmental Remediation Project located in Shoreview, Minnesota to \$2,450,000.
- b) Approval of a recommendation of the President that the schematic plans for the Gortner Laboratory/Snyder Hall Laboratory Renovation for Biotechnology Center located on the Twin Cities campus be approved and the appropriate administrative officers be authorized to proceed with the award of contracts and the development of construction documents and construction.
- c) Approval of a recommendation of the President that the schematic design for the West Bank Bridgehead Restoration Project on the Twin Cities campus be approved and the appropriate administrative officers be authorized to proceed with the award of contracts and the development of construction documents and construction.

A motion was made, seconded, and the Board of Regents voted unanimously to approve the recommendations of the Facilities Committee.

Spence reported that the committee reviewed a proposed FY99 capital budget amendment relating to the Coffman Memorial Union remodeling on the Twin Cities campus; reviewed design guidelines relating to the Jones Hall renovation and the Mineral Resources Research Center renovation on the Twin Cities campus; and reviewed a proposal to construct a women's ice hockey center at UMD. The committee reviewed the Quarterly Capital Improvement Plan Report, the Academic Health Center Strategic Facilities Plan, and received an update on the Gateway Building parking facility. The committee also reviewed a number of information items.

Spence reported that the agenda item relating to schematic plans for the Gibson-Nagurski Complex Phase III Remodeling project was delayed until further information is available for the committee's review.

REPORT OF THE FINANCE & OPERATIONS COMMITTEE

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

- a) Approval of the Consent Report for the Finance & Operations Committee as presented to the committee in the docket materials, with highlights listed below:
- Allocations from the General Contingency greater than \$250,000 as described in the docket material.
 - Purchase of goods/services over \$250,000 as described in the docket material.
 - Amended Bonding Resolution originally approved by the Board of Regents on December 11, 1998, as follows:

WHEREAS, the Board of Regents by a resolution adopted on December 11, 1998 (the "Bonding Resolution"), has authorized the sale and issuance of Bonds by the University in an aggregate principal amount not in excess of \$330,000,000 (excluding original issue discount, if any, with respect to the Bonds) in one or more series to provide funds to finance construction and remodeling projects to be undertaken by the University and the acquisition and installation of items of equipment by the University.

WHEREAS, the Bonding Resolution provides that the construction and remodeling projects and items of equipment to be financed by the proceeds of the bonds, shall be construction and remodeling projects and equipment the source of funding of which is designated by the Board of Regents as proceeds of indebtedness of the University in connection with the University's capital planning process.

WHEREAS, it is the goal of the University that the interest on the bonds be excludable from gross income for federal income tax purposes in order that the interest expense of the University be reduced, and that to accomplish this goal it is desirable to amend the Bonding Resolution to provide flexibility to the officers of the University to determine which projects and equipment should be financed with proceeds of the bonds;

NOW, THEREFORE, BE IT RESOLVED by the Regents of the University of Minnesota, that the Bonding Resolution be hereby revised to provide that the officers of the University are authorized to determine the construction projects, remodeling projects, and items of equipment to be financed with the proceeds of the bonds so that the interest on the bonds be excludable from gross income for federal income tax purposes.

- Resolution related to a grant for automatic external defibrillators, as follows:

WHEREAS, the University of Minnesota Police Department provides public safety services to the University community to include first response to critical medical situations and

WHEREAS, the 1998 Minnesota Legislature appropriated \$450,000 to the Minnesota Department of Public Safety (DPS) to purchase Automatic External Defibrillators (AED), and the Minnesota Department of Public Safety prepared bid specifications to purchase, on a competitive basis, AED units to be distributed to law enforcement agencies throughout the state that are first responders to medical emergencies, and

WHEREAS, the University of Minnesota Police Department submitted a grant application to the Minnesota Department of Public Safety, and was successfully awarded four Heartstream Automatic External Defibrillators. They will be used by trained University Police officers when responding to emergency calls, to restore a normal heartbeat to victims of sudden cardiac arrest.

NOW, THEREFORE, BE IT RESOLVED, that the Board of Regents of the University of Minnesota authorizes acceptance of four Automatic External Defibrillators from the Minnesota Department of Public Safety to be used as life saving devices by the University of Minnesota Police Department.

BE IT FURTHER RESOLVED that the Board of Regents of the University of Minnesota enter into a sub-grant agreement with the Minnesota Department of Public Safety for the program entitled Distribution of AED's to Law Enforcement.

BE IT FURTHER RESOLVED that Joy M. Rikala, Chief of Police, is hereby authorized to execute and sign such sub-grant agreements and amendments as are necessary to implement the project on behalf of the University of Minnesota Police Department.

- Amendment of the resolution approved by the Board of Regents on November 12, 1999 relating to the PigCHAMP program, as follows:

WHEREAS, the Regents of the University of Minnesota (the "University") owns the widely used PigCHAMP pork production software (the "Software"), licenses the Software to pork producers and other entities throughout the world, and provides related services to such entities; and

WHEREAS, the University wishes to divest itself of the day-to-day operation of the College of Veterinary Medicine's PigCHAMP Unit; and

WHEREAS, after extensive analysis and review of available options, the University has decided to pursue the transfer of certain assets and liabilities of the PigCHAMP Unit to a non-profit 501(c)(6) business league to be established by the University with the support of industrial sponsors and referred to as the International Pork Information Technology Institute;

NOW, THEREFORE, BE IT RESOLVED by the Board of Regents that:

1. The Board of Regents hereby authorizes the establishment of the International Pork Information Technology Institute (the "Institute"), as a non-profit 501(c)(6) business league with the support of a minimum of four industrial sponsors and the transfer of certain assets and liabilities of the University's PigCHAMP Unit of the Institute (the "Spin-Off"), each as more fully described in the business plan (the "Business Plan"). A copy of the business plan is available in the Regents Office.
2. The President, the Senior Vice President of Health Services, and the Vice President for Research are authorized to approve the detailed terms of the establishment of the Institute and the Spin-Off, and to execute and deliver on behalf of the University such documents as may be required to effectuate the same, provided such documents are generally consistent with the terms described in the Business Plan and are approved by the University's General Counsel.
3. The appropriate University officers are authorized to execute and deliver all other documents and certificates and to take such other action as they deem necessary or appropriate for the completion of the establishment of the Institute and the Spin-Off, provided such actions are generally consistent with the terms of the Business Plan and approved by the University's Senior Vice President of Health Services, Vice President for Research, and the University's General Counsel.
4. The execution of any document by the appropriate officers of the University herein authorized shall be conclusive evidence of the approval of such documents in accordance with the terms hereof.
5. The authority contained in the Resolution shall expire on June 30, 1999.

A motion was made, seconded, and the Board of Regents voted unanimously to approve the recommendation of the Finance & Operations Committee.

Bergland reported that the committee also received an investment manager review from representatives of Wellington Management Company; reviewed the 1999-2001 Biennial Budget request; received an update on the 1998-1999 budget; and received a financial update relating to Facilities Management.

REPORT OF THE AUDIT COMMITTEE

Regent Larson, Vice Chair of the committee, reported that the committee had not met since the March 12, 1999 meeting of the Board of Regents.

REPORT OF THE LITIGATION REVIEW COMMITTEE

Regent Peterson, Chair of the committee, reported that the Litigation Review Committee had not met since the March 12, 1999 meeting of the Board of Regents.

NEW BUSINESS

Regent Larson reported that April is Domestic Violence Awareness and Sexual Assault Awareness Month. There are organizations within the University that have focused activities to raise the awareness of the community to these issues. He reported on a number of the activities and recognized and commended the efforts of the individuals from the Program Against Sexual Violence, the Minnesota Women's Center, the Office for University Women, and the Coffman Memorial Union Program Council.

The meeting adjourned at 12:10 p.m.



GREGORY C. BROWN
Acting Executive Director and
Corporate Secretary

MBA
M661

**UNIVERSITY OF MINNESOTA
BOARD OF REGENTS**

MINUTES

**BOARD OF REGENTS MEETINGS
AND
COMMITTEE MEETINGS**

May 13-14, 1999

Office of the Board of Regents

220 Morrill Hall

UNIVERSITY OF MINNESOTA

BOARD OF REGENTS

Minutes of the Board of Regents Meetings
and Committee Meetings

May 13-14, 1999

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UNIVERSITY OF MINNESOTA

BOARD OF REGENTS

Audit Committee

May 13, 1999

A meeting of the Audit Committee of the Board of Regents was held on Thursday, May 13, 1999, at 8:10 a.m. in Room 300, Morrill Hall.

Regents present: Maureen Reed, presiding; William Hogan, and H. Bryan Neel.

Staff present: Interim Chancellor Samuel Schuman; Vice President Christine Maziar; Associate Vice Presidents Gail Klatt and Terrence O'Connor; and Interim Associate Vice President and Chief Information Officer Steven Cawley.

Student Representatives present: Jennifer Molina and Scott Roethle.

INFORMATION ITEMS

Associate Vice President and Director of Audits Klatt reported on the status of mitigating Year 2000 risks. The report, included in the docket materials, identifies the readiness of various departments and the current top ten risks. Klatt stated that she is comfortable with the current status and believes the University is well prepared for the new millennium.

Student Representative Roethle discussed with the Office of Information Technology the efforts the office is making to address potential problems for students in Year 2000.

In response to a question from Regent Reed, Cawley explained that staff are working intensely to ensure that the target dates outlined in the report are met.

In response to questions from Regent Neel, Cawley explained that the Law School is identified as one of the top ten risks because they operate their own administrative systems that interface with the central system. Central administration would prefer that the school's system be more closely aligned with the central system. Klatt added that a recent internal audit of the Law School recommended that they be incorporated in the central system to mitigate risk to the University. Neel expressed concern about this risk and Reed suggest that, given the committee's concerns, the Department of Audits should continue to encourage integration of these independent systems into the central system.

In response to a question from Roethle, Cawley stated that there were no cost increases to the Enterprise System Project to report at this time. Reed requested that budget numbers for the project be included in the next status report.

**BOARD OF REGENTS POLICY: CODE OF CONDUCT
ANNUAL REVIEW**

Vice President Christine Maziar presented the first annual review of the Board of Regents Policy: *Code of Conduct* as found in the docket materials. The 1997 National Institutes of Health (NIH) Corrective Action Plan requires this periodic review. Maziar stated that the assessment of the current *Code of Conduct* policy is that it sufficiently captures the University's philosophy of appropriate conduct on campus and does not require any revisions at this time. Maziar discussed the methods and difficulties of assessing the effectiveness of the policy. She informed the committee that NIH will visit the University for an informal site visit in June and a formal visit in the fall.

In response to a question from Regent Reed, Maziar agreed that requesting staff to attest that they understand the *Code of Conduct* policy by signing a form was not the ideal way to measure the effectiveness of the policy. She is unaware — and doesn't believe that NIH is aware — of another way to measure the effectiveness of the policy. She added that the language in the Corrective Action Plan has put the University in a "box," by requiring that the University measure what is impossible, or at least truly difficult, to measure. Maziar would like to discuss alternative language with NIH regarding this policy and how to more productively measure the policy's effectiveness. Reed expressed her support for such discussions.

Regent Neel stated that the language in the Code of Conduct policy is straightforward and the requirements are just common sense. He added that the paperwork should not be difficult for University faculty. Maziar responded that they do try to get a completed form from the required staff every year. Under the current paper process, her office can spend up to nine months each year tracking down the forms. She believes that collection of the forms will be faster once the process switches to the electronic forms. Associate Vice President Klatt added that the true measure of the effectiveness is in how well the process deals with violations of the policy.

1999-2000 INTERNAL AUDIT PLAN

Associate Vice President Klatt presented the 1999-2000 Internal Audit Plan as found in the docket materials.

In response to questions from Regents Hogan and Reed regarding the integrated framework, Klatt explained that the integrated framework continues to be the standard by which the Department of Audits measures and assesses the University and its units. The Department of Audits continues to promote the integrated framework and educate units on ways to utilize the framework to be proactive and recognize and control risks. Klatt added that evaluation of a unit's success with the integrated framework focuses on whether the attributes of the integrated framework are evident within the unit. A unit's progress in implementing specific components within the framework often becomes more apparent when a unit comes through the audit cycle the second time. Klatt stated that the Audit Committee could assist with promotion of the integrated framework with continued focus and discussion on the issue.

In response to questions from Hogan regarding the University's athletic programs, Klatt stated that every year one of the three University athletics programs — Twin Cities Men's, Twin Cities Women's, or Duluth — is in the audit program. Each of these three programs will cycle every three years. In addition, given recent concerns, it is likely that the Department of Audits will conduct an umbrella review of intercollegiate athletics at the University. Regents Hogan, Neel, and Reed were supportive of a comprehensive review and suggested that it should be conducted very soon.

Regent Neel expressed his concern that some units at the University don't seem to comply with the rules and that, as with the Academic Health Center violations regarding the development of ALG, the current problems facing men's athletics could be a costly and tragic way to learn a lesson.

Students Representative Roethl questioned what retroactive measures are taken if important information is missed or hidden during an audit. Klatt explained that most, if not all, of the athletic issues currently facing the University were reviewed in the last audit of Twin Cities Men's Athletics. Attention should perhaps be given to the accountability of management to take corrective action.

Reed suggested that maybe the committee should receive a flag on those units where the Department of Audits is concerned that they are not seeing the changes necessary to reduce the University's risk. The comprehensive review of intercollegiate athletics may assist the committee in identifying issues and take more specific actions.

Regent Neel expressed his strong belief there are some fundamental rules, like those stated in the Board of Regents Conflict of Interest policy, that must be followed or the fabric and reputation of the institution is severely damaged. Neel added that he appreciates that people make mistakes and that 99% of University staff conduct themselves appropriately, but there seems to be a small number that need to be helped along.

Regent Hogan suggested that the President, Auditor, and committee chair and vice chair should discuss a strategy for taking corrective action when a concern is raised in an audit.

In response to questions from Roethl, Klatt explained that the Department of Audits will conduct unplanned audits if problems arise so that corrective action can be taken quickly. She added that the three-year audit cycle provides enough time for the units to respond to issues identified by the audit.

SEMI-ANNUAL CONTROLLER'S REPORT

Associate Vice President and Controller O'Connor presented the Semi-Annual Controller's Report as found in the docket materials.

The meeting adjourned at 9:35 a.m.



ANDREA L. TURNER
Executive Director
and Corporate Secretary

UNIVERSITY OF MINNESOTA

BOARD OF REGENTS

Litigation Review Committee

May 13, 1999

A meeting of the Litigation Review Committee of the Board of Regents was held on Thursday, May 13, 1999, at 8:07 a.m. in Room 325, Morrill Hall.

Regents present: William Peterson, presiding; Jessica Phillips and Patricia Spence.

Staff present: General Counsel Mark Rotenberg and Associate Vice President Richard Pfutzenreuter.

Others present: Tonya Brown, Ann Cieslak, William Donohue, and Tracy Smith.

**RESOLUTION TO CONDUCT NON-PUBLIC MEETING
OF THE LITIGATION REVIEW COMMITTEE**

A motion was made and seconded that the following resolution be approved:

RESOLVED, that on the recommendation of the President and as provided by Minnesota State Statute 471.705, Subd. 1d, a non-public meeting of the Board of Regents' Litigation Review Committee be held on Thursday, May 13, 1999 in 325 Morrill Hall, for the purpose of discussing attorney-client privileged matters.

The committee voted unanimously to approve the resolution.

The public portion of the meeting adjourned at 8:08 a.m.



ANDREA L. TURNER
Executive Director and
Corporate Secretary

UNIVERSITY OF MINNESOTA

BOARD OF REGENTS

Facilities Committee

May 13, 1999

A meeting of the Facilities Committee of the Board of Regents was held on Thursday, May 13, 1999, at 10:00 a.m. in Room 238, Morrill Hall.

Regents present: David Metzen, presiding; Anthony Baraga, William Peterson, Jessica Phillips, Maureen Reed, and Patricia Spence.

Staff present: President Mark Yudof; Chancellors Kathryn Martin and Donald Sargeant; Vice President Eric Kruse; and Associate Vice Presidents Richard Pfutzenreuter and Georgina Stephens.

Student Representatives present: Tammy Koob and Jennifer Molina.

INFORMATION ITEMS

University Debt Management and Capital Financial Planning

Associate Vice President Pfutzenreuter presented an update on the current University Four-Year Capital Plan. As of May 1999, the Board has authorized \$861 million in capital projects, 33.2 percent of which is University debt.

Associate Vice President Stephens reviewed University debt management, including historical and projected bonded indebtedness and the Aa2/VMIGI rating assigned to the University by the credit rating agencies. President Mark Yudof noted that the University's share of state bonded debt and the current University general obligation debt has been stable for more than a decade.

Pfutzenreuter discussed the University's current debt status, noting that \$279 million of the \$330 million authorized is committed to projects. He reviewed a list of new capital projects to be funded through the \$330 million in bonds. Pfutzenreuter and Stephens reviewed debt capacity limitations and the planning framework related to the role of debt in the University's future capital budgeting process.

In response to a question from Regent Peterson, Stephens stated that the University's reduced exposure to health care risk because of the sale of the University Hospital is reflected in the University's credit rating. Yudof noted this bond rating shows the wisdom of selling the University Hospital. Regent Reed concurred with the President's analysis. However, Regent Baraga stated the jury is still out on whether the sale of the University Hospital will be good for medical education at the University.

In response to a question from Reed, Pfutzenreuter stated that it is a rolling Four-Year Capital Plan because of limited planning resources and the need to tie the list of projects to funds available.

Relocation Plan Update

Kruse and Orlyn Miller, Senior Planner in Facilities Management, reviewed a document titled "Status of Program Relocation", as noted in the docket materials.

Historic Preservation Plan

Kruse stated this is National Historic Preservation Week, and noted the efforts of Jim Litsheim from the University Architect's Office on historic preservation at the University. He discussed the University of Minnesota Historic Preservation Plan, which is being prepared in response to Board policies, Minnesota statutes, the National Preservation Act of 1966 as amended, and sound campus design and planning practices. He noted that the Plan recognizes the University's historic resources and establishes an essential framework for their preservation and enhancement. The Plan will be presented to the Facilities Committee for review and action at a future meeting.

Gateway Parking Facility

Kruse discussed the recommendation of an alternative parking concept for the Gateway Center, which includes a combination of long-term structured parking and short and long-term surface parking. This plan was developed because the current plan for a 300-space underground parking facility cannot be built within the existing budget. If the alternative plan is acceptable to a number of individuals and groups, the design guidelines will be presented to the Facilities Committee for discussion in June and the schematic plans will be presented for review and action in July.

In response to a question from Regent Spence, Kruse stated that future parking across Oak Street will be available in 2001. It was noted that the master plan originally called for mixed use at Oak and Washington Avenues, and it was suggested that opportunities to incorporate some of those original elements should be discussed now that the plaza will no longer be needed to accommodate underground parking.

In response to a question from Regent Baraga, Bob Baker, Director of Parking & Transportation Services, said the site will accommodate approximately 1,000 parking spaces. He noted the University will never be able to meet 100 percent of the parking demand, so efforts are being made to reduce parking demands through biking, buses and on-campus housing initiatives.

Projects in Process, Twin Cities Campus

Kruse presented a video on construction projects in process on the Twin Cities campus, including the Territorial Hall addition, Minnesota Library Access Center, the Jackson Hall renovation, and the Amundson Hall addition.

Regent Metzen suggested arranging a tour of projects in process for the committee.

Boiler Stack, Crookston Campus

Kruse distributed a written response to an issue raised by Regent Baraga at the April meeting regarding the status of the boiler stack on the Crookston campus.

CAPITAL BUDGET AMENDMENT—ACTION

Coffman Memorial Union Remodeling, Twin Cities Campus

A motion was made and seconded to recommend approval of amending the FY 1999 Capital Budget by \$50,000,000 to incorporate funding for the Coffman Memorial Union renovation project.

Vice President Kruse reviewed the proposal to amend the Capital Budget by \$50,000,000 to add the Coffman Memorial Union remodeling project on the Twin Cities campus. He discussed the scope of the project, cost estimate, and funding as noted in the docket materials. He acknowledged the contributions of students to this project, and showed illustrations of remodeling concepts and desired outcomes for the facility

that have been developed in consultation with students. The anticipated completion date for this construction project is fall 2001.

In response to a question from Regent Baraga, Kruse discussed the impact of this project on the student services fees.

Regent Metzen asked Kruse to send a letter on behalf of the committee to those who have participated in this project.

The committee voted unanimously to recommend approval of the amendment to the fiscal year 1999 Capital Budget.

CAPITAL BUDGET AMENDMENTS—REVIEW/ACTION

Bell Museum Entrance Art Work Project, Twin Cities Campus

A motion was made and seconded to recommend amending the FY 1999 Capital Budget by \$160,000 to fund the Bell Museum Entrance Art Work Project.

Vice President Kruse reviewed the proposal to amend the Capital Budget by \$160,000 for the Bell Museum Entrance Art Work Project. He discussed the project rationale and description, cost estimate, and funding as noted in the docket materials. This project is scheduled to be completed in July, 1999.

The committee voted unanimously to recommend approval of the amendment to the fiscal year 1999 Capital Budget.

St. Paul Parking Ramp, Twin Cities Campus

A motion was made and seconded to recommend amend the FY 1999 Capital Budget by \$2,500,000 to increase the budget for the St. Paul parking ramp to fund the construction of a fourth level of parking.

Vice President Kruse reviewed the proposal to amend the Capital Budget by \$2,500,000 to add a fourth parking level to the St. Paul parking ramp as part of its original construction. He noted that the schematic plans for the project were approved by the Board in March 1999, and discussed the revised scope of the project, design guidelines, cost estimate, and funding as noted in the docket materials. The project is scheduled to be completed in August, 2000.

In response to a question from Regent Peterson, Kruse stated the estimated cost per space is approximately \$12,000.

The committee voted unanimously to recommend approval of the amendment to the fiscal year 1999 Capital Budget.

West Bank Office Building Parking Ramp, Twin Cities Campus

A motion was made and seconded to recommend amending the FY 1999 Capital Budget by \$200,000 to increase the budget for the West Bank Office Building parking ramp to fund the current revised cost estimate.

Vice President Kruse reviewed the proposal to amend the Capital Budget by \$200,000 to fund the current revised budget for the West Bank Office Building parking ramp. He discussed the scope of the project, cost estimate, and funding as noted in the docket materials.

The committee voted unanimously to recommend approval of the amendment to the fiscal year 1999 Capital Budget.

**BACKGROUND AND RATIONALE:
MUSIC PERFORMANCE LABORATORY, DULUTH CAMPUS**

Chancellor Martin, University of Minnesota, Duluth campus (UMD), stated that the proposed sites for the Music Performance Laboratory, the Laboratory Science Building, and the Bulldogs' Sports Center are included in campus plan and strengthen entry points to the campus.

Martin discussed the background and rationale for the Music Performance Laboratory, and noted that renowned architect Cesar Pilly has agreed to do this project. She showed slides that illustrate existing band and orchestra rehearsal space, and stated the interactive quality of the space differentiates it from a recital hall.

Dean Robert Buckner, School of Fine Arts, stated that proposed facility will support UMD's initiatives related to cultural outreach to the community and performances by ensembles from outside the University. He noted the campus needs a facility with appropriate acoustics for musical performances, and it will also be suitable for distance learning.

Martin indicated that private funds were used for the pre-design and design phases. In response to a question from Regent Baraga, she noted that existing sketches were only done for fundraising purposes. Vice President Kruse stated that the design guidelines for the facility will be presented to the committee at its June meeting.

In response to questions from Regents Spence and Reed, Martin stated that the architect for the facility was provided the UMD master plan and the pre-design guidelines.

In response to a question from Reed, Vice Chancellor Greg Fox indicated that UMD has a campus committee that reviews all projects. He noted that development of the UMD master plan included community involvement.

**DESIGN GUIDELINES:
LABORATORY SCIENCE BUILDING & LIFE SCIENCES RENOVATION,
DULUTH CAMPUS**

Harvey Turner, Director of Planning and Programming, reviewed the five major components of the University of Minnesota, Duluth campus master plan:

- projects recognize and develop the northern character of the campus
- an academic core of the campus
- softening of the mass of the campus by reforestation and individual building identity
- built on a grid
- welcoming campus with ceremonial and functional entrances

Turner reviewed the proposed location of the Laboratory Science Building and the proposed relocation of Oakland Avenue. He discussed the rationale, description, and design guidelines for the project.

Chancellor Kathryn Martin introduced Dean Sabra Anderson, College of Science & Engineering. It was noted that renovation funds will be necessary to provide updated equipment, since asbestos-topped tables that were moved in 1950 are being used in the current facility.

In response to a question from Student Representative Tammy Koob, Vice Chancellor Greg Fox discussed the parking for the new facilities.

**BACKGROUND AND DESIGN GUIDELINES:
BULLDOGS' SPORTS CENTER, DULUTH CAMPUS**

Harvey Turner, Director of Planning and Programming, reviewed the proposed design and location of the Bulldogs' Sports Center, stating the location provides connectivity. He discussed the rationale, description, and design guidelines for the project.

Fox responded to issues raised by the committee at the April meeting. He noted the name of the facility has been revised to Bulldogs' Sports Center to respond to concerns about the narrow focus of the previous name—Women's Ice Hockey Facility. He noted that a proposal to construct a practice-only facility would save approximately \$2.5 million, however, the Duluth Entertainment & Convention Center (DECC) is not a viable long-term solution for the women's ice hockey program. He said there is a great deal of community support for this facility. Two concerns have been raised relating to where the men's ice hockey team will play and whether the new facility will draw attention away from the DECC by hosting concerts and other similar events. Fox noted that UMD is in the process of signing a five-year contract for the men's ice hockey team playing in the DECC and the new on-campus facility will be used for practice by both the men's and women's teams and campus-based activities in support of student interests.

In response to a question from Regent Metzen regarding the long-term implications to the Bulldogs ability to be competitive using an outdated arena, Fox agreed and noted that new arenas are being constructed for many of the teams in the conference.

In response to a question from Regent Peterson, Fox stated that the facility will have no more than 3,000 bench and back seats.

Regents Spence and Reed thanked Fox for his responses to the questions raised by the committee in April. Spence noted that \$10.7 million is budgeted for the project, but the projected cost is \$12.5 million. Fox introduced Robert Corran, Director of the UMD Department of Intercollegiate Athletics, and stated that they are looking at fundraising for the balance of the cost of the project.

REAL ESTATE TRANSACTIONS - ACTION

633 Ontario Street SE, Minneapolis

A motion was made and seconded to recommend that the appropriate administrative officers be authorized to execute the appropriate documents to sell 633 Ontario Street SE, Minneapolis, to James Eischens for the sum of \$69,000.

Associate Vice President Stephens reviewed a proposal to sell 633 Ontario Street SE, Minneapolis to James Eischens for the sum of \$69,000 as noted in the docket materials.

The committee voted unanimously to recommend approval of the real estate transaction.

Lease for Newman Center Property

A motion was made and seconded to recommend that the appropriate administrative officers be authorized to execute the

appropriate documents to lease the Newman Center Property at 1701 University Avenue SE, Minneapolis for ten years.

Associate Vice President Stephens reviewed a proposed ten-year lease for the Newman Center property at 1701 University Avenue SE, Minneapolis as noted in the docket materials.

The committee voted unanimously to recommend approval of the real estate transaction.

REAL ESTATE TRANSACTION – REVIEW

Associate Vice President Stephens reviewed a proposed ten-year lease for 7,500 square feet in the Duluth Technology Village, Duluth as noted in the docket materials.

QUARTERLY CAPITAL IMPROVEMENT PLAN REPORT

Discussion regarding the Quarterly Capital Improvement Plan Report was delayed due to time constraints.

The meeting adjourned at 12:05 p.m.



ANDREA L. TURNER
Executive Director and
Corporate Secretary

UNIVERSITY OF MINNESOTA

BOARD OF REGENTS

Faculty, Staff & Student Affairs Committee

May 13, 1999

A meeting of the Faculty, Staff and Student Affairs Committee of the Board of Regents was held on Thursday, May 13, 1999, at 10:10 a.m. in Room 300, Morrill Hall.

Regents present: H. Bryan Neel, presiding; Dallas Bohnsack, and William Hogan.

Staff present: Executive Vice President and Provost Robert Bruininks; Chancellor Donald Sargeant; Interim Chancellor Samuel Schuman; Senior Vice President Frank Cerra; Vice Presidents McKinley Boston and Carol Carrier; and Associate Vice President Jane Canney.

Student Representatives present: Heidi Frederickson and Benjamin Solomon.

Chair Neel announced that a quorum was not present and that all items requiring action would be forwarded to the full Board.

CONSENT REPORT

Executive Vice President Bruininks announced the following appointments at UMD, to be effective July 1, 1999, pending Board approval:

- Dr. Linda Krug as Dean of the College of Liberal Arts
- Dr. Paul N. Deputy as Dean of the College of Education

Committee members noted their support for the Consent Report and Regent Neel stated that he would bring forward their consensus to the Board.

**UNIT II COLLECTIVE BARGAINING AGREEMENT FOR UNIT 1,
POLICE EMPLOYEES**

Vice President Carrier and John Erickson, Director of Employee Relations, presented information on the Unit II Addendum to the Collective Bargaining Agreement for Unit I, Police Employees, as detailed in the docket materials. The agreement covers 38 individuals, system-wide for three years, from 1999 to 2001. Negotiations were completed on March 31 of this year.

Erickson noted a unique feature of the agreement. In the second and third years of the contract the agreed-to salary adjustment will be compared to the increases given in the market, which is primarily the inner ring suburbs of the metropolitan area. The University will match the average increase of this market. In response to a question, Erickson noted that there is no cap to this additional increase provision.

Committee members expressed support for the agreement and Regent Neel stated he would bring forward their consensus to the Board.

ANNUAL PROMOTION AND TENURE RECOMMENDATIONS

Executive Vice President and Provost Bruininks presented the annual promotion and tenure recommendations included in the docket materials and an addendum correcting the effective date for one assistant professor. He commented on the thorough and rigorous review process by which tenure and promotions are granted and expressed his pleasure in recognizing the University's most talented colleagues.

Vice Provost Robert Jones gave a brief analysis of the promotion and tenure decisions in relation to the entire faculty and to previous years, as detailed in the docket materials. Jones noted that there were 135 individuals reviewed this year, which is the smallest cohort in a number of years. The quality of individuals was outstanding, as the rate of selection reflects. In response to a question from Regent Hogan, Jones noted that one individual who applied is still undergoing review. It was agreed that the docket materials need to reflect this additional category of "continuing review."

Committee members expressed their support for the promotion and tenure recommendations and Regent Neel stated he would bring forward their consensus to the Board.

NCAA CERTIFICATION SELF-STUDY: TWIN CITIES CAMPUS - PART I

Vice President Boston and Professor William Flannigan, Chair of NCAA Certification Steering Committee and faculty representative provided an overview of the NCAA Certification Self-Study which the University is currently undergoing. He noted that in June the committee will hear additional information on this study, including a gender equity plan that will need Board approval.

Flannigan noted that there is no connection between this study and the current athletic basketball investigation. Certification is an occasional process that reviews structures and procedures at an institution and is separate from investigations and reporting of possible misconduct that is an on-going process. The bulk of the report was completed in 1998.

The self-study is the core of athletic certification and is meant to ensure that the president of the institution and the governing board is in control of athletics on a campus. Flannigan reviewed the four sections of the report:

- governance and commitment to rules compliance;
- academic integrity, including the quality of the educational experience of students and graduation rates;
- fiscal integrity; and
- commitment to equity.

In response to a question from Regent Hogan regarding the need for the study to reflect changes or corrections at the University as a result of the work of others, Flannigan observed that the study was completed in late 1998, prior to any allegations of misconduct. The committee did not make recommendations for changes in the areas currently under investigation. At President Yudof's suggestion, a statement regarding the current investigations and the possibility of recommended changes as a result of those investigations, has been added to the report.

Hogan expressed the desire of the Board that all reports from the University be integrated, so that, for instance, the work of the auditors be reflected. This would give a complete and accurate picture. Flannigan responded that the NCAA provides specific guidelines for this study. Audit information and recommendations are included in appendices and not in the body of the report.

Regent Neel summarized that he understands that this study is a very focused process. He reiterated Hogan's point that the Board expects that through the integrated framework for audits, which combines programmatic, financial, and regulatory issues, everyone at the University is expected to meet the standards set by the President and the Board. The University's standards may exceed those set by outside regulatory bodies, like the NCAA. He emphasized that this is a very important matter for the Board which considers the integrated framework for audits a risk management tool.

STUDENT HEALTH AND ENHANCEMENT PROGRAMS

Vice President Boston and Associate Vice President Canney presented information on programs and initiatives related to student health and student life. National studies have shown that students arriving on campuses today present increasing challenges to institutions, including social and behavioral issues relating to alcohol and drug use, stress, a sense of isolation, and other factors.

Canney reported that the University has tried to work ahead of these issues and to build a community of and for students. Recent initiatives include: investing more in housing on campus; new facilities such as the fitness center on the Morris campus; a commitment of student service fees for the remodeling of Coffman Memorial Union; a cross functional staff team to deal with public health issues, such as stress and alcohol abuse; Freshman Seminars; a respect and responsibility campaign in the residence halls; and an alcohol task force to strengthen responses to violations of alcohol and other drug policies in the dorms.

Canney noted that parents today want to be more involved in the issues affecting their students and increasingly want institutions to assume greater responsibility. Boston explained that as a result of alcohol related deaths on college campuses across the country, an amendment to the Family Educational Rights and Privacy Act was passed in Congress. This legislation gives colleges and universities the option to inform parents when students younger than 21 years of age have committed disciplinary violations regarding drugs and alcohol. Currently, the Minnesota Data Privacy Act would not allow notification in this state, but legislative changes are being considered to permit it. Staff is reviewing the issue and expects to bring a policy recommendation to the Board at a later time.

Student Representative Frederickson expressed her expectation that a university education includes learning to live and manage alone. Since most students are legally adults, it would defeat one purpose of attending the University if parents were informed of student misbehavior. She believes the University should report violations to legal authorities and not to parents.

Boston observed that the issues of health and safety are where there is the most concern. Canney clarified that for students under age 21, parents are informed of all life-threatening incidents.

Regent Neel observed that the whole process of education has become more complex especially regarding social development. Dr. Edward Ehlinger, Director of Boynton Health Services, noted that technology is changing the world so fast, it is putting stress on students, faculty and staff. The challenge is to put personal interactions back into the education system -- to give people the skills so they learn how to help themselves and others.

Neel commented on the value of an on-campus education and noted that the internet excludes socialization and does not provide the educational experience of teamwork and interaction with other individuals.

The meeting was adjourned at 11:40 a.m.

A handwritten signature in black ink, appearing to read "Andrea L. Turner". The signature is fluid and cursive, with a long horizontal stroke at the end.

ANDREA L. TURNER
Executive Director
and Corporate Secretary

UNIVERSITY OF MINNESOTA

BOARD OF REGENTS

May 13, 1999

A meeting of the Board of Regents of the University of Minnesota was held on Thursday, May 13, 1999 at 2:00 p.m. in Room 238, Morrill Hall.

Regents present: William Hogan, presiding; Anthony Baraga, Dallas Bohnsack, Warren Larson, David Metzen, H. Bryan Neel, Michael O'Keefe, William Peterson, Jessica Phillips, Maureen Reed, and Patricia Spence.

Staff present: President Mark Yudof; Chancellors Kathryn Martin and Donald Sargeant; Interim Chancellor Samuel Schuman; Executive Vice President and Provost Robert Bruininks; Senior Vice President Frank Cerra; Vice Presidents McKinley Boston, Sandra Gardebring, Eric Kruse, and Christine Maziar; General Counsel Mark Rotenberg; Associate Vice Presidents Gerald Fischer, Terry O'Connor, and Richard Pfitzenreuter.

Student Representative present: Scott Roethle.

RECOGNITIONS

Distinguished McKnight University Professorship Award

Recognition was given to the 1999 recipients of the Distinguished McKnight University Professorship award. This award honors and rewards the highest-achieving faculty at the University of Minnesota who have recently attained full professor status. The recipients are:

Ann Fallon
Entomology

Hung-wen (Ben) Liu
Chemistry

David Pui
Mechanical Engineering

Anne Pusey
Ecology, Behavior, & Evolution

Michael Ward
Chemical Engineering & Materials Science

RECOGNITIONS

Joy Rikala and Bruce Troupe

Recognition was given to Joy Rikala and Bruce Troupe for their years of service in the University of Minnesota Police Department. Rikala joined the University's Police Department in 1993 and served as captain and then chief of the department until she

left the University in April 1999. Troupe joined the University in 1969 and served 30 years up until his retirement in April 1999.

APPROVAL OF MINUTES

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

Facilities Committee - April 8, 1999
Faculty, Staff & Student Affairs Committee - April 8, 1999
Finance & Operations Committee - April 8, 1999
Educational Planning & Policy Committee - April 8, 1999
Board of Regents - April 8, 1999
Board of Regents Meeting - April 9, 1999

REPORT OF THE PRESIDENT

President Yudof reported that the University has received a refund from the federal government as the result of a successful lawsuit against the Social Security Administration relating to payment of FICA on stipends for medical residents.

He reported briefly on his long-term plan relating to Gopher Athletics and gender equity. It is believed that the long-term plan will:

- ensure a quality experience for all student-athletes;
- be consistent with the University's gender-equity commitment and Title IX requirements;
- ensure that the University's teams remain competitive;
- maintain separate identities for the Men's and the Women's Athletics Departments; and
- ensure that no men's teams are eliminated.

Yudof provided an update on the University's steam plant on the Mississippi River and recent concerns that have been raised. He stated that the University is working with the city of Minneapolis and the community to address the concerns.

He then called upon Chief of Staff Tonya Brown who provided a brief update on the investigation relating to the men's basketball program.

HONORS COMMITTEE RECOMMENDATION

President Yudof presented the following resolution relating to the All-University Honors Committee report:

RESOLVED, that on the recommendation of the President, the report of the All-University Honors Committee is hereby approved.

A motion was made and seconded and the Board of Regents voted unanimously to approve the resolution.

REPORT OF THE CHAIR

Chair Hogan announced the appointment of a Nominating Committee to recommend a slate of officers for the Board of Regents to be presented at the annual

meeting in June 1999. The committee consists of Regent O'Keefe, Chair, and Regents Larson and Phillips.

Hogan reported that a list of nominees has been developed to consider for service on the investment advisory committees. The Board will be informed when the membership of the two committees has been finalized.

He reported that the NCAA self-certification study will be before the Board in June for discussion and action on a gender equity plan for the University.

Hogan noted that the graduate students at the University recently voted against collective bargaining. He stated that he would like the students to know that the Board values their many contributions to the University and wants to continue to address their concerns.

APPOINTMENT OF REGENTS' PROFESSORS

President Yudof presented the following resolution relating to the appointment of Regents' Professors:

RESOLVED, that on the recommendation of the President, the recommendation of the Regents' Professor Nominating Committee is hereby approved.

A motion was made, seconded, and the Board of Regents voted unanimously to approve the resolution.

SUMMARY OF EXPENDITURES

A motion was made, seconded, and the Board of Regents voted unanimously to approve the Quarterly Summary of Expenditures report for the period July 1, 1998 to March 31, 1999 for the Board of Regents Office, the Office of the President, and Eastcliff Maintenance.

AMENDMENTS TO BYLAWS

Regent Larson presented proposed amendments to the Board of Regents Bylaws. He reported that the proposed changes are largely technical or housekeeping in nature and are intended to clarify existing language and to eliminate redundant language. One substantive change is proposed that will allow for any member to move the nominated slate.

A motion was made, seconded, and the Board of Regents voted unanimously to approve the amendments to Bylaws.

UNIVERSITY OF MINNESOTA BOARD OF REGENTS

BYLAWS

INTRODUCTION

The Board of Regents of the University of Minnesota was established by the University Charter passed by the Legislative Assembly of the Territory of Minnesota in the Territorial Laws 1851, Chapter 3; and this

establishment was perpetuated by the Constitution of the State of Minnesota, Article XIII, Section 3.

ARTICLE I CORPORATE NAME AND SEAL

The name of the body corporate shall be *Regents of the University of Minnesota*. The corporation shall have a seal on which shall be inscribed the name of the corporation.

ARTICLE II AUTHORITY AND RESPONSIBILITY

The government of the University of Minnesota shall be vested in a Board of twelve Regents as provided in an act approved in 1851 by the Legislative Assembly of the Territory of Minnesota* and affirmed in 1857 in the Constitution of the State of Minnesota, and as amended thereafter.

ARTICLE III OFFICERS OF THE BOARD OF REGENTS

Section A. Officers

The officers of the Board of Regents shall consist of the Chancellor as ex officio President, Chair, Vice Chair, Secretary, and Treasurer. The Chair and Vice Chair shall be elected from members of the Board of Regents, but the Secretary and Treasurer need not be members of the Board of Regents.

Section B. Term of Office

The officers of the Board of Regents, except the President, shall be elected for a two-year term which shall commence on July 1 of the odd-numbered year following the annual meeting and shall serve until their successors are elected.

Section C. Duties and Responsibilities

(1) *Chancellor*. The Board of Regents by formal action on June 12, 1943, resolved that the Chancellor shall also be known and designated as the President of the University of Minnesota. The President shall be ex officio, non-voting, President of the Board of Regents and shall perform such duties as set forth in these bylaws or otherwise required by the Board.

The President of the University shall be elected by the Board of Regents whenever there is a vacancy and shall hold office at the pleasure of the Board. If the President is unable to serve, as determined by the Board of Regents, the Board may designate an Acting President.

(2) *Chair*. The Chair shall preside at the meetings of the Board of Regents. The Chair shall name and identify the duties and responsibilities of all committees, and shall fill committee vacancies arising from any cause whatsoever in the same manner. The Chair shall be empowered and authorized to execute such instruments and documents which would devolve upon the principal corporate officer.

(3) *Vice Chair*. In the absence of the Chair, the Vice Chair shall perform the duties ordinarily performed by the Chair of the Board of Regents.

* University of Minnesota Charter

(4) *Secretary.* It shall be the duty of the Secretary to record all of the proceedings of the Board of Regents and all committees of the Board of Regents and to carefully preserve all of its books and papers. The Secretary shall be the custodian of the corporate seal of the Regents of the University of Minnesota and shall duly execute for and on behalf of the "Regents of the University of Minnesota" or the "University of Minnesota" such instruments and documents which would devolve upon a corporate officer and would be usual to that office. The Secretary shall cause all notices to be duly given in accordance with the Bylaws of the Board of Regents and shall perform such other duties as the Board of Regents may direct.

(5) *Treasurer.* The Treasurer shall keep a true and faithful account of all moneys received and paid out and shall give such bonds for faithful performance as the duties of the Board of Regents may require.

Section D. Election of Officers

The election of the officers of the Board of Regents shall be conducted at the annual meeting in June of the odd-numbered year in accordance with the following procedure:

(1) The Nominating Committee, as described in Article V, Section C, shall prepare a slate of at least one candidate for Chair, Vice Chair, Secretary, and Treasurer of the Board of Regents.

(2) The report of the Nominating Committee shall be sent by United States mail to each member of the Board of Regents at least ten calendar days prior to the annual meeting.

(3) After the report of the Nominating Committee has been presented at the annual meeting, nominations may be received from the floor.

(4) If there is only one nominee for each office, a member may move election of the nominated slate. The vote shall be by unanimous consent.

(5) If there are two or more nominees, election of each officer shall be conducted separately by roll call. The first nominee receiving at least seven votes is elected.

(6) If there are three or more nominees and no one is elected on the first four ballots, the nominee who received the least number of votes on the fourth ballot will be dropped. This procedure shall be used until two nominees remain or a nominee has been elected. In case of a tie for the least number of votes, balloting shall continue on all candidates until the tie is broken.

Section E. Vacancy of an Office of the Board of Regents

In the event of a vacancy in the office of the Chair, the Vice Chair shall assume the position of Chair and shall serve out the Chair's term of office. In the event of a vacancy of any other office of the Board of Regents, including the position of Vice Chair when the Vice Chair assumes the office of the Chair, an election shall be held for the unexpired term at a subsequent meeting of the Board of Regents. Nominations may be made from the floor. Voting shall be conducted according to Section D.

Written notice shall be sent to each member of the Board by United States mail ten days prior to the date of the meeting at which the election shall be conducted.

ARTICLE IV. MEETINGS OF THE BOARD OF REGENTS

Section A. Annual Meeting

The annual meeting of the Board of Regents shall be held on the second Friday in June each year unless otherwise determined by the Board of Regents. Written notice shall be mailed ten calendar days prior to the annual meeting. The Board of Regents shall set its schedule of Regular Meetings for the ensuing year at the annual meeting.

Election of officers of the Board of Regents shall be held at the annual meeting of the odd-numbered years. Standing committees of the Board of Regents shall be appointed by the Chair at or immediately following the annual meeting of the odd-numbered years.

Section B. Regular Meetings

Regular meetings of the Board of Regents shall be held in accordance with the schedule of meetings approved at the annual meeting. The Board of Regents may vote to change the date of any regular meeting. Written notice of regular meetings shall be mailed ten calendar days prior to the meeting.

The Order of Business at regular meetings of the Board of Regents shall include, but not be limited to, the following:

1. Approval of Minutes
2. Report of the President of the Board
3. Report of the Chair of the Board
4. Receive and File Reports
5. Reports of Committees
 - a) Standing Committees
 - b) Special Committees
6. Old Business
7. New Business

Section C. Special Meetings

Special meetings of the Board of Regents to consider specific items of business may be called by the Chair of the Board, and shall be called by the Chair at the request of any five members thereof at such time and place, and in such form as the Chair may deem appropriate.

The Secretary shall provide reasonable public notice of special meetings, and the Chair may in special circumstances waive the requirement of written notice provided that other appropriate public notice is given.

ARTICLE V. COMMITTEES OF THE BOARD OF REGENTS

Section A. Standing Committees

The Chair of the Board of Regents shall name and identify the responsibilities of standing committees.

(1) *Membership.* The Chair of the Board of Regents shall appoint the Regents to all standing committees and shall designate the Committee Chair of each. Vacancies arising from any cause whatsoever shall be filled in the same manner.

(2) *Meetings.* Standing committees shall meet prior to the regular meeting of the Board of Regents. A special meeting of a standing committee to consider specific items of business may be called by the Chair of the Board, and shall be called at the request of the majority of the members thereof at such time and place and in such form and with reasonable notice, as the Chair may deem appropriate.

Section B. Nominating Committee

The Chair of the Board of Regents shall appoint a Nominating Committee of three members of the Board and designate the Committee Chair at the regular May meeting of the odd-numbered years. The Nominating Committee shall conduct itself according to Article III, Section D.

Section C. Special Committees

The Chair of the Board of Regents shall appoint the members, designate the Committee Chairs and identify the responsibilities of special committees.

ARTICLE VI. RULES OF PROCEDURE FOR MEETINGS OF THE BOARD OF REGENTS AND ITS COMMITTEES

Robert's Rules of Order in its most recent revised edition, shall guide the business of the Board of Regents for all meetings to the extent that they are consistent with law and these Bylaws. The General Counsel of the University shall rule on all disputed questions of procedure.

Section A. Open Meetings

The Board of Regents adopts as its policy the Open Meeting Law of Minnesota as set forth in Minnesota Statute § 471.705. A motion to hold a non-public meeting must be put to a vote at a public meeting of the Board.

Section B. Quorum

A majority of the members of the Board of Regents, or of a committee, shall be necessary to constitute a quorum for meetings of the Board or meetings of a committee.

Section C. Voting the Question

The decision of the majority voting on the question shall prevail. The Secretary shall record the vote of each Regent. A Regent may abstain from voting. Voting by proxy or by mail shall not be permitted.

Participation and voting by Regents via telephone is permissible in special circumstances on approval of a majority of the members of the Board present, provided the Regent or Regents are available to participate in the items presented, discussed, and voted upon at that meeting, and they shall be counted towards determination of a quorum.

Section D. Business Before the Board of Regents

The Chair of the Board, in consultation with the President and Vice Chair and consistent with the Board of Regents policy, *Board Operation and Agenda Guidelines*, approves items of business and the agenda to be considered at meetings of the Board of Regents and the standing or special committees. Any Regent may suggest items for the agenda or move to have an item discussed at a meeting.

All items shall be submitted to the Secretary for referral to the appropriate committee for review and consideration. Items and supporting documentation should be in the office of the Secretary at least ten calendar days before the meeting at which consideration is expected.

A request to appear before a meeting of the Board of Regents or its standing or special committees shall be submitted in writing to the Secretary, in advance of the meeting. The Chair shall rule on all requests. If the request is to appear before a committee, the Chair may also consult with the Committee Chair.

The Chair of the Board of Regents or one of the standing or special committees of the Board of Regents shall not ordinarily allow individuals who are not on the agenda to speak at meetings. The chairs of the various committees may allow such individuals to speak when they determine it is in the best interests of the University and will not unduly delay the matters before the particular committee.

The recommendations of Board committees shall be reported to and be subject to approval by the Board of Regents.

Section E. Protocol for Meetings of the Board of Regents

(1) All those in attendance at meetings of the Board of Regents may be asked to identify themselves to the Secretary or a designee upon entry to the meeting.

(2) Only members of the Board of Regents, the President, and those recognized by the Chair may address the Board.

(3) If space is limited in the meeting room, those with business before the Board of Regents and the members of the press shall have priority over those who are visitors.

(4) No flags, banners, signs, or similar displays shall be permitted in meetings of the Board of Regents.

(5) No person shall cause any disturbance, delay, or interference, or cause any threats thereof at any meeting of the Board of Regents or its committees. Further, no person shall intentionally or through coercion, force, or intimidation, deny or interfere with the right of another to free access or egress from any meeting.

(6) Visitors to meetings of the Board of Regents shall observe the reasonable requests of the Chair.

These rules and regulations are adopted for purposes of Minnesota Statute § 624.72.

Section F. Minutes of the Board of Regents Meetings

Minutes of the proceedings of the Board of Regents shall be kept by the Secretary, who shall cause them to be printed, bound, and preserved and who shall transmit copies to the members of the Board of Regents, University officers, administration, libraries, and to other places where it is deemed appropriate. All lengthy reports shall be referred to in the minutes and shall be kept on file as part of the University records, but such reports need not be incorporated in the minutes except when so ordered by the Board of Regents. The minutes shall reflect the votes cast in committee meetings on matters recommended to the Board of Regents for action.

Section G. Telephone Meetings

The Chair may decide that regular or special meetings of the Board or any of its committees and regular meetings may be held by telephone. For purposes of such a telephone meeting, all Regents who are connected by telephone shall count toward a quorum and may participate and vote. The Secretary shall give reasonable public notice of such meetings and shall make arrangements for the public to hear the telephone discussion, unless it is a non-public meeting.

ARTICLE VII. DELEGATION OF AUTHORITY

Section A. President, Officers, and Administrators

The Board of Regents may authorize appropriate administrative officers to act on behalf of the University in accordance with policies adopted by the Board of Regents.

Section B. President, University Senate, and Faculties

All matters relating to the education and administrative affairs of the University, consistent with actions or policies of the Regents of the University of Minnesota heretofore or hereafter taken or established and including those incident to the management of the student body are, for the purpose of effectuating the government of the University under and by the Regents, committed to the President, the University Senate, and the several faculties, as provided in the Senate Constitution and as amended from time to time.

ARTICLE VIII. MISCELLANEOUS PROVISIONS

Section A. Code of Ethics and Conflict of Interest

The members of the Board of Regents shall be guided by the provisions set forth in the Code of Ethics policy adopted by the Board on October 12, 1973, and as amended from time to time.

Section B. Reimbursement for Expenses

Regents may be reimbursed for expenses incurred in the performance of official business in accord with the University's policy and procedures.

ARTICLE IX. AMENDMENTS TO BYLAWS

The Bylaws may be amended by a majority vote of the Board of Regents at any meeting, provided, however, that notice of any proposed changes shall be sent by United States mail to the members of the Board of Regents 30 calendar days in advance of the meeting scheduled to consider such changes.

ARTICLE X. SUSPENSION OF BYLAWS

Any provision of these Bylaws other than those contained in Article VIII, Section A, may be suspended in connection with the consideration of a matter before the Board of Regents by an affirmative vote of two-thirds of the Board of Regents.

HISTORY: Adopted on December 10, 1889; Amended on June 15, 1929; May 9, 1939; June 12, 1954; June 10, 1967; February 9, 1968; September 10, 1971; July 14, 1972; June 8, 1973; February 13, 1976; March 11, 1977; July 10, 1981; January 10, 1986; November 10, 1994; December 12, 1997; February 12, 1999

APPOINTMENT OF FAIRVIEW-UNIVERSITY MEDICAL CENTER TRUSTEES

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

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

Delores Henderson - Appointed for a three-year term expiring May 2002

Scott Giebink - Appointed for a three-year term expiring May 2002

A motion was made, seconded and the Board of Regents voted unanimously to approve the resolution.

CONSENT REPORT: FINANCE AND OPERATIONS COMMITTEE

Associate Vice President Pfitzenreuter presented the Consent Report for May 1999, as found in the docket materials. Associate Vice President O'Connor reported on three purchases over \$250,000 to:

- Adecco Temporary Services for an estimated \$2,400,000 for on-site administration of a temporary clerical work force management program for the period July 1, 1999 through June 30, 2000.
- Anixter for \$800,000 for the purchase of fiber optics and copper cable for Networking and Telecommunications for the period May 1999 through April 2000.

- PeopleSoft Inc., Brady & Company, Softlink Inc., Denning, Quantum, GE Capital, and others for \$4,500,000 for continuing consultant-technical assistance on the Enterprise Project for the period July 1, 1999 through December 31, 1999.

A motion was made and seconded and the Board of Regents voted unanimously to approve the consent report for the Finance and Operations Committee.

ACADEMIC INITIATIVES

Executive Vice President and Provost Bruininks introduced Steven Rosenstone, Dean of the College of Liberal Arts; Thomas Fisher, Dean of the College of Architecture and Landscape Architecture; and Kathryn Martin, Chancellor of the University of Minnesota, Duluth to provide programmatic updates on academic initiatives relating to the New Media and Design Initiatives on the Twin Cities campus and the initiatives on the Duluth campus.

Rosenstone's presentation related to the New Media initiative. He provided a summary of accomplishments from summer 1998 to the present, noting the conception of the Institute for New Media Studies, citing its mission and giving examples of some of the projects that are envisioned to take place in the institute. He reported on capital renovations that will take place in Murphy and Ford Halls and talked about the future steps necessary to implement the plan. Rosenstone also acknowledged the receipt of a million dollar gift from Otto and Helen Silha to benefit the School of Journalism and Mass Communications and the Silha Center. The gift will be used to ensure the center's national leadership in the area of media ethics research and law. Mr. Silha is a former member of the University of Minnesota Board of Regents.

Martin reported that the design initiative at the University of Minnesota Duluth is focused on the area of graphic design. It is centered in the design major, in freshwater research, and in a cooperative initiative between the College of Science and Engineering and the School of Medicine. Martin provided an overview of the design initiative within graphic design, described the visualization and imaging laboratory, the nature of equipment in the space, and noted the hiring of faculty and staff. She also talked about the plans, included in the initiative, relating to freshwater research and cell and molecular biology.

In answer to a question, it was reported that it is projected that twenty-five to fifty new students may be accommodated in graphic design because of this initiative.

Regent Reed asked how it will be known if the initiatives have furthered the mission of the areas. Martin responded that the focus of the coming year will be to determine how to evaluate the impact of the initiative. It is hoped the effect of the initiatives can be measured by reviewing changes made in terms of size, assessment, electronic portfolio, and in measurements yet to be determined.

Fisher addressed the Design Initiative. Unlike other initiatives, plans for the recurring funding received from the legislature do not include the hiring of new faculty and staff. Instead, the money will be used for a series of strategic investments that will empower the existing faculty and students and will help bridge the University into the community.

Fisher described the consultation process relating to the Design Initiative, the development of goals and how the investments are going to be used to achieve the goals. He provided details on the strategic investments that have been made in the first year. The future includes plans to establish a design institute with a focus on design and everyday life; a search for a director of the design institute to promote its vision and grow

its resources; and a second round of investments based on the initiative's three goals and on the institute's overall focus.

President Yudof commented that the exciting part of this initiative is that it includes a new minor in design. It will provide students with an added ability to secure a job at the end of their educational experience.

Regent Phillips stated that these initiatives provide the benefit of interdisciplinary work between departments. She also complimented Fisher on the consultation that occurred during the process of developing the goals and plans.

1999-2000 OPERATING BUDGET CONCEPTUAL FRAMEWORK

President Yudof presented the conceptual framework for the 1999-2000 operating and capital budgets as included in the docket material. The framework is intended to guide the Board through the strategies, issues, and use of revenue sources needed to successfully bring the University's plan to life. It focuses on the tools available to align planning and budgeting within the management framework of the University. The framework addresses the role of the biennial request, the role and organization of the capital request, investment needs not included in either the biennial or capital request, and the effects of Incentives for Managed Growth and the need for institutional revenue sharing.

The operating budget framework addresses investment decisions not included in the biennial or capital requests. Those investment decisions relate to general "common good" items that support the University's infrastructure; core administrative services that are essential to the ongoing operation of the University; and institutional academic initiatives above and beyond those contained in the biennial request.

Yudof reviewed the budget strategy focusing his discussion on the options to address the question of how to fund the other operating costs related to common goods, core administrative services, and academic goods that are not funded through the current revenues. He reported that the administration is proposing to address the issue with an institutional revenue sharing plan. Such a plan is an option that is predictable and precludes the need for a new solution each year. It is calculated in two parts: 1) a two percent assessment against sales and services revenue (including sales and services from central support units); and 2) the remainder collected as a direct assessment on academic units.

Regent Reed stated that it is important to frame this proposal as good stewardship of revenues and expenses so that the University community does not view the revenue sharing plan as a retrenchment or taxing plan.

Regent Baraga asked about the use of teaching assistants and if the University is losing so many professors that it is having to rely on teaching assistants to teach classes. Provost Bruininks reported while there is a reliance on the use of teaching assistants, the use has not really increased in the last ten years. He added that the teaching assistants also receive more mentoring, instruction, and training than they have had in the past. There has been an increase of teaching by full-time teaching professors, particularly in professional fields, which has been beneficial. In addition, in the last ten years, there has been a massive increase in productivity by the University's faculty with semester conversion, the development of smaller and more efficient curriculums, and the revitalization of the first year experience for students.

Student Representative Roethe commented that there is a reliance on teaching assistants in classrooms, however, it is found at all major teaching research

institutions. He reiterated what Provost Bruininks said that teaching assistants are receiving better training than in the past and are teaching at a higher level and are more qualified to assist students. He added that it is important to look at, not only the quantity of tenured professors, but also at the quality. Faculty compensation is extremely important if the University expects to retain its best professors.

Regent Neel stated that he believes the University community has some trouble with internal efficiency. He believes that it is important for the University to assist in providing professional development for its managers to enable them to operate in a more efficient manner.

Yudof reported that the operating budget will be reviewed in detail at the June meeting and action will be requested in late June.

1999-2000 CAPITAL BUDGET

President Yudof presented the 1999-2000 capital budget for review as presented in the docket materials. He noted that the budget before the Board is for one year; a five year budget plan will be presented in September.

The President reported that the 1999-2000 capital budget authorizes \$39,278,000 of projects to begin design and/or construction during the next fiscal year. The vast majority of the projects renew infrastructure with very little requested for new construction. He noted that some change in the total may occur before the budget is presented in June for approval as funding sources for each of the projects are confirmed. The budget's size reflects that most major projects have already been approved during the year by the Board as capital budget amendments.

RECEIVE AND FILE REPORTS

Chair Hogan noted the receipt and filing of the Quarterly Report of Grant and Contract Activity.

GIFTS

Associate Vice President Gerald Fischer presented the monthly list of gifts to the University of Minnesota, the University of Minnesota Foundation, the Arboretum Foundation, and the Minnesota Medical Foundation as listed in the docket material and on file in the Board Office.

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

REPORT OF THE EDUCATIONAL PLANNING & POLICY COMMITTEE

Regent O'Keefe, Chair of the committee, reported that the committee did not meet this month.

REPORT OF THE FACILITIES COMMITTEE

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

- a) Approval of a recommendation of the President that the FY99 capital budget be amended as follows:
 - 1) \$50,000,000 to add the Coffman Memorial Union Remodeling Project located on the Twin Cities/Minneapolis campus/East Bank campus.
- b) Approval of a recommendation of the President that the FY99 capital budget be amended as follows:
 - 1) \$160,000 to add funding for the Bell Museum Entrance Art Work Project.
 - 2) \$2,500,000 budget increase for the St. Paul campus parking ramp.
 - 3) \$200,000 budget increase to the West Bank Office Building Parking Ramp Project.
- c) Approval that the appropriate administrative officers are authorized to execute the appropriate documents providing for the following real estate transactions:
 1. Sale of 633 Ontario Street SE, Minneapolis, to James Eischens, for the sum of \$69,000.
 2. Ten-Year lease for Newman Center property, 1701 University Avenue SE, Minneapolis.

A motion was made, seconded, and the Board of Regents voted unanimously to approve the recommendations of the Facilities Committee.

Spence reported that the committee reviewed information relating to the background and rationale for the University of Minnesota, Duluth (UMD) music performance laboratory; reviewed design guidelines for the Lab Science Building and Life Sciences renovation at UMD and for the UMD Bulldog's Ice Hockey Center. The committee reviewed one real estate transaction relating to a ten-year lease for 7,500 square feet in the Duluth Technology Village in Duluth. The committee also reviewed the Quarterly Capital Improvement Plan Report and a number of information items.

REPORT OF THE FACULTY, STAFF, AND STUDENT AFFAIRS COMMITTEE

Regent Neel, Chair of the committee, reported that the committee did not have a quorum at the meeting. It was the consensus of the committee that the following items be forwarded to the Board for approval:

1. Approval of the Consent Report for the Faculty, Staff and Student Affairs committee as presented to the committee in the docket materials, with highlights listed below:
 - Appointment of Dr. Linda Krug as dean of the College of Liberal Arts at the University of Minnesota, Duluth.
 - Appointment of Dr. Paul N. Deputy as Dean of the College of Education at the University of Minnesota, Duluth.

A motion was made, seconded and the Board of Regents voted unanimously to approve the Consent Report for the Faculty, Staff and Student Affairs Committee.

2. Approval of a resolution relating to the negotiated addendum to the collective bargaining agreement between the University of Minnesota and

the Law Enforcement Labor Services, Inc. on behalf of law enforcement officers, as follows:

WHEREAS, the parties have met and negotiated over the past six months and have reached agreement regarding terms and conditions of employment regarding the employees of this bargaining unit (a complete copy of which is available in the Board of Regents Office); and

WHEREAS, Law Enforcement Labor Services, Inc. has ratified acceptance of the agreement; and

WHEREAS, according to the Board of Regents Policy: Board Operation and Agenda Guidelines, regental approval of labor agreements is required;

NOW, THEREFORE, BE IT RESOLVED that on the recommendation of the President and the Executive Vice President and Provost, the Board of Regents approves the labor agreement as outlined in the docket for May 13, 1999.

A motion was made, seconded, and the Board of Regents voted unanimously to approve the resolution relating to the negotiated addendum to the collective bargaining agreement between the University of Minnesota and the Law Enforcement Labor Services, Inc. on behalf of law enforcement officers.

3. Approval of a resolution relating to the granting of promotion and/or tenure to members of the University of Minnesota faculty, including the addendum, as follows:

WHEREAS, the faculty members whose names appear on pages 1-8 of the docket material on file in the Board Office have been recommended for promotion and/or tenure by the Executive Vice President and Provost; and

WHEREAS, those faculty have successfully engaged in the promotion and tenure review process at the University of Minnesota, Twin Cities; the University of Minnesota, Crookston, and the University of Minnesota, Morris as identified in University and Board of Regents policy; and

WHEREAS, the faculty members whose names appear on pages 8 of the docket material have been recommended for promotion and/or tenure by the Chancellor of the University of Minnesota, Duluth, in accord with the Agreement between the Regents of the University of Minnesota and the University Education Association; and

WHEREAS, those faculty have successfully engaged in the promotion and tenure review process at the University of Minnesota, Duluth;

NOW, THEREFORE, BE IT RESOLVED, that the recommendations for promotion and/or tenure, as presented to the University of Minnesota Board of Regents on May 13, 1999, are hereby approved, effective with the beginning term date of their appointment in 1999-00.

A motion was made, seconded and the Board of Regents voted unanimously to approve the granting of promotion and/or tenure to members of the University of Minnesota faculty as presented to the committee.

Neel reported that the committee also reviewed information relating to the NCAA Certification Self-Study for the Twin Cities campus and reviewed information relating to student health and enhancement programs.

Regent O'Keefe called attention to the results of the recent collective bargaining election by graduate students. He wanted to stress that while the graduate students voted against collective bargaining, the University should continue to review and improve the working conditions of its graduate students.

REPORT OF THE FINANCE & OPERATIONS COMMITTEE

Regent Hogan reported that the committee did not meet this month.

REPORT OF THE AUDIT COMMITTEE

Regent Reed, Vice Chair of the committee, reported that the committee reviewed the Board of Regents policy: *Code of Conduct*; the 1999-2000 Internal Audit Plan; and the semi-annual controller's report. The committee also reviewed a number of information items.

REPORT OF THE LITIGATION REVIEW COMMITTEE

Regent Phillips, Vice Chair of the committee reported that the committee met on May 13, 1999 to discuss attorney-client privileged matters and there were no actions taken at the meeting.

The meeting adjourned at 5:25 p.m.



ANDREA TURNER
Executive Director and
Corporate Secretary

UNIVERSITY OF MINNESOTA

BOARD OF REGENTS

May 14, 1999

A meeting of the Board of Regents was held on Friday, May 14, 1999, at 9:04 a.m. in Room 238, Morrill Hall.

Regents present: William Hogan, presiding; Anthony Baraga, Robert Bergland, Dallas Bohnsack, Warren Larson, David Metzen, H. Bryan Neel, William Peterson, Jessica Phillips, Maureen Reed, and Patricia Spence.

Staff present: General Counsel Mark Rotenberg; Vice Presidents McKinley Boston and Sandra Gardebring; and Associate Vice President Eric Kruse.

Others present: Tonya Brown, Ann Cieslak, William Donohue, Greg Fox, Laurie Gildae, Gail Klatt, Sandra Martell, and Tracy Smith.

A motion was made and seconded that the following resolution be approved:

RESOLVED, that on the recommendation of the President and as provided by Minnesota State Statute 471.705, Subd. 1d, a non-public meeting of the Board of Regents be held on Friday, May 14, 1999 in the Board Room, 238 Morrill Hall, for the purpose of discussing attorney-client privileged matters.

The Board of Regents voted unanimously to approve the resolution.

The meeting adjourned at 9:05 a.m.



ANDREA L. TURNER
Executive Director and
Corporate Secretary

UNIVERSITY OF MINNESOTA

BOARD OF REGENTS

May 14, 1999

A meeting of the Board of Regents was held on Friday, May 14, 1999, at 9:48 a.m. in Room 238, Morrill Hall.

Regents present: William Hogan, presiding; Anthony Baraga, Robert Bergland, Dallas Bohnsack, Warren Larson, David Metzen, H. Bryan Neel, Michael O'Keefe, William Peterson, Jessica Phillips, Maureen Reed, and Patricia Spence.

Also present: Lawrence Altman, Ann Cieslak, William Donohue, Laurie Gildea, Michael Korth, Bimal Roquitte, Mark Rotenberg, Samuel Schuman, Mark Yudof.

Court reporter: Theresa Maher-Bock.

A motion was made and seconded that the following resolution be approved:

RESOLVED, that as provided by Minn. Stat. 471.705 the Board of Regents shall conduct a non-public meeting for the purpose of considering an appeal of a tenure termination.

The Board of Regents voted unanimously to approve the resolution.

The public portion of the meeting adjourned at 9:49 a.m.



ANDREA L. TURNER
Executive Director and
Corporate Secretary

UNIVERSITY OF MINNESOTA

BOARD OF REGENTS

MINUTES

BOARD OF REGENTS MEETINGS

AND

COMMITTEE MEETINGS

June 10-11, 1999

Office of the Board of Regents

220 Morrill Hall

UNIVERSITY OF MINNESOTA

BOARD OF REGENTS

Minutes of the Board of Regents Meetings
and Committee Meetings

June 10-11, 1999

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UNIVERSITY OF MINNESOTA

BOARD OF REGENTS

Litigation Review Committee

June 7, 1999

A meeting of the Litigation Review Committee of the Board of Regents was held on Monday, June 7, 1999, at 8:30 a.m. in Room 325, Morrill Hall.

Regents present: William Peterson, presiding; Jessica Phillips and Patricia Spence.

Staff present: President Mark Yudof; Vice President Sandra Gardebring; General Counsel Mark Rotenberg; and Executive Director Andrea Turner.

Others present: Tonya Brown, William Donohue, and Tracy Smith.

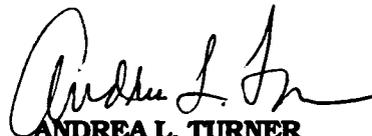
**RESOLUTION TO CONDUCT NON-PUBLIC MEETING
OF THE LITIGATION REVIEW COMMITTEE**

A motion was made and seconded that the following resolution be approved:

RESOLVED, that on the recommendation of the President and as provided by Minnesota State Statute 471.705, Subd. 1d, a non-public meeting of the Board of Regents' Litigation Review Committee be held on Monday, June 7, 1999 in 325 Morrill Hall, for the purpose of discussing attorney-client privileged matters.

The committee voted unanimously to approve the resolution.

The public portion of the meeting adjourned at 8:31 a.m.



ANDREA L. TURNER
Executive Director and
Corporate Secretary

UNIVERSITY OF MINNESOTA

BOARD OF REGENTS

June 10, 1999

A meeting of the Board of Regents was held on Thursday, June 10, 1999, at 8:00 a.m. in Room 300, Morrill Hall.

Regents present: William Hogan, presiding; Anthony Baraga, Robert Bergland, Dallas Bohnsack, Warren Larson, David Metzen, H. Bryan Neel, Michael O'Keefe, William Peterson, Jessica Phillips, Maureen Reed, and Patricia Spence.

Staff present: General Counsel Mark Rotenberg; Vice Presidents McKinley Boston and Sandra Gardebring; and Executive Director Andrea Turner.

Others present: Tonya Brown and William Donohue.

A motion was made and seconded that the following resolution be approved:

RESOLVED, that on the recommendation of the President and as provided by Minnesota State Statute 471.705, Subd. 1d, a non-public meeting of the Board of Regents be held on Thursday, June 10, 1999 in the Board Room, 238 Morrill Hall, for the purpose of discussing attorney-client privileged matters.

The Board of Regents voted unanimously to approve the resolution.

The meeting adjourned at 8:01 a.m.



ANDREA L. TURNER
Executive Director and
Corporate Secretary

UNIVERSITY OF MINNESOTA

BOARD OF REGENTS

Facilities Committee

June 10, 1999

A meeting of the Facilities Committee of the Board of Regents was held on Thursday, June 10, 1999, at 9:30 a.m. in Room 238, Morrill Hall.

Regents present: David Metzen, presiding; Anthony Baraga, William Peterson, Jessica Phillips, Maureen Reed, and Patricia Spence.

Staff present: President Mark Yudof; Chancellor Kathryn Martin; Senior Vice President Frank Cerra, Vice President Eric Kruse; Executive Director Andrea Turner, and Associate Vice Presidents Ron Campbell, Clint Hewitt, Richard Pfitzenreuter, and Georgina Stephens.

Student Representatives present: Sean Dillon, Tammy Koob, and Jennifer Molina.

SCHEMATIC PLANS

Molecular and Cellular Biology Building, Twin Cities Campus

A motion was made and seconded to recommend approval of the following action:

The schematic plans for the Molecular and Cellular Biology Building on the Twin Cities campus are approved and the appropriate administrative officers are authorized to proceed with the award of contracts, the development of construction documents, and construction.

Vice President Kruse and Randy Guillot, Design Architect with Perkins & Will, presented the schematic plans for the proposed Molecular and Cellular Biology Building on the Twin Cities campus as noted in the docket materials.

Regent Peterson suggested that the building would look better if the mechanical penthouse were set back from the front of the building. Guillot stated that they were tight on space, but if possible he agreed that it would improve the appearance.

Regent Reed stated that this building is a furthering of the mission and accomplishments of the Academic Health Center and recommended echoing more of the architectural design and details of Jackson Hall in this building to bring that rich history forward. Kruse stated that they will continue to look at that type of detail as they enter the design development phase. President Yudof agreed that it is important to align the design with Jackson Hall rather than other adjacent buildings. He added that he especially appreciated the narrow width on Washington Avenue and the planned green space of the design.

In response to a question from Student Representative Koob, Guillot explained that the labs are modular and designed to be flexible.

Regent Spence expressed her support of the design and was very pleased to see the green space. Regent Metzen added that he appreciated that the maintenance costs are built into the operating costs of the buildings coming on-line to ensure that the University keeps up with these costs and avoids a deferred maintenance problem in the future.

The committee voted unanimously to recommend approval of the schematic plans and construction.

Housing Component South Mall Development, Twin Cities Campus

A motion was made and seconded to recommend approval of the following action:

The schematic plans for the housing component of the South Mall development on the Twin Cities campus are approved and the appropriate administrative officers are authorized to proceed with the award of contracts, the development of construction documents, and construction.

Vice President Kruse and Jeff Ziebarth, Design Architect with Ellerbe Becket, Inc., presented the schematic plans for proposed student housing located on the South Mall on the Twin Cities campus as noted in the docket materials.

In response to a question from Regent Baraga, Mary Ann Ryan, Director of Housing and Residential Life, explained that \$62,000 per bed is average for housing capital costs. As a comparison, Wilkins Hall was \$69,500 per bed due to the accelerated building schedule. Kruse added that the efficiency of the building is approximately 70 percent. President Yudof explained that the cost per bed is high because the University is trying to become a residential college and deliver some of the educational services where the students live, like computers and seminar rooms.

In response to questions from Regent Phillips, Kruse explained that a presentation regarding a plan for the public space will come to the committee in September. Kruse added that they have been working closely with the Minneapolis Park Board on these plans. Phillips suggested that the University show these designs during tours to attract prospective students.

In response to a question from Student Representative Koob, Ryan explained that the rent will be between \$420 and \$505 per student per month depending on unit type. This rent includes all utilities, cable television, ether jack connection, furniture, and washer and dryer.

In response to a question from Regent Peterson, Ryan explained that the deficit is estimated to be approximately \$1.1 million dollars annually. Housing and Residential Life has made rate increases over the past two years to offset this deficit.

In response to a question from Regent Reed, Yudof explained that because Wilkins Hall was paid for in cash, it gave the appearance that it cash flowed. However, once all factors were taken into account it became apparent that it in fact operates at a deficit. In lieu of creating high rates to cash flow each new addition to student housing, the cost for new housing is spread out over all residential housing.

The committee voted unanimously to recommend approval of the schematic plans and construction.

DESIGN GUIDELINES

Plant Growth Facilities Renovation, Twin Cities Campus

Vice President Kruse and Harvey Turner, Director of Planning and Programming, presented the design guidelines for the proposed renovation of the Plant Growth Facilities on the Twin Cities campus as noted in the docket materials.

In response to a question from Student Representative Koob, Kruse explained that, while some parking will be lost, there is a new parking facility being built nearby.

Gateway Center Parking Facility and Pedestrian Connections, Twin Cities Campus

Vice President Kruse and Harvey Turner, Director of Planning and Programming, presented the design guidelines for the proposed Gateway Center parking facility and pedestrian connections on the Twin Cities campus as noted in the docket materials.

In response to a question from Regent Metzen, Turner explained that Oak Street couldn't be vacated because it is a city street and they have plans to create what has been called "The Dinkytown Bypass" that will connect Highway 280 and Interstate 35W. Turner added that there are concerns, however, about creating another high-traffic street (Walnut Street) that bisects the Gateway Building from the rest of the campus.

In response to a question from Regent Reed, Turner explained that the budget for the ramp includes the cost for one or one and a half levels below grade.

Music Performance Lab, Duluth Campus

Vice President Kruse and Harvey Turner, Director of Planning and Programming, presented the design guidelines for the proposed Music Performance Lab on the Duluth campus as noted in the docket materials. Chancellor Martin added that the technological nature of the facility is an important attribute of the design.

Regents Baraga and Reed expressed support for the project and appreciation for the use of native materials and respect for how it fits with the campus.

In response to a question from Student Representative Koob, Martin explained that the traffic pattern will be eased by a two level entrance.

In response to a question from Regent Metzen, Martin explained that they have conducted community outreach to ensure that the public is on board with this project.

REAL ESTATE TRANSACTIONS

Action Items

Lease for Duluth Technology Village, Duluth

A motion was made and seconded to recommend approval of the following real estate transaction:

The appropriate administrative officers are authorized to execute the appropriate documents providing for a ten-year lease for 7,500 square feet in Duluth Technology Village in Duluth.

Associate Vice President Stephens presented a proposal for a ten-year lease for 7,500 square feet in Duluth Technology Village in Duluth as noted in the docket materials.

The committee voted unanimously to recommend approval of the real estate transaction.

Sale of 4555 University Avenue Northeast, Columbia Heights

A motion was made and seconded to recommend approval of the following real estate transaction:

The appropriate representatives of University Associated Clinics, Inc., are authorized to execute the appropriate documents providing for the sale of 4555 University Avenue Northeast in Columbia Heights to Home Veterinary Services, Inc. for the sum of \$260,000.

Associate Vice President Stephens reviewed the proposed sale of 4555 University Avenue Northeast in Columbia Heights to Home Veterinary Services, Inc. for the sum of \$260,000 as noted in the docket materials.

The committee voted unanimously to recommend approval of the real estate transaction.

REAL ESTATE TRANSACTION

Review Items

Associate Vice President Stephens reviewed a proposal to sell an undivided 50% interest in approximately ten acres of Kemp Trust Property located in Cottage Grove as noted in the docket materials.

INFORMATION ITEMS

Associate Vice President Kruse presented information on the proposed tunnel connection between Ford and Murphy Halls as noted in the docket materials.

Tom de Ranitz, Associate Director, Institutional Relations and Tim Busse, Senior Editor, Facilities Management presented an overview of the communication plan being implemented to keep students, faculty, staff and the community informed of the construction activity, schedule, and inconvenience on the Twin Cities campus. Additional information on this plan can be found in the docket materials.

Regent Reed suggested that the construction brochures be made available at the construction sites. De Ranitz stated that making the brochures available at the construction site was a wonderful idea.

Regent Baraga expressed concern over the cleanliness of the Masonic Hospital and requested that staff look into the issue.

The meeting adjourned at 11:30 a.m.



ANDREA L. TURNER
Executive Director and
Corporate Secretary

UNIVERSITY OF MINNESOTA

BOARD OF REGENTS

Faculty, Staff & Student Affairs Committee

June 10, 1999

A meeting of the Faculty, Staff and Student Affairs Committee of the Board of Regents was held on Thursday, June 10, 1999, at 9:35 a.m. in Room 300, Morrill Hall.

Regents present: H. Bryan Neel, presiding; Robert Bergland, Dallas Bohnsack, William Hogan, Warren Larson, and Michael O'Keefe.

Staff present: Executive Vice President and Provost Robert Bruininks; Interim Chancellor Samuel Schuman; Executive Director Andrea Turner; Vice Presidents McKinley Boston and Carol Carrier; and Associate Vice Presidents Nancy Barcelo, Jane Canney, and Robert Kvavik.

Student Representatives present: Heidi Frederickson, Shane Naslund, Ma'Lou Sabino, and Benjamin Solomon.

CONSENT REPORT

Executive Vice President Bruininks announced the following appointment, pending Board approval:

- Continuous appointment (G) effective with the beginning term of the 1999-2000 appointment period for Dawn Littleton from Assistant Librarian to Associate Librarian, Twin Cities.

**NCAA CERTIFICATION SELF-STUDY:
TWIN CITIES CAMPUS - Part II**

**Minorities Opportunities Plan
and Gender Equity Plan**

In a continuation of a discussion from the May, 1999 committee meeting, Vice President Boston presented information on two parts of the NCAA Certification Self-study -- the Minorities Opportunities Plan and the Gender Equity Plan. He noted that only the Gender Equity Plan requires Board approval and a resolution was presented for Board consideration.

Boston summarized the highlights of the Minorities Opportunities Plan and the proposed Gender Equity Plan, detailed in the docket materials. The Minorities Opportunities Plan is a continuation of the current plan and includes recruiting, retention, support services, a life skills program, community outreach, and diversity education.

Boston clarified that the Gender Equity Plan is not a Title IX plan or an affirmative action plan, although there are similarities in the plans. A major difference is that the Office of Civil Rights, not the NCAA, is responsible for enforcing Title IX plans.

The proposed Gender Equity Plan is a model plan for institutions across the country. It allows the University to maintain eleven men's sports while placing the University within three percentage points of proportionality between men's and women's

athletics in the year 2000-01. This will be accomplished by adding sixty to seventy opportunities for women through the addition of rowing, by sustaining women's walk-on opportunities, and by reviewing the number of male athletes and making adjustments as necessary. The goal is to reach a participation rate of 53% male: 47% female.

Boston briefly reviewed the Title IX requirements of the 1972 Educational Amendment Act and the three part test for assessing compliance with it. He enumerated the goals of the Gender Equity Plan:

- Ensure financial stability of intercollegiate athletics;
- Improve the infrastructure for women's athletics;
- Ensure that athletic interests and abilities of students are effectively accommodated.

Boston stated that the Gender Equity Plan will move the University beyond the Big Ten participation goal of 60:40 men/women athletes toward the goal of proportionality with the Twin Cities undergraduate enrollment. Currently, the University is at 59:41 participation. The plan to reach the 53:47 rate requires a reduction in male athletes from the current 400 to 375, which it is hoped can be accomplished without impacting the competitiveness of the teams. The University currently ranks sixth in the Big Ten in proportionality; Michigan ranks first.

Boston noted that a major change will be the consolidation of all revenue in one budget under him at the Office of Student Development and Athletics. All areas of the budget, including promotions and marketing, staff, recruiting costs, and coaches compensation will be reviewed for equity annually.

In response to a question from Regent Larson, Boston stated that the changes outlined here would place the University near the top of the Big Ten and, more importantly, would be the right thing for the University to do. He outlined a number of steps the administration would take to monitor equity over the coming years to ensure continued compliance.

A motion was made and seconded and the committee voted unanimously to recommend approval of the resolution approving the Institutional Gender Equity Plan for 1998-2003.

ENTERPRISE PROJECT: ACADEMIC PERSONNEL ISSUES

Executive Vice President and Provost Bruininks introduced Vice President Carrier and Associate Vice President Kvavik to make a presentation on the Enterprise Project and its relationship with the new human resources system and the changes in personnel policies, practices, and culture. Kvavik reported that the new technology system, which is in the process of being implemented, provides the institution with new tools and the challenge is to leverage those tools and capabilities and make them pay off for the University.

He reviewed the workplace trends:

- Jobs requiring analytic ability, creativity, flexibility, breadth;
- Client-focused, high quality service;
- Electronic, paper-less, Web-based services;
- Absence of intermediaries; and
- Effectiveness and efficiency.

The Enterprise system in combination with the Web is going to radically alter the work environment. The challenge is to get staff to adjust to the new more efficient, more automated systems and use it to the best advantage. Kvavik noted that the signs of success will be the absence of shadow systems, the satisfaction of students and

employees using the system, the percentage of people using the Web self-service, and the speed and cost of transactions, such as registration. Staff will need to be generalists to allow one-stop service and this also requires changing job titles and classifications. The institution needs to create incentives to have people use the new system, because the most expensive way is to have both systems functioning.

Carrier observed that the institution needs to think differently about customer service under this new model. She listed a number of policy issues, including ensuring oversight in a decentralized model and providing access to information while ensuring privacy. There is risk for the University because it has been an institution with certification required at many different steps. Decentralizing authority and giving staff greater autonomy is an enormous culture change.

ENROLLMENT MANAGEMENT IN PROFESSIONAL SCHOOLS

Executive Vice President and Provost Bruininks noted that this topic was in response to a question at a previous committee meeting regarding enrollment trends in the professional schools. He stated that it was useful to do a broad analysis of the trends since the peak University enrollment in 1983 and then to focus more specifically at the professional schools.

Director J. Peter Zetterberg explained the University's peak enrollment in 1982-83 declined by design with an agreement between the University and the legislature to reduce undergraduate enrollment during a time when the number of high school graduates was declining in the state. It was targeted in specific ways -- the closing of the Waseca campus, the elimination of most four year teacher training programs, reduction in undergraduate enrollment in the Carlson School of Management, and General College becoming a college that prepared students for transfer to another college. Since 1993 enrollment has remained fairly constant with a slight increase recently. Enrollment is expected to remain at these levels.

He noted the following:

- The share of high school graduates from the state who attend the University is higher now than in 1983;
- The percentage of women has increased reflecting a national trend;
- The ratio of undergraduates to graduate/professional students has fallen from over 2.5 to 1 to less than 2 to 1. The objective was a 2 to 1 ratio.
- The number of degrees granted has remained fairly constant with this year expected to be the most ever. Masters degrees have increased; associate degrees have decreased.

Vice Provost Craig Swan explained the enrollment management process which varies based on the student level. Both internal and external factors determine enrollment. Detailed information is provided in the docket materials.

Regent O'Keefe requested a discussion at a future meeting on the table presented by Zetterberg which compared the characteristics of University freshmen with freshmen from other Big Ten campuses.

The meeting was adjourned at 11:35 a.m.



ANDREA L. TURNER
Executive Director
and Corporate Secretary

UNIVERSITY OF MINNESOTA

BOARD OF REGENTS

Finance and Operations Committee

June 10, 1999

A meeting of the Finance and Operations Committee of the Board of Regents was held on Thursday, June 10, 1999, at 1:30 p.m. in Room 300, Morrill Hall.

Regents present: Robert Bergland, presiding; Anthony Baraga, Dallas Bohnsack, William Hogan, Warren Larson, and Bryan Neel.

Staff present: Vice President Eric Kruse; Executive Director Andrea Turner; Associate Vice Presidents Terrence O'Connor, Richard Pfutzenreuter, and Georgina Stephens.

Student Representatives present: Heidi Frederickson, Shane Naslund, and Kevin Leiran.

CONSENT REPORT

Associate Vice President Pfutzenreuter presented the Consent Report for March 1999 as found in the docket materials. Associate Vice President O'Connor reported the following expenditures of greater than \$250,000:

- Anderson Elementary School-Multicultural Center will be paid a total of \$289,700 for medical and administrative services in support of the Community University Partnership in Education and Service.
- Critical Path Consulting will be paid an additional \$65,000 for project services for Facilities Management's computerized maintenance management system. The Board of Regents previously approved \$490,000 for these services.
- Hennepin County will be paid an estimated \$300,000 to provide solid waste disposal for the Twin Cities campus for the period July 1, 1999 through June 30, 2000.
- IBM will be paid \$1,026,000 to provide computer software support for the IBM mainframe computer for Central Computing Operations for the period July 1, 1999 through June 30, 2000.
- IBM will be paid \$349,000 to provide mainframe and midrange computer hardware support for the IBM mainframe computer for Central Computing Operations for the period July 1, 1999 through June 30, 2000.
- Molecular Structure Corporation will be paid \$269,500 for an R-AXIS IV imaging plate system and accessories for the Kahlert Structural Biology Laboratory.
- Omni Resources, Inc. will be paid \$260,000 for temporary contract programming services for the Office of Information Technology for the period July 1, 1999 through June 30, 2000.
- Prism Computer Corporation will be paid an additional \$65,000 for implementation services for Facilities Management's computerized maintenance management system. The Board of Regents previously approved \$647,380 for these services.

- Student Assurance Services will be paid \$624,000 for student health insurance for University of Minnesota Duluth and University of Minnesota Crookston for the period September 1, 1999 through August 31, 2001.
- Xerox Corporation will be paid \$385,575 for a Xerox 6180 printer for University Printing Services.

In response to questions from Regent Larson, Karen Triplett, Director of Purchasing Services, stated that all purchases in the report are included in the budget. Dean Sandra Edwardson, School of Nursing, stated that the grant for the Multicultural Center is over \$1.8 million and the University is matching that primarily with funds and some in-kind services.

A motion was made and seconded and the committee voted unanimously to recommend approval of the Consent Report.

QUARTERLY ASSET AND DEBT MANAGEMENT REPORT

Associate Vice President Stephens presented the Quarterly Asset and Debt Management Report for the quarter ending March 31, 1999, which is included in the docket materials.

In response to a question from Regent Larson, Stephens explained that the University continues to carry some variable rate debt, even when the rate is at an historical low, to modify the risks associated with rising rates.

In response to a question from Regent Baraga, Stephens explained that the average maturity of the University's investments is laddered around the benchmark's average maturity.

QUARTERLY PURCHASING REPORT

Associate Vice President O'Connor presented the Quarterly Purchasing Report for the quarter ending March 31, 1999, which is included in the docket materials.

QUARTERLY MANAGEMENT REPORT

Associate Vice President O'Connor presented the Quarterly Management Report for the quarter ending March 31, 1999, which is included in the docket materials.

UPDATE ON DEBT AND INVESTMENT ADVISORY COMMITTEES

Associate Vice President Stephens, with the assistance of Regents Bergland and Neel, updated the committee on the status of the Debt Management Advisory Committee and the Investment Advisory Committee. The committee was presented with draft mission statements for each committee, which are included in the docket materials.

The meeting adjourned at 2:20 p.m.



ANDREA L. TURNER
Executive Director and
Corporate Secretary

UNIVERSITY OF MINNESOTA

BOARD OF REGENTS

Educational Planning & Policy Committee

June 10, 1999

A meeting of the Educational Planning & Policy Committee of the Board of Regents was held on Thursday, June 10, 1999, at 1:30 p.m. in Room 238, Morrill Hall.

Regents present: Michael O'Keefe, presiding; David Metzen, H. Bryan Neel, William Peterson, Jessica Phillips, Maureen Reed, and Patricia Spence.

Staff present: President Mark Yudof; Executive Vice President and Provost Robert Bruininks; Chancellors Kathryn Martin and Donald Sargeant; Vice President Christine Maziar; Executive Director Andrea Turner; Provost Dale Bower; and Associate Vice President Nancy Barcelo.

Student Representatives present: Sean Dillon, Tammy Koob, and Jennifer Wagner.

UNIVERSITY CENTER ROCHESTER

Executive Vice President and Provost Bruininks presented an update on the plan for a branch of the University of Minnesota at Rochester. He noted that the legislature included two sections about Rochester in the Omnibus Higher Education bill. One section permits the University to open a branch campus; a second section requires the submission of a master academic plan for Rochester by January 30, 2000. The legislation also emphasizes continued collaboration and cooperation with the Minnesota State Colleges and Universities (MnSCU).

Bruininks stated that the University agreed to spend \$2.5 million over the current budget for Rochester and that the budget will be set up separately, in a similar fashion to other University budgets. He noted that teams are in place to deal with academic issues, student services, and a cross-functional team with MnSCU faculty to share ideas and solve problems. He outlined a number of programs that he expects to anchor the branch and referred to the docket materials for more specific information. The development of research and outreach capabilities are expected.

In response to a question from Regent Reed, Bruininks stated that the legislation is compatible with the principles for the branch that were adopted by the Board of Regents and the MnSCU Board of Trustees. However, many specifics need to be worked out, especially regarding leadership. As an example, he explained that currently the Rochester campus buildings are managed by MnSCU. The question needs to be answered whether the University of Minnesota will now assume management of the physical plant. He is optimistic about working through this and similar issues, now that the legislation identifies the University as the lead agency.

Regent Spence concurred about the need for a clear, strong leadership role for the University. The community has high expectations and leadership is needed for success. Regent Neel expressed his thanks to the committee for their support for this plan. He expects enrollment in programs and classes will explode under the University's

care. Regent O'Keefe expressed his hope that the community of Rochester will hold the University and MnSCU accountable for making this branch successful.

ROSEMOUNT: CONCEPTUAL AND PLANNING FRAMEWORK

Executive Vice President and Provost Bruininks introduced Dean Thomas Fisher, College of Architecture and Landscape Architecture and Professor Duane Thorbeck, Director of the Center for Rural Design to present the report on Rosemount, following up on previous committee discussion in April, 1999. Fisher noted that the Executive Summary produced in the docket materials was re-written based on the previous committee discussion to better integrate the principles of the framework.

Fisher summarized the physical aspects of the 7500 acres that comprise the University-owned land in Rosemount and concluded that no other University in the country owns a resource so large that is so close to an urban area. The current use is basically divided in two parts -- an agricultural section and a section which is leased to various parties, many of which are unrelated to the University's mission. He believes the property has the potential to be an internationally known business and bio-technology research park.

Fisher outlined three major goals for the property -- emphasizing the academic mission of the University including teaching, research, and outreach; being good stewards of the land; and developing a master plan, financial plan and marketing plan under a single management structure. He noted the interest of many public and private entities in collaborating on programs for the property.

President Yudof observed that this is the most valuable undeveloped asset the University has. He believe the University has an obligation to be visionary about the property and recommends that, in honor of the 150 anniversary of the University, the property be developed into a research center with a 25 year development plan. In close conjunction with the community, the University would develop a master plan in partnership with private and public entities. He foresees setting aside significant portions of the land in its natural state and working with the agricultural and bio-technology sectors to create a world class research facility.

O'Keefe asked for clarification on the role of the Board of Directors mentioned in the docket materials. Fisher stated that as currently conceived the Board would be composed of University staff representing interested colleges who would have authority up to a certain unidentified point for the management of the property. Regent Reed expressed concern about the use of the name "Board of Directors" which gives the impression that the board would have independent budgetary and hiring authority. Regents Phillips, Spence, and Metzen expressed reluctance for the Board of Regents to assign away that level of authority at this point in the process. O'Keefe summarized that the outline in the framework had support -- an advisory committee composed of the many other parties who had an interest in the site, an oversight committee of University interests, and an executive director to lead. Specific management authority and structure needs further development. Fisher concurred that with Board support for the planning framework, the staff could move forward to develop a master plan.

The committee expressed its support for the planning framework, specifically the goals, visions, and principles outlined on pages 8a through 8e of the docket. O'Keefe clarified that by recommending approval of the framework, the committee is not approving a master plan, a financial plan, or a management structure and that these plans must be presented for Board approval at a later time.

O'Keefe stated that a resolution would be written to contain these recommendations and the resolution would be presented to the Board. A motion was

made and seconded and the committee voted unanimously to a recommend approval of such a resolution, as outlined by O'Keefe.

COMMITTEE WORKPLAN 1999-2000

The committee discussed possible topics for the workplan for 1999-2000. Suggested topics were: metropolitan higher education strategy, focus on coordinate campuses, advising, intellectual property policy, relationship with the board of the Minnesota States Colleges and Universities, undergraduate strategy, outreach, and topics from the report of the Student Representatives. Executive Vice President and Provost Bruininks suggested enrollment management strategy and communicating the value of research. Regent O'Keefe observed that there are many communication issues for the University and suggested the Board consider forming a Communications and External Relations Committee of the Board.

CONSENT REPORT

Executive Vice President and Provost Bruininks presented the Consent Report, as outlined in the docket materials:

- The repeal of the Board of Regents policy: *Liberal Education Requirements*;
- The approval of interdisciplinary minors in Information Technology and in Business in the College of Liberal Arts;
- The approval of two new degree programs in the Graduate School -- Master of Science in Infrastructure Systems Engineering on the Twin Cities campus and Master of Science in Engineering Management on the Duluth campus;
- The approval of name changes within the College of Liberal Arts -- from German to German Studies, from French to French Studies, and from French and Italian to French and Italian Studies;
- The approval of several joint degree programs in Law, Health, and the Life Sciences as specified in the docket; and
- The approval of a dual degree program between the University of Puerto Rico School of Law and the Humphrey Institute.

A motion was made and seconded and the committee voted unanimously to recommend approval of the Consent Report.

The meeting was adjourned at 3:00 p.m.



ANDREA L. TURNER
Executive Director and
Corporate Secretary

UNIVERSITY OF MINNESOTA

BOARD OF REGENTS

June 10, 1999

A meeting of the Board of Regents of the University of Minnesota was held on Thursday, June 10, 1999 at 3:00 p.m. in Room 238, Morrill Hall.

Regents present: William Hogan, presiding; Anthony Baraga, Robert Bergland, Dallas Bohnsack, Warren Larson, David Metzen, H. Bryan Neel, Michael O'Keefe, William Peterson, Jessica Phillips, Maureen Reed, and Patricia Spence.

Staff present: President Mark Yudof; Chancellors Kathryn Martin and Donald Sargeant; Executive Vice President and Provost Robert Bruininks; Senior Vice President Frank Cerra; Vice Presidents Sandra Gardebring, Eric Kruse, and Christine Maziar; Executive Director Andrea Turner; Associate Vice Presidents Stephen Cawley, Terry O'Connor, and Richard Pfutzenreuter.

Student Representative present: Scott Roethle.

1999-2000 OPERATING BUDGET

President Yudof presented the proposed 1999-2000 operating budget plan for FY00 as included in the docket material.

Yudof reported that the plan was developed based upon the following principles:

1. Maximizing the University's ability to budget new state funds for fiscal year 1999-2000 and fiscal year 2000-2001 in a manner consistent with the priorities outlined in the biennial budget proposal.
2. Providing resources to meet financial obligations not directly related to the biennial budget proposal including costs associated with: a) common goods; b) targeted academic investments; and c) core administrative services.
3. Adopting internal financing mechanisms that communicate and support the concept that each academic and administrative unit must share responsibility for the welfare of the institution as a whole.
4. Establishing a preliminary financial framework to guide the development of the fiscal year 2000-2001 operating budget plan.

The proposed budget plan was designed to increase the strength of the University as it enters a new century by providing resources for a number of priorities:

1. Provide competitive compensation for all employee groups;
2. Enrich the undergraduate experience;
3. Address changes in the design, delivery and financing of health professional education;
4. Connect the university to the community at large; and
5. Promote a climate of quality University services.

Yudof highlighted a number of specifics from the budget. He asked that Board members review the plan in detail over the next few weeks and contact members of the Administration if there are any concerns or questions regarding any items that were not addressed during the presentation. Action will be requested on the plan at the June 28, 1999 Board meeting.

Regent Bergland asked if the proposed compensation package in the plan would move the University of Minnesota up in comparison to other research universities. Yudof replied that the current budget plan does not represent a step forward in compensation for University of Minnesota faculty and, depending on increases at other universities, it could even mean that the University would lose ground with regard to ranking among the top 30 research institutions.

Regent Hogan stated that last year the deans were allowed to augment the salary increases from the legislature. He asked if there are plans to provide for augmentation again this year. Yudof replied that deans have been encouraged to increase the percentage for salary increases by 1% if they wish to do so. It is an independent decision to be made by the individual colleges. Bruininks added that colleges have submitted preliminary compensation plans and that a number of colleges have indicated that they will provide increases above the 3% provided by the legislature to deal with market and extraordinary merit issues.

In answer to a question from Regent Metzen, Yudof stated that Civil Service employees will be receiving a 2% increase at the beginning of the fiscal year and that amount will be adjusted after collective bargaining units have settled their compensation issues.

Student Representative Roethle asked if increases for graduate students would be handled in the same manner so that deans would have the option of setting the salary above the 3% allocation. Vice President Maziar responded that any increase over the 3% would be at the discretion of the dean. She added, however, that the 3% allocation would be in addition to an increase that graduate students received in January 1999 due to a reduction in the tuition fringe benefit costs.

In response to a question from Regent Reed, Yudof reported on the consequences to the University resulting from receiving less than requested from the legislature. He indicated that instead of 5% increases, the University would only be able to provide 3% increases for faculty and staff. Only 30 faculty positions will be added for the undergraduate initiative, instead of the 100 new positions proposed. Income for the academic health center will be reduced from \$30 million to \$16 million. Funding will not be available to upgrade the maintenance standards for University buildings. Yudof added that while the University did not receive its entire request, it did fare very well during this legislative session and the administration will continue to strategize on ways to achieve its goals.

With regard to student fees, Regent Phillips questioned the 14.8% increase for the University of Minnesota, Morris campus while the other campuses reflected 0% increases in fees. Associate Vice President Pfutzenreuter responded that the increase in fees for Morris is primarily the result of the new recreational facility. This new facility received support from the students on the Morris campus.

Student Representative Roethle stated that the 0% increase in student services fees reflects the position of the students - they cannot afford an increase of even \$2 a semester in student services fees. He would like to urge the administration to keep tuition rates as low as possible.

1999-2000 CAPITAL BUDGET

President Yudof presented the following resolution relating to the 1999-2000 Capital Budget and the preliminary 2000 Capital Request to the State of Minnesota:

WHEREAS, in September 1992, the Board of Regents directed the administration to annually submit a capital budget and Capital Improvement Program, and

WHEREAS, in January 1993, the Board adopted principles to guide the formulation of the capital budget and capital improvement program, and

WHEREAS, the Board recognizes the importance of sustaining and improving the University's facilities in support of teaching, research, and outreach, and

WHEREAS, the University of Minnesota has a process for reviewing and prioritizing capital needs, the Capital Investment Advisory Committee, which has consulted with all the University campuses to gather information regarding the most urgent needs and held hearings in developing a request for the State of Minnesota.

NOW, THEREFORE, BE IT RESOLVED, that the Board of Regents approves the FY 1999-2000 Capital Budget; reaffirms its prior year capital expenditure authorization; and approves the preliminary 2000 Capital Request to the State of Minnesota.

Yudof reported that the Board of Regents reviewed this one-year plan at its May meeting and that details of the plan are included in the June docket material. He stated that the five-year plan would be presented to the Board in the fall.

A motion was made, seconded and the Board of Regents voted unanimously to approve the resolution relating to the 1999-2000 Capital Budget and the preliminary 2000 Capital Request to the State of Minnesota.

QUARTERLY ENTERPRISE SYSTEMS UPDATE

Executive Vice President and Provost Bruininks introduced the item relating to the Quarterly Enterprises Systems and called on Associate Vice President Kvavik to present the update as included in the docket material.

Kvavik reported that the project continues on schedule to deliver the critical business processing and information management systems required to address year 2000 date problems, the conversion to semesters, and the modernization of the University's information management infrastructure. During the past quarter, a major project milestone was completed with the installation of the registration system, which includes internet-web registration access for all University of Minnesota students. Kvavik highlighted accomplishments and remaining issues for each component of the enterprise project (student systems, human resource systems, web-based applications, and infrastructure requirements.)

Kvavik stated that the budget approved by the Board for the project in December 1997 was \$42.3 million. Management now projects that the Enterprise project will cost \$49.8 million. In addition, it is believed that \$3.2 million in potential contingency remains necessary. It is anticipated that as part of the FY00 budget, management will request formal approval for project spending to be \$53 million. Kvavik indicated labor issues, delays, and issues relating to software problems were reasons that the project is over the original estimated budget. He added, however, that a number of strategies were also adopted that caused the project costs to be lower than experienced by other institutions that installed the same system.

In response to a question from Regent Reed, Kvavik stated that he believes that all of the functionalities expected to be put into place regarding the project are there or will be built into the ongoing maintenance of the programs.

Student Representative Roethle expressed some concerns relating to the new registration system and that it was not as user friendly as had been anticipated. Kvavik responded that the new system would continue to be monitored and improved as issues arise.

In response to a question from Regent Neel, Kvavik reported that by the summer of 2000 the implementation of the project will be complete. Upgrades to this system will be made on a continual basis.

The meeting adjourned at 5:25 p.m.



ANDREA TURNER
Executive Director and
Corporate Secretary

UNIVERSITY OF MINNESOTA

BOARD OF REGENTS

June 11, 1999

A meeting of the Board of Regents was held on Friday, June 11, 1999, at 8:00 a.m. in the Northrop Auditorium Lobby on the Twin Cities campus.

Regents present: William Hogan, presiding; Robert Bergland, Warren C. Larson, H. Bryan Neel, Michael O'Keefe, William Peterson, Jessica Phillips, Thomas Reagan Maureen Reed, and Patricia Spence.

Staff present: President Mark Yudof; Chancellor Kathryn Martin; Executive Vice President and Provost Robert Bruininks; Vice President McKinley Boston; Executive Director Andrea Turner; and Associate Vice President Jane Canney.

**RECOGNITION OF STUDENT REPRESENTATIVES
TO THE BOARD OF REGENTS**

Recognition was given to the 1998-99 Student Representatives to the Board of Regents for their contributions:

Heidi Frederickson
Morris Campus

Tammy Koob
Duluth Campus

Kevin Leiran
Crookston Campus

Jennifer Molina
Twin Cities Campus

Scott Roethle, Chair
Twin Cities Campus

Benjamin Solomon
Twin Cities Campus

Jennifer Wagner
Twin Cities Campus

RECOGNITION: ACADEMY OF DISTINGUISHED TEACHERS

Morse Alumni Recipients

Recognition was given to the 1998-99 recipients of the Morse Alumni Awards for Outstanding Contributions to Undergraduate Education. The award recognizes outstanding contributions to student learning through teaching, research and creative activities, advising, academic program development, and educational leadership. The 1998-99 recipients are:

Bart D. Finzel
Associate Professor, Economics & Management
Morris Campus

Jill B. Gidmark
Professor, Literature and Writing
General College

Ann S. Masten
Professor, Child Development
College of Education & Human Development

Jim Perry
Professor, Forest Resources
College of Natural Resources

Jeffrey Ratliff-Crain
Associate Professor, Psychology
Morris Campus

Karl A. Smith
Associate Professor, Civil Engineering
Institute of Technology

Joel C. Weinsheimer
Professor, English
College of Liberal Arts

John S. Wright
Associate Professor, English, Afro-American Studies and
African Studies
College of Liberal Arts

Outstanding Contributions to Postbaccalaureate, Graduate and Professional Education

This award was established to recognize faculty members for excellence in instruction, instructional program development, intellectual distinction, advising and mentoring, and involvement of students in research, scholarship, and professional development. The 1998-99 recipients are:

Tom Clayton
Professor, English
College of Liberal Arts

Margaret B. Davis
Regents Professor, Ecology, Evolution & Behavior
College of Biological Sciences

Robert M. Hardy
Professor, Department of Small Animal Clinical Sciences
College of Veterinary Medicine

Thomas R. Hoye
Professor, Chemistry
Institute of Technology

Allen Isaacman
Professor, History
College of Liberal Arts

Thomas B. Mackenzie
Professor, Psychiatry
Medical School

Ephraim M. Sparrow
Professor, Mechanical Engineering
Institute of Technology

Richard A. Weinberg
Professor and Director, Institute of Child Development
College of Education and Human Development

RECOGNITION OF JOHN TATE AWARD RECIPIENTS

Recognition was given to the 1998-99 recipients of the John Tate Award for Excellence in Undergraduate Advising. The Tate Award serves to recognize and reward high quality academic advising. It calls attention to the contribution academic advising provides in helping students formulate and achieve intellectual, career, and personal goals. The 1998-99 recipients are:

M. Raj Karim
Professor, Department of Biology
University of Minnesota, Duluth

Kate Maple
Director of Student Affairs
College of Human Ecology

Rose Miskowiec
Student Personnel Worker
Department of Political Science

Patricia Solberg
Administrative Associate
Division of Medical Technology

RECOGNITION OF PROFESSIONAL & ACADEMIC STAFF AWARD RECIPIENTS

Recognition was given to the 1998-99 Professional and Academic Staff Award recipients. The Academic Staff Award program annually recognizes members of the Academic Professional and Administrative staff who have made distinguished contributions to the mission of the University of Minnesota. The recipients are:

David Johnson
Director, Employee Assistance Program
Office of Human Resources

June E. Nobbe
Director, Campus Involvement Center
Office of Student Development and Athletics

Susan L. Page
Assistant to the Director of Graduate Studies
Department of chemistry, Institute of Technology

Margaret Towle
Director, Coffman memorial Union

Sara Veblen-Mortenson
Coordinator of Project Northland, Division of Epidemiology
School of Public Health

RECOGNITION OF OUTSTANDING COMMUNITY SERVICE AWARD RECIPIENTS

Recognition was given to a number of individuals from the University community chosen to receive the award for their contributions to the outreach and community service mission of the University of Minnesota. This year is the first time this award has been presented. It was developed in cooperation with the Faculty, Staff, and Student Affairs Committee and was approved by the Board in October 1998. The 1999 recipients are:

- Karen Alaniz, Education specialist, School of Nursing
For outstanding contributions in improving the health and wellbeing of children and teenagers with asthma
- Lisa Albrecht, Associate Professor, General College
For outstanding contributions in social justice, social transformation, peace making and civil rights
- Amos Deinard, Associate Professor, Department of Pediatrics
For outstanding contributions in medical, dental, and mental health care and educational services
- Archibald Leyasmeyer, Associate Professor, English Department
For outstanding contributions in theater, arts, humanities and cultural life
- Judith Martin, Professor, Geography Department
For outstanding contributions in neighborhood revitalization, housing, public art, architecture, transportation, and land use
- David Weissbrodt, Professor, law School
For outstanding contributions in international human rights

The meeting adjourned at 9:15 a.m.



ANDREA L. TURNER
Executive Director and
Corporate Secretary

UNIVERSITY OF MINNESOTA

BOARD OF REGENTS

June 11, 1999

A meeting of the Board of Regents of the University of Minnesota was held on Friday, June 11, 1999 at 9:45 a.m. in Room 238, Morrill Hall.

Regents present: William Hogan, presiding; Anthony Baraga, Robert Bergland, Dallas Bohnsack, Warren Larson, David Metzen, H. Bryan Neel, Michael O'Keefe, William Peterson, Jessica Phillips, Maureen Reed, and Patricia Spence.

Staff present: President Mark Yudof; Chancellor Donald Sargeant; Executive Vice President and Provost Robert Bruininks; Senior Vice President Frank Cerra; Vice Presidents McKinley Boston, Sandra Gardebring, Eric Kruse, and Christine Maziar; General Counsel Mark Rotenberg; Executive Director Andrea Turner; Associate Vice Presidents Jane Canney, Gerald Fischer, and Georgina Stephens.

Student Representative present: Scott Roethle.

APPROVAL OF MINUTES

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

Audit Committee - May 13, 1999
Litigation Review Committee - May 13, 1999
Facilities Committee - May 13, 1999
Faculty, Staff & Student Affairs Committee - May 13, 1999
Board of Regents - May 13, 1999
Board of Regents - May 14, 1999
Board of Regents - May 14, 1999

REPORT OF THE PRESIDENT

President Yudof reported briefly on the development of a name for the new South Mall. He reported that a contest, sponsored by the *Minnesota Daily*, Parking and Transportation Services, and University Bookstores, was initiated and a seven-member committee of undergraduate and graduate students, faculty, staff, and administrators was appointed as the judging panel. The name that was chosen and that he would like to recommend is Riverbend Common. He stated that the name would be before the Board for approval later in the meeting.

Yudof also talked about the need to improve the University's ranking among the top 30 research institutions in the country with regard to faculty compensation. He stated that he would like the Board to consider a proposal to utilize the upcoming capital campaign as a possible means of addressing the issue. He indicated that he believes public funds will never be enough to make the University truly competitive among the top research universities, and it may be advantageous to look toward private funding as a means of accomplishing the goal. As the final phase of the planning for the campaign approaches, he will confer with members of the Board to review this proposal.

REPORT OF THE CHAIR

Chair Hogan expressed appreciation to Board members for their support during his two-year term as chair. He highlighted a number of issues that the Board addressed during this time and complimented the Board on their achievements and dedication. He believes the Board is unified and continuing to move in the right direction for the institution.

Hogan spoke briefly about the pending investigation relating to the men's basketball program. He stated that the Board is in support of the President; that the issue is not race related; and that the Board expects the process to be open and fair.

He also provided a brief update on the status of the investment advisory committees. He reported that development of the committees is still being worked on and specifics have not been determined. He noted that Regent Neel will serve as chair of the Investment Advisory Committee and Regent Bergland will chair the Debt Management Advisory Committee.

REPORT OF FACULTY CONSULTATIVE COMMITTEE CHAIR

Professor Sara Evans, Chair of the Faculty Consultative Committee (FCC) presented the committee's quarterly report as included in the docket materials. The report addressed the effectiveness of the University's shared governance system and the results of discussions between the FCC and administration relating to the intellectual future of the University.

RECOGNITION OF THE FACULTY CONSULTATIVE COMMITTEE CHAIR

Recognition was given to Professor Sara Evans for her service to the University community as the 1998-99 chair of the Faculty Consultative Committee.

INTRODUCTION OF REGENTS' PROFESSORS

Newly-appointed Regents' Professors Thomas Clayton, English and Classical and Near Eastern Studies; Ashley Haase, Microbiology; and John Sullivan, Political Science were introduced to the committee. Regents' professorships are the highest honor that the University of Minnesota bestows on its faculty. The individual holds the title as long as the individual retains a full-time, tenured appointment as a faculty member of the University.

NAMING OF SOUTH MALL

President Yudof presented a recommendation that the South Mall area of the Twin Cities campus be named *Riverbend Common*.

A motion was made, seconded, and the Board of Regents voted unanimously to approve the President's recommendation.

ANNUAL UNIVERSITY OF MINNESOTA ALUMNI ASSOCIATION REPORT

Dave Mona, National President of the University of Minnesota Alumni Association (UMAA) presented the UMAA Annual Report as outlined in the docket materials.

Mona reported that membership in the UMAA has grown in the past five years from less than 25,000 to nearly 43,000. It is believed that the strong leadership displayed by the Board and the President is a major factor contributing to this growth.

Mona also talked about the importance of enhancing the student experience; the new University Gateway Center that will be home of the UMAA; and expansion of alumni advocacy.

Nancy Lindahl was introduced as the incoming president of the UMAA for FY 2000.

BOARD OF REGENTS POLICY: CODE OF ETHICS FOR MEMBERS OF THE BOARD OF REGENTS

As required by Board policy, General Counsel Rotenberg reviewed the Board of Regents Policy: *Code of Ethics for Members of the Board of Regents*. Section IV, Subdivision 1 of the current policy provides that the Board publicly reviews annually the requirements and procedures provided in the Board policy.

Rotenberg highlighted two general standards that Board members are obligated to follow: 1) Each member of the Board must consider the welfare of the entire University, not just a particular constituency, when considering an issue; and 2) Board members are obligated to not use the authority, title, or prestige of the regental office to obtain any private financial, social, or political benefit that would in any manner be inconsistent with public interest.

Regarding procedures, Rotenberg reviewed that any individual can bring an ethics or conflict of interest claim to the chair of the Board. A regent for whom a conflict of interest question has arisen is encouraged to consult with the general counsel and may request that the general counsel provide a written opinion on the matter. A copy of the opinion is provided to the chair. Likewise, the chair may also request an opinion from the general counsel on any conflict of interest question that comes to the chair's attention.

Chair Hogan asked if there were any questions from Board members regarding the Board's policy and there were no questions.

1998-99 ANNUAL REPORT STUDENT REPRESENTATIVES TO THE BOARD OF REGENTS

Scott Roethle, Student Representative Chair, presented the annual report from the Student Representatives to the Board of Regents as contained in the docket material. The year-end report is submitted in order to raise awareness of certain issues the students feel the University needs to address. Roethle reported that, in general, the students are quite pleased with the University. They are aware of, and greatly appreciate, the degree of dedication that the Regents and Administration have shown the students and the constant improvements being made to the University.

Roethle highlighted a number of positive results that students feel were achieved during the past year. He also cited areas of concern that the students recommend

addressing in the coming year. The issues of concern were detailed in depth in the written report for the following areas:

- Adequate and affordable parking;
- Affordable tuition; and increased financial aid and scholarships;
- Enriching the campus climate for diversity;
- Examining the graduate and professional student issues;
- Involvement of the coordinate campuses;
- Increasing the quantity and quality of student involvement;
- Positive transition to semesters;
- Improving student health and well being;
- Improving the on-line registration system; and
- Increasing the amount of housing and the quality of food services.

Roethle stated that the students appreciate the opportunity to present their report to the Board and hope that the report offers some greater insight regarding the needs of the students.

Regent O'Keefe complimented Roethle on the report and stated that he would like the President to provide the Board with his recommendations on which issues the Board should address. He would also suggest that the Board reference this document when developing its workplan for the coming year.

Regent Reed asked about progress in dealing with alcohol use by students on campus. Roethle responded that there have been great strides made in enforcing the University's alcohol policy during the past year. However, underage students continue to drink on campus and he believes a cultural change needs to occur to address the problem. He stated that while he does not have an answer on how to deal with the problem, he is encouraged by the progress made during the past year.

Regent Phillips congratulated the student representatives on their grasp of the issues and their ability to communicate their concerns to the Board.

Regent Hogan indicated that the Board is very open to the issues of students and he would urge the students to feel comfortable in bringing their concerns to the Board.

LONG-TERM STRATEGIC PLAN FOR INTERCOLLEGIATE ATHLETICS

Vice President Boston presented the President's proposed long-term strategic plan for intercollegiate athletics on the Twin Cities campus as included in the docket materials.

Boston reported that the proposed plan was based on the following principles:

1. The plan must ensure a quality experience for all of the University's student athletes.
2. The plan must be consistent with the University's gender equity commitment and with the law.
3. The plan must ensure that the University maintains the competitiveness of all of its teams.
4. The plan must maintain separate identities for the men's and women's athletics departments.
5. The plan would be implemented without eliminating any sports.

He stated that the plan addresses three essential components: 1) financial stability; 2) facility needs for men's and women's athletics, and 3) gender equity. He reviewed the details contained in the docket materials regarding the University's plan to

address each component. It was also noted that the complete text of the 1998-2003 Gender Equity Plan was reproduced in the docket materials for the Faculty, Staff & Student Affairs Committee.

Regent Metzen complimented the University on this proposal and indicated that the plan will move the University in the direction of being a leader in the country on gender equity in athletics. He added that Title IX should no longer be viewed as a goal but as a minimum for the University of Minnesota.

Regent Hogan added that this plan displays the commitment of Vice President Boston and the athletic directors for men's and women's athletics to gender equity.

RECEIVE AND FILE REPORTS

Chair Hogan noted the receipt and filing of the State Relations Report and the Civil Service Committee Report.

GIFTS

Associate Vice President Gerald Fischer presented the monthly list of gifts to the University of Minnesota, the University of Minnesota Foundation, the Arboretum Foundation, and the Minnesota Medical Foundation, as listed in the docket material and on file in the Board Office.

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

REPORT OF THE EDUCATIONAL PLANNING & POLICY COMMITTEE

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

- a) Approval of the Consent Report for the Educational Planning & Policy Committee as presented to the committee in the docket materials, with highlights listed below:
 - The repeal of the Board of Regents policy: *Liberal Education Requirements*;
 - The approval of interdisciplinary minors in Information Technology and in Business in the College of Liberal Arts;
 - The approval of two new degree programs in the Graduate School -- Master of Science in Infrastructure Systems Engineering on the Twin Cities campus and Master of Science in Engineering Management on the Duluth campus;
 - The approval of name changes within the College of Liberal Arts -- from German to German Studies, from French to French Studies, and from French and Italian to French and Italian Studies;
 - The approval of several joint degree programs in Law, Health, and the Life Sciences as specified in the docket; and
 - The approval of a dual degree program between the University of Puerto Rico School of Law and the Humphrey Institute.

A motion was made, seconded, and the Board of Regents voted unanimously to approve the recommendation of the Educational Planning & Policy Committee.

O'Keefe reported that the committee reviewed the conceptual and planning framework for the University's Rosemount/Empire property. The committee expressed support for the planning framework and requested that the following resolution be presented to the Board for approval. A motion was made and seconded to approve the following resolution:

WHEREAS, the University of Minnesota desires to develop a long-range strategic academic and master plan for the Rosemount/Empire property, a public trust of the University of Minnesota, utilizing an integrated management approach; and

WHEREAS, the University administration has undertaken a process of consultation with appropriate internal and external University constituencies related to the development of this property; and

WHEREAS, through the consultation process and at the recommendation of the Rosemount Task Force, the administration recognizes that the Rosemount/Empire land may be the most valuable undeveloped property owned by the University and provides a unique opportunity to create a lasting resource for the state and the University

WHEREAS, the vision for this property encompasses world class research, education and outreach programs displaying creative solutions to rural/urban land use issues; partnerships with public and private entities that reflect the state's heritage and values, especially agriculture and natural resources and preservation of parts of the property in its natural state;

NOW, THEREFORE, BE IT RESOLVED, that the Board of Regents approves the proposed vision, goals, and principles that will allow for the development of a Master Plan regarding use of the University's 7,500 acre property at Rosemount/Empire,

BE IT ALSO RESOLVED, that the Board of Regents directs the administration to continue collaborating with the greater community, through the Rosemount/Empire Task Force, to develop a Master Plan, including a management structure that delineates accountability and responsibility, and a detailed financial plan, and

BE IT FURTHER RESOLVED that the Master Plan, including the defined management structure and financial plan, be approved by the President and the Board of Regents

The Board of Regents voted unanimously to approve the resolution.

O'Keefe reported that the committee also received an update on the University Center at Rochester and discussed the committee's workplan for 1999-2000.

REPORT OF THE FINANCE & OPERATIONS COMMITTEE

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

- a) Approval of the Consent Report for the Finance & Operations Committee as presented to the committee in the docket materials, with highlights listed below:

- Purchase of goods/services over \$250,000 as described in the docket material.

A motion was made, seconded, and the Board of Regents voted unanimously to approve the recommendation of the Finance & Operations Committee.

Bergland reported that the committee reviewed the Quarterly Asset & Debt Management Report, the Quarterly Purchasing Report, the Quarterly Management Report. The committee also received an update on the development of the Debt and Investment Advisory Committees.

REPORT OF THE FACILITIES COMMITTEE

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

- a) Approval of the schematic plans for the Molecular and Cellular Biology Building Project with authorization for the appropriate administrative officers to proceed with the development of construction documents and construction.
- b) Approval that the schematic plans for the housing component of the South Mall development on the Twin Cities campus are approved and the appropriate administrative officers are authorized to proceed with the award of contracts, the development of construction documents, and construction.
- c) Approval that the appropriate administrative officers are authorized to execute the appropriate documents providing for a ten-year lease for 7,500 square feet in Duluth Technology Village in Duluth.
- d) Approval that the appropriate representatives of University Associated Clinics, Inc., are authorized to execute the appropriate documents providing for the sale of 4555 University Avenue Northeast in Columbia Heights to Home Veterinary Services, Inc. for the sum of \$260,000.

A motion was made, seconded, and the Board of Regents voted unanimously to approve the recommendations of the Facilities Committee.

Metzen reported that the committee reviewed information relating to design guidelines for the Plant Growth Renovation Project and the Gateway Center Parking Facility, Plaza, and Pedestrian Connections Project, both on the Twin Cities campus; and for the Music Performance Laboratory on the Duluth campus. The committee also reviewed a proposal to sell interest in approximately ten acres of Kemp Trust Property located in Cottage Grove, Minnesota and reviewed a number of information items.

REPORT OF THE FACULTY, STAFF, AND STUDENT AFFAIRS COMMITTEE

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

- a) Approval of the Consent Report for the Faculty, Staff and Student Affairs committee as presented to the committee in the docket materials, with highlights listed below:
- Continuous appointment (G) effective with the beginning term of the 1999-2000 appointment period for Dawn Littleton from Assistant Librarian to Associate Librarian, Twin Cities.
- b) Approval of a resolution relating to the Institutional Gender Equity Plan for 1998-2003, as follows:

WHEREAS, the University of Minnesota and the Men's and Women's Athletics Departments are committed to offering high quality athletic and academic experiences for *all* student athletes, and

WHEREAS, the University has gender equity plans to guide the institution in the development of its athletic programs and policies, and

WHEREAS, the University recognizes that continuing efforts are needed to ensure that quality athletic opportunities exist for both male and female athletes, and

WHEREAS, the Institutional Plan for Gender Equity addresses the following goals:

- Ensure financial stability of intercollegiate athletics
- Improve the infrastructure for women's athletics
 - Scholarships
 - Salaries/positions and support services
- Ensure that athletic interest and abilities of student-athletes are accommodated, consistent with 34 C.F.R.-106.41 (c) (1).

NOW, THEREFORE, BE IT RESOLVED, that the Board of Regents approves the Institutional Plan for Gender Equity for 1998-2003.

A motion was made, seconded and the Board of Regents voted unanimously to approve the recommendations of the Faculty, Staff and Student Affairs Committee.

Neel reported that the committee also reviewed academic personnel issues relating to the Enterprise Project and received a presentation on enrollment management in professional schools.

REPORT OF THE AUDIT COMMITTEE

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

REPORT OF THE LITIGATION REVIEW COMMITTEE

Regent Peterson, Chair of the committee reported that the committee met on June 7, 1999 to discuss attorney-client privileged matters and there were no actions taken at the meeting.

The regular meeting of the Board of Regents adjourned at 12:20 p.m.

ANNUAL MEETING

The annual meeting of the Board of Regents was called to order at 12:21 p.m.

ESTABLISHMENT OF MEETING DATES

A motion was made, seconded, and the Board of Regents voted unanimously to approve the following meeting schedule for 1999-2000:

No July Meeting	
No August Meeting	
August 12-13, 1999	Board of Regents Retreat
September 9-10, 1999	
October 7-8, 1999	Meeting in Rochester
November 11-12, 1999	
December 9-10, 1999	
No January Meeting	
February 10-11, 2000	
March 9-10, 2000	
April 13-14, 2000	
May 11-12, 2000	
June 8-9, 2000	(Annual Meeting: Board of Regents)

ELECTION OF OFFICERS

Regent O'Keefe presented the report of the Nominating Committee for officers of the Board of Regents. The following individuals were placed in nomination for the respective Board officer positions for the term July 1, 1999 through June 30, 2001:

Treasurer:	Georgina Stephens
Secretary:	Andrea Turner
Vice Chair:	Maureen K. Reed
Chair:	Patricia B. Spence

A motion was made and seconded that Georgina Stephens serve as Treasurer of the Board of Regents for the term July 1, 1999 through June 30, 2001.

The Board of Regents voted unanimously to approve the motion.

A motion was made and seconded that Andrea L. Turner serve as Secretary of the Board of Regents for the term July 1, 1999 through June 30, 2001.

The Board of Regents voted unanimously to approve the motion.

A motion was made and seconded that Maureen K. Reed serve as Vice Chair of the Board of Regents for the term July 1, 1999 through June 30, 2001.

The Board of Regents voted unanimously to approve the motion.

A motion was made and seconded that Patricia B. Spence serve as Chair of the Board of Regents for the term July 1, 1999 through June 30, 2001.

The Board of Regents voted unanimously to approve the motion.

The annual meeting of the Board of Regents adjourned at 12:30 p.m.

A handwritten signature in cursive script, appearing to read "Andrea Turner", with a long horizontal flourish extending to the right.

ANDREA TURNER
Executive Director and
Corporate Secretary

**UNIVERSITY OF MINNESOTA
BOARD OF REGENTS**

MINUTES

BOARD OF REGENTS MEETINGS

AND

COMMITTEE MEETINGS

**June 25, 1999
June 28, 1999**

Office of the Board of Regents

220 Morrill Hall



UNIVERSITY OF MINNESOTA

BOARD OF REGENTS

Minutes of the Board of Regents Meetings
and Committee Meetings

June 25, 1999

June 28, 1999

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UNIVERSITY OF MINNESOTA

BOARD OF REGENTS

June 25, 1999

An emergency meeting of the Board of Regents was held on Friday, June 25, 1999, at 11:04 a.m. in Room 238, Morrill Hall.

Regents present: Patricia Spence, presiding; William Hogan, David Metzen, Michael O'Keefe, William Peterson, and Maureen Reed.

Regents participating by telephone: Dallas Bohnsack, Warren Larson, H. Bryan Neel, and Jessica Phillips.

Staff present: President Mark Yudof; Executive Vice President and Provost Robert Bruininks; Vice Presidents McKinley Boston and Sandra Gardebring; General Counsel Mark Rotenberg; Executive Director Andrea Turner; and Associate Vice President Richard Pfitzenreuter.

Others present: William Donohue, Michael Glaziar, Donald Lewis, and Tracy Smith.

A motion was made and seconded that the following resolution be approved:

WHEREAS, the Board of Regents has concluded, upon advice of the President and the General Counsel, that circumstances now require immediate consideration by the Board of Regents of matters that are subject to the attorney-client privilege;

BE IT RESOLVED, that as provided by Minnesota State Statute 471.705, Subd. 1c(c) and Subd. 1d(e), an emergency non-public meeting of the Board of Regents be held on Friday, June 25, 1999 in 238 Morrill Hall, for the purpose of discussing attorney-client privileged matters.

The Board of Regents voted unanimously to approve the resolution.

The meeting adjourned at 11:05 a.m.



ANDREA L. TURNER
Executive Director and
Corporate Secretary

UNIVERSITY OF MINNESOTA

BOARD OF REGENTS

Facilities Committee

June 28, 1999

A meeting of the Facilities Committee of the Board of Regents was held on Monday, June 28, 1999, at 9:30 a.m. in Room 238, Morrill Hall.

Regents present: David Metzen, presiding; Anthony Baraga, William Peterson, Jessica Phillips, Maureen Reed, and Patricia Spence.

Staff present: President Mark Yudof; Vice Presidents Eric Kruse and Sandra Gardebring; Executive Director Andrea Turner; and Associate Vice Presidents Richard Pfitzenreuter and Georgina Stephens.

Student Representatives present: Kristen Berning and Sean Dillon.

CONSENT REPORT

Vice President Kruse withdrew the proposed resolution included in the docket materials authorizing the Board Chair and Facilities Committee Chair to take action on behalf of the Board. In lieu of the resolution, the Facilities Committee would hold a special meeting in late July to take action on the proposed schematic plans for the Gateway Parking Facility and pedestrian connections.

In response to a question from Regent Metzen, Kruse said he intends to come back in the fall with a revised plan for the plaza and an agreement. In response to a question from Regent Peterson, Kruse said a skating rink is still a possibility. Peterson stated he doesn't think a skating rink makes sense, and expressed concerns about liability. Regent Reed agreed with Regent Peterson's concerns regarding the liability issues, and stated it is also expensive for such a short skating season.

In response to an issue raised by Regent Metzen, Kruse stated that the surface-parking block is University land. He noted that now that an underground parking facility is not being constructed, long-term use of the land has to be considered.

CAPITAL BUDGET AMENDMENT

A motion was made and seconded to recommend approval of increasing the fiscal year 1999 Capital Budget by \$3 million to add the Classroom Improvement Project for the Twin Cities, Duluth, Morris, and Crookston campuses.

Vice President Kruse reviewed the proposed amendment and discussed the scope of the project, cost estimate, and funding as noted in the docket materials. The anticipated completion date for this project is the beginning of the 1999 fall semester.

In response to a question from Regent Baraga, Kruse stated the funds for the classroom improvement project will be distributed as follows:

Crookston campus - \$250,000
Duluth campus - \$500,000

Morris campus - \$250,000
Twin cities Campus - \$2 million

The committee voted unanimously to recommend approval of the amendment to the fiscal year 1999 Capital Budget.

EAST RIVER ROAD EXTENSION RESOLUTION

Vice President Kruse discussed the extension of East River Road that connects Main Street Southeast to East River Road on the University's East Bank campus. Harvey Turner, Director of Planning and Programming, reviewed the options that were considered.

Vice President Gardebring stated that the proposed resolution does not commit University funds, but rather makes a commitment that the University will not do anything to inhibit this project. She noted the obstacles that remain include railroad rerouting and developing a funding package, the details of which will be presented to the Board when available. Approval of the resolution would set the stage for on-going negotiations among the University, the City of Minneapolis, the Minneapolis Park and Recreation Board, and the neighborhood associations.

In response to Regent Peterson, Gardebring stated that Representative Kahn will be included in future discussions regarding this project.

In response to a question from Regent Baraga, Turner discussed additional traffic that may be generated by the East River Road project and noted that it will improve bicycle and pedestrian access. Regent Spence reaffirmed the University's cooperation with the city, park board, and neighborhood associations.

Regent Reed noted that the proposed resolution is open-ended and asked if all parties are bound by the indefinite nature of the resolution. Gardebring stated this project is not expected to happen very quickly, but didn't think it would be a problem to put a 10-year limit on the resolution. Regent Metzen stated it was the consensus of the committee to amend the resolution to include a 10-year limit.

A motion was made and seconded to recommend approval of the following resolution:

WHEREAS, the City of Minneapolis is desirous of having a continuous low speed roadway along the east side of the Mississippi River from downtown Saint Paul to downtown Minneapolis;

WHEREAS, the University of Minnesota wishes to ensure that both the Minneapolis East Bank Campus and the public park land along the river become almost indistinguishable, safe, easily accessible, landscaped, and well maintained areas to actively pursue scholastic, leisure, and recreational endeavors;

WHEREAS, the Minneapolis Public Works Department, the Minneapolis Planning Department, the Minneapolis Park and Recreation Board, the Minneapolis Community Development Agency and the University of Minnesota have participated in a Study and the preparation of a Conceptual Plan for the extension of East River Road;

WHEREAS, the objectives of the East River Road Extension project are to:

- provide a connection from Main Street Southeast (at 6th Avenue Southeast) to the existing East River Road on campus, and

- facilitate vehicular, pedestrian, and bicycle access to the campus and adjacent parkland along the river traffic in a manner that is convenient but not disruptive;

WHEREAS, the Study analyzed and compared the scope of work and cost of the following items to determine the feasibility and desirability of five different options for making the connection:

- Right-of-Way Acquisitions
- Relocations and Removals
- Contamination Clean-up
- Engineering Analysis
- Construction Work; and

WHEREAS, option 2A appears to be the most feasible and the lowest cost and has the following advantages and disadvantages:

Advantages:

- No relocation of fuel oil tanks
- No relocation of coal unloading and storage facilities
- Slight relocation of coal unloading facility railroad track
- No pedestrian and bicycle crossing of railroad tracks
- Good vehicular, pedestrian and bicycle access to the University of Minnesota East Bank campus
- Workable grades, alignment, and design
- Allows for construction of the future Dinkytown bypass

Disadvantages:

- Requires relocation of mainline railroad track
- No vehicular, pedestrian, and bicycle access to the adjacent Mississippi River Flats
- Additional commuter traffic through the University of Minnesota East Bank Campus
- Limits the right-of-way for the future Dinkytown bypass (but does not preclude its construction).

NOW, THEREFORE, BE IT RESOLVED, that based upon the administration's recommendation, the Board of Regents approves option 2A for the East River Road Extension and hereby directs that: (1) the University take no action that precludes this roadway extension for 10 years, and (2) the University continue to work with the City of Minneapolis, the Minneapolis Community Development Agency, and the Minneapolis Park and Recreation Board toward the timely execution of option 2A.

The committee voted unanimously to recommend approval of the resolution.

**DESIGN GUIDELINES:
COFFMAN MEMORIAL UNION RENOVATION, TWIN CITIES CAMPUS**

Harvey Turner, Director of Planning and Programming, discussed the Master Plan, site and architectural guidelines related to the project as noted in the docket materials. He also reviewed a description of the project, and showed slides.

In response to a question from Regent Reed, Turner discussed the concept of the illusion of transparency related to the project.

In response to an issue raised by Regent Phillips, Vice President Kruse discussed possible plans for Washington Avenue and access to Coffman Union via bridges or tunnels, which will lead to the success of Coffman Union. He plans to present options for the Regents to review in the fall.

Regent Metzen suggested that Kruse review a project Century College presented to the Legislature which involved similar issues.

Regent Spence discussed the need for student input on this project and stated she plans to ask Regent Phillips and Student Representatives Kristen Berning and Scott Roethle to serve on a committee to provide that insight.

HISTORIC PRESERVATION PLAN

Vice President Kruse led the discussion regarding the University's Historic Preservation Plan. Jim Litsheim from the University Architect's Office reviewed the plan, including the following principles:

- Recognize the University of Minnesota's historic resources — including buildings, landscapes, and archeological sites — as part of Minnesota's traditional image of its University and as valuable assets contributing to future campus development.
- Continue to assess the significance of historic resources through appropriate identification and research activities.
- Conserve historic resources through integration with campus planning that result in appropriate management and preservation treatment.
- Ensure that the design for new construction is of enduring quality, capable of adaptation, and sensitive to existing buildings and spaces.
- Promote broad understanding, awareness, enjoyment, and continued use of the University's historic buildings, objects, and landscapes.

Litsheim discussed the physical impact the plan has had on the campus, and reviewed slides to show examples of restoration, rehabilitation and renovation on campus. He discussed the general financial impact of this effort, stating that historic preservation issues will add 5-25 percent to most rehabilitation projects and some new construction projects.

Litsheim stated that to date the University has completed eight historic eligibility studies, eight lay-away studies, four viability studies, 23 major adaptive use studies, 10 historic structure reports, and one major rehabilitation project. Three major rehabilitation projects are currently underway — Walter Library and Jackson and Peters Halls — and two projects are in the schematic design phase — Folwell Hall and Kiehl Hall on the Crookston campus. In the future, the University will continue to:

- protect, preserve, and enhance existing historic buildings and objects;
- protect and maintain historic landscapes and open spaces;
- analyze historic resources and pursue rehabilitation/renewal strategies in support of the capital project plan; and
- work with the Minnesota State Historic Preservation Office to research and update the University's inventory of historic resources.

In response to a question from Regent Reed, Litsheim discussed the role of historic preservation in planning new construction. Regent Metzen suggested a motion would be appropriate to officially thank everyone involved in this process. Regents Reed and Phillips made and seconded the motion, and it was unanimously approved by the committee.

INFORMATION ITEMS

Vice President Kruse reviewed the Program Relocation Status Report as included in the docket materials. Kruse also showed slides on construction projects around campus and noted the following:

- Murphy Hall and Ford Hall will be done in January 2000, five months ahead of schedule.
- Peters Hall, which will bring the School of Social Work together in one location, will be done in November.
- The inaugural match in the new soccer complex will be in September 1999.
- The softball stadium is under construction and practice facilities will be done in fall 1999 and the balance in spring 2000.
- Riverbend Common — parking and housing will be ready in fall 2000.
- Territorial Hall — students will be housed there in September 1999.

Kruse stated that the Wednesday afternoon prior to the September Board meetings he will schedule a tour of construction sites around campus.

The meeting adjourned at 12:05 p.m.



ANDREA TURNER
Executive Director and
Corporate Secretary

UNIVERSITY OF MINNESOTA

BOARD OF REGENTS

June 28, 1999

A meeting of the Board of Regents of the University of Minnesota was held on Monday, June 28, 1999 at 11:30 a.m. in Room 238, Morrill Hall.

Regents present: William Hogan, presiding; Anthony Baraga, Robert Bergland, Dallas Bohnsack, Warren Larson, David Metzen, H. Bryan Neel, Michael O'Keefe, William Peterson, Jessica Phillips, Maureen Reed, and Patricia Spence.

Staff present: President Mark Yudof; Chancellor Samuel Schuman; Executive Vice President and Provost Robert Bruininks; Senior Vice President Frank Cerra; Vice President Eric Kruse; Executive Director Andrea Turner; and Associate Vice President Jane Canney.

Student Representative present: Heidi Frederickson.

APPROVAL OF MINUTES

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

Litigation Review Committee June 7, 1999
Board of Regents - June 10, 1999
Facilities Committee - June 10, 1999
Faculty, Staff & Student Affairs Committee - June 10, 1999
Finance & Operations Committee - June 10, 1999
Educational Planning & Policy Committee - June 10, 1999
Board of Regents - June 10, 1999
Board of Regents - June 11, 1999
Board of Regents - June 11, 1999
Annual Meeting of the Board of Regents - June 11, 1999

REPORT OF THE CHAIR

Chair Spence recognized outgoing chair William Hogan. A number of Board members expressed appreciation to Regent Hogan for the outstanding work he had done while chair of the Board. Hogan briefly addressed the Board. President Yudof presented Regent Hogan with a gavel in recognition of his two years as Chair.

Spence reported that committee assignments will be made in the next few weeks and urged Board members to submit their preferences to the Board office. The Board of Regents will hold a retreat August 12 and 13 in Little Falls and it is anticipated that the committees will meet at that time to develop workplans for the year.

Spence also reported that Regents Hogan, Larson, and she will be evaluating the President's work for his annual assessment. A report will be provided to the full Board when they have completed the evaluation.

Spence ended her report with the following quote by Margaret Mead: "Never doubt that a small group of thoughtful, committed citizens can change the world. Indeed, it's the only thing that ever has."

REPORT OF THE PRESIDENT

President Yudof stated that he did not have a report this month.

CONSENT REPORT - FINANCE & OPERATIONS COMMITTEE

Associate Vice President Pfutzenreuter presented the Consent Report for March 1999 as found in the docket materials. A motion was made and seconded to approve the report.

The following expenditures of greater than \$250,000 were included in the report:

- Bell & Howell Information and Learning (formerly University Microfilms, Inc.) will be paid \$615,000 to provide Internet access to information resources for public libraries and Minnesota K-12 school media centers through June 30, 2000. The vendor was selected through a competitive process.
- Prism Computer Corporation will be paid an estimated \$140,000 for implementation services and additional design features for Facilities Management's Computerized Maintenance Management system (CMMS). The Board of Regents previously approved \$712,380 for software and modifications.

In response to a question from Regent Reed, it was reported that the expenditure of \$615,000 for Bell & Howell Information and Learning will be covered by a grant from the State of Minnesota.

The Board of Regents voted unanimously to approve the Consent Report for the Finance and Operations Committee.

Regent Bergland stated that because the Board is not meeting again until September, there may be issues that need approval before that time. He called on Regent Neel who moved that the chair of the Board and the chair of the Finance Committee be authorized to act on behalf of the Board to take action on purchases of goods and services over \$250,000. This authorization is in effect until September 1, 1999.

The motion was seconded and the Board of Regents voted unanimously to approve the authorization.

CONSENT REPORT - EDUCATIONAL PLANNING & POLICY COMMITTEE

Executive Vice President and Provost Bruininks presented the Consent Report as outlined in the docket materials:

- The approval of a proposal from the Carlson School of Management to offer its Executive MBA program jointly with the Vienna School of Economics and Business.

A motion was made, seconded, and the Board of Regents voted unanimously to approve the Consent Report for the Educational Planning & Policy Committee.

1999-2000 OPERATING BUDGET

President Yudof presented the following resolution for approval relating to the Budget Plan for Fiscal Year 1999-2000 contained in the docket materials:

WHEREAS, the University of Minnesota as the state's public, land-grant university is charged with the responsibility to pursue knowledge and to help apply that knowledge through research and discovery, teaching and learning, an outreach and public service; and

WHEREAS, the State of Minnesota, through its legislative and executive branches, has appropriated funds to the University of Minnesota for the pursuit of its mission and in support of our goals and objectives; and

WHEREAS, the University of Minnesota is committed to achieving standards of national and international excellence, and

WHEREAS, the future of the University is premised on partnerships within the University community of faculty, staff and students, with the State of Minnesota, other educational institutions, business and industry, University alumni, local communities, and the citizens of Minnesota,

NOW, THEREFORE, BE IT RESOLVED that to achieve these goals, the Board of Regents approves the University of Minnesota Fiscal Year 1999-2000 Operating Budget as follows:

The annual revenue and expenditure plan for current, non-sponsored funds and projected expenditures for sponsored funds for fiscal year 1999-2000.

The Fiscal Year 1999-2000 Operating Budget approved by the Board of Regents includes the following attachments which are included in the President's Recommended Fiscal Year 1999-2000 Operating Budget:

Attachment 1 - Resource and Expenditure Budget Plan (University Fiscal Pages)

Attachment 4 - Fund Forecast - Centrally Allocated and Attributed Accounts

Attachment 5 -- University of Minnesota system 1999-2000 Tuition Schedule

Attachment 10 - Student Services Fees

A motion was made and seconded to approve the resolution.

Yudof noted that the plan was presented to the Board at its June 10, 1999 meeting and remains unchanged, with only minor technical adjustments and some updated resource and expenditure projections for fiscal year 1998-99.

The Board of Regents voted unanimously to approve the 1999-2000 Operating Budget resolution.

REPORT OF THE FACILITIES COMMITTEE

Regent Metzen, Chair of the committee and Vice President Kruse, reported that the committee voted unanimously to recommend:

- a) Approval of an amended resolution relating to the extension of East River Road, as follows:

WHEREAS, the City of Minneapolis is desirous of having a continuous low speed roadway along the east side of the Mississippi River from Downtown Saint Paul to Downtown Minneapolis; and

WHEREAS, the University of Minnesota wishes to ensure that both the Minneapolis East Bank Campus, and the public park land along the river become almost indistinguishable, safe, easily accessible, landscaped, and well maintained areas to actively pursue scholastic, leisure, and recreational endeavors; and

WHEREAS, the Minneapolis Public Work Department, the Minneapolis Planning Department, the Minneapolis Park and Recreation Board, the Minneapolis Community Development Agency and the University of Minnesota have participated in a Study and the preparation of a Conceptual Plan for the extension of East River Road; and

WHEREAS, the objectives of the East River Road Extension project are to:

- provide a connection from Main Street Southeast (at 6th Avenue Southeast) to the existing East River Road on campus, and
- facilitate vehicular, pedestrian, and bicycle access to the campus and adjacent parkland along the river traffic in a manner that is convenient but not disruptive;

WHEREAS, the Study analyzed and compared the scope of work and cost of the following items to determine the feasibility and desirability of five different options for making the connection:

- Right-of-Way Acquisitions
- Relocations and Removals
- Contamination Clean-up
- Engineering Analysis
- Construction Work; and

WHEREAS, option 2A appears to be the most feasible and the lowest cost and has the following advantages and disadvantages:

Advantages:

- No relocation of fuel oil tanks
- No relocation of coal unloading and storage facilities
- Slight relocation of coal unloading facility railroad track
- No pedestrian and bicycle crossing of railroad tracks
- Good vehicular, pedestrian and bicycle access to the University of Minnesota East Bank campus
- Workable grades, alignment, and design
- Allows for construction of the future Dinkytown bypass

Disadvantages:

- Requires relocation of mainline railroad track
- No vehicular, pedestrian, and bicycle access to the adjacent Mississippi River Flats
- Additional commuter traffic through the University of Minnesota East Bank Campus
- Limits the right-of-way for the future Dinkytown bypass (but does not preclude its construction).

NOW, THEREFORE, BE IT RESOLVED, that based upon the administration's recommendation, the Board of Regents approves option 2A for the East River Road Extension and hereby directs that: (1) the University take no action that precludes this roadway extension for 10 years, and (2) the University continue to work with the City of Minneapolis, the Minneapolis Community Development Agency, and the Minneapolis Park and Recreation Board toward the timely execution of option 2A.

- b) Approval of amending the FY99 Capital Budget by \$3,000,000 to incorporate funding for the Classroom Improvement Project.

A motion was made, seconded, and the Board of Regents voted unanimously to approve the recommendations of the Facilities Committee.

Metzen reported that the committee also reviewed design guidelines for the Coffman Memorial Union Renovation on the Twin Cities campus; reviewed the University's Historic Preservation Plan; and reviewed a number of information items.

With regard to the preservation plan, it was noted that a number of tours will be scheduled in the fall for Board members to see the progress that has been made on renovation of the University's buildings.

Regent Reed stated that since the Board will not be meeting again until September, she would move that the Facilities Committee be authorized to take action on the schematic plans for the Gateway Center Parking Facility and Pedestrian Connections Project. The authorization would be effective until September 1, 1999.

The motion was seconded and the Board of Regents voted unanimously to approve the authorization.

The meeting adjourned at 12:10 p.m.



ANDREA TURNER
Executive Director and
Corporate Secretary