

**UNIVERSITY OF MINNESOTA
BOARD OF REGENTS**

MINUTES

BOARD OF REGENTS' MEETING

AND

REGENTS' COMMITTEE MEETINGS

November 8-9, 1990

Office of the Board of Regents

220 Morrill Hall

Year 1990-91

UNIVERSITY OF MINNESOTA

BOARD OF REGENTS

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

November 8-9, 1990

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Year 1990-91

UNIVERSITY OF MINNESOTA

BOARD OF REGENTS

Audit Committee

November 8, 1990

A meeting of the Audit Committee of the Board of Regents was held on Thursday, November 8, 1990 at 7:30 a.m. in Room 300 Morrill Hall.

Regents present: Regent Craig, presiding; Regents Keffeler, Kuderer and Sahlstrom.

Staff present: Senior Vice President Donhowe; Associate Executive Director Janzen; Director of Audits Patrick Spellacy; and Compliance Officer Gráinne Medearis.

Student Representative present: Gary Getchman

Others present: Mark Chronister, Mary Jefferson, and Jon Killmer from the firm of Coopers and Lybrand.

COMPLIANCE OFFICER'S QUARTERLY REPORT

The committee reviewed a summary of the University's departmental compliance with audit recommendations issued between July 1, 1988 and March 31, 1990.

Gráinne Medearis, Policy and Compliance Officer, reviewed a summary of the report noting that overall compliance for the reporting period was 90 percent with 93 of the 933 proposed recommendations not being implemented. Eight audits indicated 0 percent compliance on audit recommendations and Ms. Medearis explained the reasons for the low compliance. She stated that seven audits have low implementation rates of 75 percent or less and that five of the audits are either awaiting installation of computer systems or processing requests for recommendation withdrawals. Implementation of recommendations is planned for the two remaining audits.

In addition, Ms. Medearis reported that all the late progress reports from the last report were submitted.

The committee voted unanimously to approve the Compliance Officer's Quarterly Report.

DIRECTOR OF AUDITS' QUARTERLY REPORT

Patrick Spellacy, Director of Audits, presented the Quarterly Report which included information pertaining to audits issued since the July Report, audits in process, next audits scheduled, and changes in the annual audit plan. Mr. Spellacy reported in more detail on the audits issued since July 1990 including University Hospital & Clinic and Follow-Up Audit; Office of International Education; College of Education Follow-Up Audit; Waseca Light Horse Program Investigation; Centralized Testing; Duluth Athletics; and Humphrey Institute Investigation.

Committee members expressed concern about the investigation of theft at the Humphrey Institute. Regent Kuderer was concerned about the statute of limitations expiring and Mr. Spellacy responded that discussions were held with the Minneapolis Police Department and the University Attorney's Office regarding the statute of limitations as well as the possible liability on the part of the bank. He indicated that follow up on these issues is pending. Chair Craig requested that Mr. Spellacy report back to the committee.

The committee voted unanimously to recommend approval of the Director of Audits' Quarterly Report.

EXTERNAL AUDITOR'S REPORT

Mr. Mark Chronister and Ms. Mary Jefferson, from Coopers & Lybrand, presented the results of the fiscal year 1990 financial statement audit.

Mr. Chronister reported that their opinion as stated in the cover letter for the audited financial statements was an unqualified opinion. The opinion also includes an adjustment of the 1989 financial statements which is described in the footnotes to the audit report.

Mr. Chronister reported that in terms of the financial statements, the transition process to Coopers and Lybrand has been completed with a fresh look at controls and reporting.

Coopers and Lybrand representatives have met with management at the University to discuss opportunities for change and refinement in the financial statements and to review significant changes including workers' compensation accrual, supplemental benefits pension plan, vacation pay for academic employees, and retrospective premium adjustment.

In reporting on significant audit adjustments noted in the audit opinion, a major change provoking discussion was workman's compensation. The auditors are including a restatement of an accrual liability of \$25 million in recognition of future liabilities that had not been previously stated. The amount of the liability is estimated on the basis of the auditor's experience with other Minnesota institutions.

Regent Kuderer raised the question of a reserve being established for this liability. The auditors and administration agreed this was a question to be considered in the future. However, everyone recognized the University's balance sheet was quite healthy, and liabilities can be covered as they have been. The more important result of stating the workman's compensation accrued liability was the recognition of a management opportunity to control this expense.

Mr. Chronister reported that Coopers & Lybrand will present its Management Letter in draft form to the University's management by November 15 so that management's response and the final letter from Coopers & Lybrand will be completed for the January meeting.

Ms. Jefferson then reviewed significant items that will be in the 1990 financial statements with comparisons to previous years. She reported that total assets for the University increased by \$223.4 million in 1990 with total liabilities increasing by \$28.2 million. Total fund balances increased by \$195.1 million. A comparison of the sources of total revenues and components of expenditures from 1989 to 1990 was also reviewed.

Committee members posed several questions with regard to the report from the external auditors.

Regent Kuderer stated that the committee should be receiving an income statement so that the Regents know sources of revenue and where the University stands from a cash flow basis. He stated that the external auditors might identify significant items of revenue to report i.e. student tuition and investment income. In addition, some key indices that demonstrate the financial health of the University should be identified so that trends can be monitored over time.

Regents Keffeler and Kuderer expressed concerns regarding the unrestricted and undesignated funds and asked that a clearer picture of departmental and central reserves be provided. Senior Vice President Donhowe stated that information pertaining to the reserve funds can be included in the Annual Report which would be more appropriate than including it in the Audit Report. In addition, he stated that some of the policy decisions pertaining to the reserves are really pertinent at the time of the budget.

Regent Keffeler also stated that it would be helpful to have an analysis comparing the University's financial profile to its policy profile to indicate if the University is managing its finances according to its policy objectives. Senior Vice President Donhowe suggested that this analysis be brought to the Finance and Legislative Committee.

Regent Kuderer stated that he would like to see some external financial comparisons with other educational institutions. Senior Vice President Donhowe stated that it is difficult to make comparisons with other universities because institutions have unique configurations of revenue and expenditure units.

In answer to a question from Regent Kuderer, Mr. Chronister stated that the financial "health" of the University is good and that the auditors do not see significant problems that the University administration has failed to address.

QUARTERLY REPORT ON FINANCIAL MANAGEMENT SYSTEMS (CUFS)

The committee received a quarterly update on the progress of the Financial Management System presented by Mr. Nick LaFontaine, Office of Finance & Operations, and Ms. Diane Collins, CUFS Project Manager.

It was reported that the major focus of the project team during the last two months had been in the accounts payable/purchasing and payroll/personnel areas. Mr. LaFontaine reported that due to a change in the project direction of the two areas, the revised project plan and schedule which were to be provided at this meeting were delayed and would be presented to the committee in January.

Ms. Collins reported on proposed changes including a change in vendors with regard to the accounts

payable/purchasing system, the building of a translation module for the payroll-related systems, and the commencement of work in the near future on a new Human Resource system. In addition, Ms. Collins reported a possible change in the technical platform of the project adding that the net effect of these changes is in the process of being determined. The new plan with revised timetable and costs should be completed by early December.

Regent Keffeler said she was more concerned about whether the committee had adequate information to fulfill their responsibility of oversight for the financial management of this project than she was concerned about the particulars of the accounts payable systems.

The chair noted that the meeting time for the Audit Committee was at an end, and the subject of the Financial Management System will need to be considered again at the next meeting.

Senior Vice President Donhowe summarized the discussion stating that a decision on the Accounts Payable System needed to be corrected meaning a turn of 180 degrees and deciding on a different vendor thus slowing down the progress. Secondly, a decision to begin work on the Payroll/Human Resources System meant bringing into play what had been a part of Phase II of the project which also increased time and cost, but the previous decision to "make-do" with the old system and hand made connections were intolerable. Finally, he noted that the decision to go with a new vendor for the accounts payable system gave the University a preferential position in future vendor decisions. The whole system needs to be compatible.

The meeting adjourned at 9:35 a.m.


BARBARA MUESING
Executive Director and
Corporate Secretary

Year 1990-91

UNIVERSITY OF MINNESOTA

BOARD OF REGENTS

Physical Planning & Operations Committee

November 8, 1990

A meeting of the Physical Planning and Operations Committee of the Board of Regents was held on Thursday, November 8, 1990 at 2:55 p.m. in the Regents' Room, 238 Morrill Hall.

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

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

Student Representative present: Gary Getchman.

STAFF RECOGNITION FOR PCB PROJECT

Recognition of outstanding performance in the successful completion of the PCB Removal Program was given to Roy French, Electrical Construction Engineer in Construction Administration; Ken Erpelding, Principal Engineer in Engineering & Architecture; and Pat Corkran, Senior Engineer in Physical Plant Operations.

It was reported that these staff members provided special and timely services needed for the University to comply with federal regulations mandating the removal of equipment containing PCB's by October 1, 1990.

SENIOR VICE PRESIDENT'S MONTHLY REPORT

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

Regent Kuderer again raised a concern about procedures for printing purchases.

PURCHASE OF GOODS/SERVICES OVER \$250,000

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

In addition, it was reported that in the absence of a formal committee meeting in October, Chair Sahlstrom, acting as chair of the committee, authorized the awarding of listed purchase/contracts over \$250,000 that normally would have come before the committee in October. It was noted that this decision was made to facilitate continuation of normal University business without jeopardizing the favorable terms and pricing needed to be contracted. It was also noted that authorization for the chair's approval of these items is provided for in the Committee Agenda Guidelines adopted by the Board of Regents July 8, 1988.

Concerns were raised about placing the responsibility for approval of so many large dollar items on one individual. Regent Kuderer suggested that the committee might look at this policy again. Regent Mary Page suggested that if this situation occurs again, a conference call might be arranged to approve the items.

The committee voted unanimously to accept Chair Sahlstrom's approval of the October items and to recommend approval to the Board of Regents.

PROJECTS PREVIOUSLY SUBMITTED FOR INFORMATION

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

- a. Kolthoff Hall, Remodel Rooms P-150 and P-152, Twin Cities Campus
Estimated cost of the project: \$130,715
Funding: Department of Chemical Engineering and Material Sciences
Estimated completion date: April 1991
- b. Child Development, Remodel First Floor, Twin Cities Campus
Estimated cost of the project: \$124,031
Funding: Child Development Institute
Estimated completion date: April 1991
- c. Lease for Space in the University Office Plaza, 2221 University Avenue Southeast, Minneapolis for a period of ten years commencing February 1, 1991 at a rent of \$19.52 for the first lease year, increasing approximately 3% per year thereafter.

The committee also reviewed the following project for action:

- a. Fifteen-Year Lease to the Minnesota Supercomputer Center, Inc., Minneapolis, with three 5-year renewal options, for the use of 59,200 square feet by Research Equipment, Inc.

Regent Kuderer voted against the motion stating that he feels a 30-year lease is too long without any provisions for escalations, inflation or a change in management or ownership of the building.

Senior Vice President Donhowe responded that this is basically a modification for an existing lease that had a term of 30 years and will now have a term of 15 years with three 5-year renewals. In addition, the length of the lease relates to an appropriate amortization period for the amount invested in the building.

After further discussion, the committee voted by a majority of 5 to 1 to recommend approval of the project with Regent Kuderer voting against the motion.

LAND TRANSACTIONS

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

- a. Purchase of 1.75 Acres for the Integrated Waste Management Facility, Minneapolis at \$3.00 per square foot (total of \$228,690).
- b. Sale of Rishmiller Trust Property, Glacier County, Montana for \$27,500.

For clarification, Associate Vice President Hewitt reported that this property is located within the boundaries of the Blackfeet Indian Reservation and before it was advertised for sale, the University had written three letters to the reservation requesting any interest in purchasing the property. He reported that after no response was received, the University then advertised the property for sale and the reservation did submit a bid, however, no other communication was received from the reservation. He stated that normal procedures for the bid process were followed and the Administration is recommending the sale then to the highest bidder.

- c. Sale of 614 and 616 Ontario Street Southeast to the Children's Oncology Service, Upper Midwest, Minneapolis for the sum of \$120,000

UNIVERSITY ART AND TEACHING MUSEUM TWIN CITIES CAMPUS

The committee voted unanimously to recommend approval of a resolution authorizing the appropriate administrative officers to proceed with the design and construction of the University Art and Teaching Museum that will be located between the Washington Avenue pedestrian bridge and Coffman Memorial Union on the East Bank campus.

A model of the building was provided and Architect Frank Gehry was present to review detailed information about the facility. Ms. Lyndel King, Director of the Art Museum; Mr. Henry Hopkins, Executive Director and Susan Spivak, legal counsel, of the Frederick Weisman Foundation (donor of \$3 million for the museum) were also present.

Regent Schertler commended everyone involved with this project for the excellent communication and expressed appreciation for the materials received pertaining to this Museum.

Regent Casey acknowledged the commitment of Director King and the Frederick Weisman Foundation to this project and, in addition, stated that the University Administration deserves credit for making a serious commitment to this project.

PROJECT FUNDED BY LEGISLATIVE APPROPRIATION

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

- a. Briggs Library, Emergency Electrical Generator,
Morris Campus
Estimated cost of the project: \$132,640
Funding: 1989 Legislative Appropriation for Fire and
Life Safety Improvements
Estimated completion: July 1991

PROJECTS PRESENTED FOR INFORMATION

The committee reviewed for information the following projects:

Civil and Mineral Engineering Building, Complete Level 7, Twin Cities Campus

This project consists of developing 7,390 square feet of office space including partitions, ceiling, all finishings and the extension of building services to provide for the office use of the space. Estimated cost of the project was reported to be \$800,000 with funding to be provided from a combination of Institute of Technology Dean's office funds and a variable rate bond internal loan. Estimated completion for the project was reported to be September 1991.

**Anderson Hall, Remodel Room 250
Twin Cities Campus**

This project consists of general, mechanical and electrical construction work required to convert the classroom into a computer laboratory. The work will primarily consist of constructing a tiered floor, providing an electrical distribution system and modifying the ventilation system. Estimated cost of the project was reported to be \$107,900 with funding provided by the Microcomputer and Work Station Network Center and an estimated completion date of April 1991.

**Mink Research Facility
Veterinary Medicine Farm
Rosemount Research Center**

Associate Vice President Hewitt reported that this project proposes to locate a research facility on the Rosemount Center in the area that is currently assigned to the Veterinary Medicine Program.

Dr. Victor Perman, College of Veterinary Medicine, reported on the details of the project and responded to questions posed by committee members. Dr. Perman explained that a private contractor operating the National Center for Toxicologic Research in Jefferson, Arkansas, has been awarded contracts to perform a bioassay in mink with the chemical DIMP (disopropyl methane phosphanate), for gathering data to help establish drinking water criteria. He reported that this contract is funded through the Food and Drug Administration as an interagency study with the Department of Defense, to study reproductive performance and chronic effects.

The building to be constructed will shelter 1,100 mink and will include rooms for feed preparation, animal procedures, waste disposal, storage, and a personnel area consisting of office, lunch/conference, and rest rooms. It was reported that current Environmental Protection Agency and University of Minnesota Environmental Health and Safety rulings require incineration of the waste contaminated with the chemicals.

Estimated cost of the project would be \$900,000 with funding provided from Pathology Associates, Inc. and estimated completion would be June 1991.

Regent Kuderer asked if this construction has an effect on the consideration of this site for an airport. Associate Vice President Hewitt responded that the building becomes the property of the University when the research is complete and the building will have a shorter life than the timeline for the building of an airport.

Regent Schertler stated that before this project comes for approval, there be assurance that the University is not in violation of any animal rights or federal or state laws.

Purchase of Land for Southern Experiment Station, Waseca

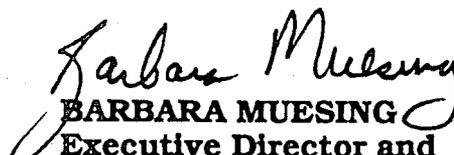
The committee reviewed the need to purchase land for the Southern Experiment Station for agricultural research purposes. David Walgenbach, Superintendent of the Southern Experiment Station, indicated that 80 additional acres of land is urgently needed at the Southern Experiment Station to expand soils, agronomy and water quality investigations by Station personnel and collaborative research with scientists from the Twin Cities campus. The parcel of land desired is currently owned by a resident of Waseca and money for the purchase will be sought through a legislative request.

REPAIR AND REPLACEMENT PLAN

Discussion on this item was delayed due to the illness of Assistant Vice President Sue Markham.

It was reported that the results of the legislatively mandated Building Conditions Survey Report of University facilities will be forwarded to the State Finance Division.

The meeting adjourned at 4:30 p.m.


BARBARA MUESING
Executive Director and
Corporate Secretary

Year 1990-91

UNIVERSITY OF MINNESOTA

BOARD OF REGENTS

Finance & Legislative Committee

November 8, 1990

A meeting of the Finance & Legislative Committee of the Board of Regents was held on Thursday, November 8, 1990 at 1:15 p.m. in the Regents' Room, 238 Morrill Hall.

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

Staff present: Chancellors Johnson and Sargeant; Senior Vice President Donhowe; Associate Executive Director Janzen; and Roger Paschke, Director of Asset Management.

Student Representatives present: Bernie Thyen and Tim Wolf.

SENIOR VICE PRESIDENT'S MONTHLY REPORT

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

Senior Vice President Donhowe called attention to several items contained in the report. One item pertained to two changes in the Central Reserves: an increase of \$3,637,074 which results from an early payment from the University of Minnesota Federal Credit Union; and the advance of \$250,000 against the \$4 million University obligation for the Art Museum.

In addition, Senior Vice President Donhowe noted two other items: the University's commitment to a \$5 million investment in a pooled real estate fund, and the folding of the Permanent University Fund into the general endowment rather than continuing to maintain a separate endowment pool.

REGENTS' INVESTMENT POLICY

The committee voted unanimously to recommend approval of a resolution updating the policy for the use of investment managers. The resolution authorizes the University to employ external investment managers as necessary for the purpose of managing University assets. The appointment of any such investment manager must be approved by the Regents within 60 days of the appointment date and termination of any investment manager shall be promptly reported to the Board of Regents.

It was noted that this resolution supersedes the previous policy dated September 11, 1981.

DELEGATION OF AUTHORITY

Senior Vice President Donhowe presented proposed modifications to the Regents' Delegation of Authority. He distributed a corrected page to be inserted in the policy indicating that the corrected page reflected title changes from the University of Minnesota Duluth.

The committee voted unanimously to recommend approval of proposed modifications to the Regents' Delegation of Authority including the substituted change.

PROCEDURES FOR THE SALE OF MUNICIPAL WARRANTS

The committee voted unanimously to recommend approval of a resolution authorizing the appropriate administrative officers to prepare the necessary documentation and initiate appropriate procedures in preparation for the sale of warrants in the name of the Regents of the University of Minnesota. It was reported that in the event it is determined that the sale of warrants would be beneficial in reducing or providing greater control over the debt service costs of the University, the Senior Vice President for Finance will seek immediate authorization from the Regents for the actual sale of warrants and the corresponding issuance of bonds as required. Such authorization will be in the form of a resolution sufficiently similar to the attached resolution discussed with the Regents in September 1990. The appropriate administrative officers are authorized to expend up to \$150,000 from the variable rate loan fund, which is expected to be recovered if warrants are sold, to prepare the necessary documentation and initiate appropriate procedures in preparation for the sale of warrants.

Roger Paschke, Director of Asset Management, reviewed details of this procedure for the committee. It was noted that the University would only take advantage of the sale of municipal warrants if the University anticipated a market in which interest rates might decline.

QUARTERLY MANAGEMENT REPORT

The committee reviewed the quarterly report on the fiscal status of the current funds of the University as of September 30, 1990. Statements included in the report were: 1) a statement of fund balances for the General Operations and Maintenance fund and for All Funds Combined; 2) a statement of the current status of the budget for the General Operations and Maintenance; and 3) a statement of budget performance by colleges and administrative units.

Senior Vice President Donhowe commented briefly on the report indicating that one item that might be of concern is whether or not the University is on track with tuition revenue. He stated that while this schedule is not complete, his best estimate is that tuition revenue will slightly exceed what is budgeted. He indicated that this has been intentional as the past two years have experienced a shortfall.

He also reported that the Office of Finance and Operations reviewed the information contained in the report and found no system-wide items of financial concern.

Regent Keffeler asked how his office knows when a unit is "out of gas" or when there is a concern about a rate of spending. In discussion, Senior Vice President Donhowe recognized the information currently provided in the Quarterly Management Report regarding collegiate and administrative units is inadequate to the task of system-wide oversight.

Regent Keffeler noted for the record that if one recognizes the inadequacy and unresponsiveness of this information for the Board of Regents' needs, it reinforces the urgency of all the important activities we have related to CUFS.

Vice President Donhowe said the only comfort one might have is that virtually all of these collegiate systems have shadow

systems that give some control and accountability at the collegiate level, but this doesn't help in enabling us to monitor at the system level.

The meeting adjourned at 1:40 p.m.


BARBARA MUESING
Executive Director &
Corporate Secretary

Year 1990-91

UNIVERSITY OF MINNESOTA

BOARD OF REGENTS

Faculty, Staff & Student Affairs Committee

November 8, 1990

A meeting of the Faculty, Staff and Student Affairs Committee of the Board of Regents was held on Thursday, November 8, 1990, at 2:50 p.m. in Room 300, Morrill Hall.

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

Staff present: Senior Vice President Kuhi; Vice President Hughes; General Counsel Brady; Executive Director Muesing; Associate Executive Director Janzen; Associate Vice Presidents Barbatsis, Carrier and Foster.

Student Representatives present: Rick Hoffman and Kristina Peterson.

SENIOR VICE PRESIDENT'S MONTHLY REPORT

Senior Vice President Kuhi presented the Senior Vice President's Monthly Report to the committee for approval. As supplementary items, Dr. Kuhi presented the continued appointment of Thomas Lindahl as Acting Chancellor of the University of Minnesota, Waseca, effective November 1, 1990; the appointment of Jennifer Oatey and James Preus as Assistant Vice Presidents for Student Affairs, effective October 1, 1990; and the appointment of Professor Mark Luker as Acting Associate Vice President for Academic Affairs, effective October 26, 1990.

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

REGENTS' STUDENT AFFAIRS POLICIES

Vice President Hughes and Christopher Halling, Director of Student Financial Aid, reviewed the proposed revisions to the

following Regents' policies: Student Loan Policy, Statement on Student Financial Aid, Student Employment as Financial Aid and University Unions.

Dr. Hughes indicated that the Council of Graduate Students (COGS) believes that the proposed policy revisions will have a significant impact on the status of graduate students. On behalf of COGS, Student Representative Robin Mickelson related concerns regarding the proposed policies. In response, Dr. Hughes stated the revision in the Student Loan Policy pertaining to eligibility requirements is mandatory and regulated by the federal government, noting that the Financial Aid Office is working with various colleges, including the Graduate School, to redefine collegiate eligibility policies.

A discussion ensued regarding the proposed policy revisions, particularly regarding the proposal to revise loan limits in the Student Loan Policy. In response to an issue raised by Regent Keffeler, Mr. Halling stated that the revised loan limits would allow the University to award larger grants to a greater number of students in need. Vice President Hughes noted that efforts are being made through the development office and other agencies to increase the University's financial aid pool, resulting in more flexibility for the Financial Aid Office.

Following the discussion, Regent Anderson noted that this item will be presented for approval at the December meeting.

CIVIL SERVICE CLASS CHANGES

Roger Forrester, Director of the University Personnel Department, presented the following Civil Service class changes to the committee for approval:

1. New Class No. 5131, Telecommunications Engineer, A14L/M (\$2212-3663), effective November 16, 1990.
2. New Class No. 5132V, Telecommunications Manager, A25+Y (\$2925-4851), effective April 1, 1990.
3. New Class No. 1465V, Software Staff Specialist, A24+L (\$2932-4912), effective November 16, 1990.
4. New Class No. 3528V, Boynton Health Service Nurse Supervisor/Coordinator, A16Y (\$2292-3804), effective October 1, 1990.

5. Salary range changes of the following classes, effective January 1, 1991: Class No. 1463V, Supervisor Analyst Programmer, from A22+ to A24+ (\$2932-4912); Class No. 1450, Applications Programmer, from C24G+ to C25+ (\$1900-3083); Class No. 1457V, Supervisor Systems Software Prog., from A24+ to A26+ (\$3153-5277); Class No. 1469V, Manager, Appl. Systems & Prog., from A25+ to A27+ (\$3269-5476); Class No. 1468V, Manager, Systems Software Prog., from A28+ to A30+ (\$3645-6106); Class No. 1449V, Principal Computer Center Operations Manager, from A26+ to A27+ (\$3269-5476); Class No. 1441V, Senior User Services Specialist, from A16+ to A17+ (\$2368-3941); Class No. 1445V, Principal User Services Specialist, from A17 to A20+ (\$2544-4244); Class No. 1446V, Manager of User Services, from A21 to A23+ (\$2831-4728); Class No. 1464V, Principal Systems Analyst, from A19+ to A20+ (\$2544-4244); Class No. 1439V, Senior Computer Center Operations Manager, from A20+ to A21+ (\$2634-4390).

6. Salary range change of Class No. 5148V, Coordinator, Property Acquisition, from A19Y (\$1801-1975) to A25+Y (\$2925-4851), effective June 16, 1989.

The committee voted unanimously to recommend approval of the proposed Civil Service class changes.

COLLECTIVE BARGAINING AGREEMENT WITH LOCAL 292 IBEW

Roger Forrester, Director of the University Personnel Department, presented the proposed Collective Bargaining Agreement between the University and Local 292 of the International Brotherhood of Electrical Workers to the committee for approval. He noted that the contract covers the period January 1, 1990 through June 30, 1991. Mr. Forrester recognized John Erickson, the University's chief negotiator on the contract.

The committee voted unanimously to recommend approval of the proposed Collective Bargaining Agreement.

REGENTS' HUMAN RESOURCE POLICIES

Academic Personnel Policies Revision

Associate Vice President Carrier presented proposed revisions to the Regents' Academic Employee Vacation Policy and the Academic Employee Leave Policies for Sick Leave and Disability Leave, Parental

Leave and Family and Personal Leaves Without Pay to the committee for approval. Dr. Carrier noted that the proposed revisions make the policies consistent with Minnesota law.

A brief discussion ensued, and at the suggestion of Regent Craig, the revised policy on Parental Leaves for Academic Employees will specifically state in the "Parental Leaves" section that the physical disability for which a leave is requested must result from child bearing.

The committee voted unanimously to recommend approval of the proposed policy revisions.

Personnel Policies Revision

Roger Forrester, Director of the University Personnel Department, presented proposed revisions to the following Regents' policies to the committee for approval: Authority for the President to Approve Certain Personnel Appointments; Basic Law for Civil Service; Regents' Scholarship Program; and Policy on Employment-Related Hepatitis.

The committee voted unanimously to recommend approval of the proposed policy revisions.

REVIEW OF SEARCH PROCESS AND PROGRESS TOWARD AFFIRMATIVE ACTION GOALS

Senior Vice President Kuhl and Patricia Mullen, Director of the Office of Equal Opportunity and Affirmative Action, discussed revised procedures for conducting academic searches, which include changes resulting from the Regents' discussion at the June, 1990 meeting and subsequent internal consultation. The purpose of the procedures is to provide a framework for searches that provides flexibility and accountability in terms of the University's overall equal opportunity goals.

With respect to the guidelines for a Full National Search, Ms. Mullen stated that the proposed procedures provide that the appointing authority may establish the position description. Regent Craig expressed concern regarding the participation of the search committee in that process and stated that the procedures should explicitly indicate that the appointing authority is responsible for establishing the position description. Ms. Mullen noted that including the search committee in the process provides assurance that equal opportunity and affirmative action issues are considered. Dr. Kuhl stated that the proposed guidelines are intended to provide the

flexibility necessary to allow the University to conduct effective searches in a reasonable time.

At the suggestion of Regent Keffeler in response to the issue raised by Regent Craig, it was the consensus of the committee that the revised guidelines for a Full National Search clearly state that the "position description, including criteria for evaluation of applicants, be set by the appointing authority." At the suggestion of Regent A. Page, the final Limited Search procedures will indicate that search committees must consider equal opportunity and affirmative action issues.

Following the discussion, it was noted that the proposed search procedures do not require Regents' approval. Regent Anderson stated that the procedures, including the language revisions suggested by the committee, will be reviewed at a future meeting.

OLD BUSINESS

Senior Vice President Kuhi and Associate Vice President Carrier reviewed materials regarding 1989-90 hiring data for faculty and professional and administrative staff. Dr. Kuhi also discussed hiring goals and data for all University units with new regular faculty appointments.

Regent Keffeler stated that the information presented was responsive to her previous concerns. Dr. Kuhi will present a report at a future meeting on the units which have and have not made satisfactory progress toward the University's diversity goals.

The meeting adjourned at 4:00 p.m.


BARBARA MUESING
Executive Director and
Corporate Secretary

Year 1990-91

UNIVERSITY OF MINNESOTA

BOARD OF REGENTS

Educational Planning & Policy Committee

November 8, 1990

A meeting of the Educational Planning & Policy Committee of the Board of Regents was held on Thursday, November 8, 1990, at 1:10 p.m. in Room 300, Morrill Hall.

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

Staff present: Chancellor Johnson; Senior Vice President Kuhi; Vice Presidents Allen, Hughes and Perlmutter; General Counsel Brady; Executive Director Muesing; Associate Vice President Barbatsis.

Student Representatives present: Robin Mickelson and Rick Revoir.

SENIOR VICE PRESIDENT'S MONTHLY REPORT

Senior Vice President Kuhi presented the Senior Vice President's Monthly Report to the committee for approval. He noted the following items related to accreditation of University programs:

Full accreditation of the doctoral program in Counseling Psychology, College of Education

Five-year accreditation of the Division of Recreation, Park and Leisure Studies, College of Education (baccalaureate degree, including options in Leisure Services Management and Therapeutic Recreation)

Dr. Kuhi noted the recent site visit for accreditation review of the Master of Social Work program within the School of Social Work, College of Human Ecology. He also commented briefly on the recent denial of accreditation of the master's degree in social work at the University of Minnesota, Duluth and reviewed the appeal process which is available to the University. Dr. Kuhi stated that he will

discuss the accreditation process at the January meeting of the committee.

Dr. Kuhi discussed his meetings with the chief academic officers from all public systems of higher education in the state. He stated that the group's top three priorities for discussion and action in 1990-92 are transfer and articulation, minority access and cultural diversity, and enrollment management. In addition, the academic officers plan to discuss student preparation, K-12 linkages and the State University System's report entitled "Q7: Quality on the Line -- A Vision for University Education in the New Century". Dr. Kuhi stated that as a result of the Q7 report, a committee comprised of representatives from all of the systems of higher education are working to develop and implement uniform admission standards and requirements.

Dr. Kuhi stated that a joint response from the state systems of higher education to the M SPAN I report has been submitted to the Higher Education Advisory Council and will be submitted to the Higher Education Coordinating Board (HECB) in December, with final HECB recommendations transmitted to the Legislature by February 15, 1991.

The committee discussed the issues of enrollment management, uniform admission standards, preparation requirements and retention. In response to a concern raised by Regent Kuderer regarding the University's retention rates, Vice President Hughes noted that the Undergraduate Initiative Committee is focusing on variables that affect the University's retention rates.

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

ORGANIZATION AND SUPPORT FOR RESEARCH

Robert Holt, Dean of the Graduate School, and Professor Mark Brenner, Chief of Staff of the Research Executive Council, presented a report on the decision-making process regarding the University's research activities and associated policy issues.

Dean Holt indicated that the following organizations have been established by President Hasselmo, noting some of the issues that have been considered by the groups:

The Research Executive Council - Chaired by the Dean of the Graduate School and comprised of the Academic Vice President, the Vice President for Agriculture, Natural Resources and Human Ecology, the Vice President for Health Sciences, the Vice Provost for Arts, Sciences and

Engineering, and the Director of the Office of Research
and Technology Transfer Administration

He stated that the Council has addressed a number of research policy issues, including the use of indirect cost recovery funds for a research support fund and the use of matching funds for major centers financed largely by outside funds which are consistent with the University's academic priorities.

The President's Development Committee - Chaired by the President and comprised of the Vice Presidents, the Dean of the Graduate School, one of the Chancellors from a non-metropolitan campus, the head of the University of Minnesota Foundation and a member of the University of Minnesota Foundation Board of Trustees

He stated that the decisions of this committee reflect the University's academic priorities and fundraising policies. He noted that this group has established undergraduate student aid as the major priority for private fundraising in the coming years.

A brief discussion followed the presentation. In response to a question raised by Regent Casey, Dean Holt stated that there is regular communication between the Research Executive Council and the President's Development Committee. Regent Roe asked how much money has been raised for undergraduate student aid and Dean Holt stated that ambitious targets have been set for that purpose, noting that approximately \$5 million was raised in the past year.

Following the discussion, Regent Roe expressed appreciation to Dean Holt and Professor Brenner for their report.

MEDICAL SCHOOL REPORT

Vice President Perlmutter introduced Dr. David Brown, the eighth Dean of the Medical School. Dean Brown led a discussion regarding the school, stating that the school's broad range of missions include providing medical, allied health and graduate education and providing practitioner experience for students from the various health professions. In addition, its major responsibility is to advance knowledge in basic and applied biological and medical sciences through research.

Dean Brown stated that the Medical School has 538 faculty, 386 affiliated faculty and 112 non-student academic personnel. He noted that the school has a total of 43 chairs and professorships, including 26 PUF chairs.

Dr. Brown reported that the total Medical School enrollment for Fall Quarter 1989 was 3,249. Of the 3,249 students, 883 are medical students, 326 are allied health students, 260 are graduate students, 1,212 are medical fellow specialists and medical fellows and 568 students are FTE service teaching for other colleges. Dr. Brown stated that a major problem facing medical students is the issue of indebtedness, noting that 91 percent of the students in the 1988-89 graduating class reported mean indebtedness of \$43,995. He noted that areas of emphasis in medical student education include broadened admission requirements, advanced admission program, minority student recruitment and integrated basic science teaching.

Dean Brown reviewed the school's programs and new initiatives, including the basic sciences, biomedical engineering and ethics, cancer, cardiovascular, human genetics, molecular structure, neurosciences, nutrition and rural health education, all of which are intercollegiate and interdisciplinary.

Dr. Brown discussed the distribution of health care professionals throughout the state, and reported on the numbers of urban and rural physicians in direct patient care who are University graduates.

Dean Brown reviewed the Medical School's total expenditures for 1989-90 from federal, state and private sources. He discussed federal research expenditures for fiscal years 1984-85 through 1989-90. Federal research expenditures for 1989-90 were approximately \$55 million, which is a 5 percent increase over the 1988-89 research expenditures. He discussed problems associated with Medical School equipment and research space, noting that only 53 percent of the available research space is adequate.

A discussion followed Dean Brown's presentation. In response to a question by Regent Kuderer, Dr. Brown stated that the total tuition cost for medical students is approximately \$34,125 for four years, which is about 33 percent of instructional costs. Regent Kuderer raised questions regarding the Rural Physicians Associates Program and Dr. Brown stated 30 students per year participate in this nine-month program, noting that the Medical School is considering expansion of the program to include the residency period rather than being limited to the four-year medical school period. He stated that the students who participate are paid, one-half by a mentor and the other half by the state.

Regent Schertler encouraged the Medical School to keep the University's diversity goals in mind when making appointments to its PUF chairs. Dean Brown concurred with Regent Schertler's comments.

Following the discussion, Regent Roe expressed appreciation to Dean Brown for his report.

The meeting adjourned at 2:40 p.m.


BARBARA MUESING
Executive Director &
Corporate Secretary

Year 1990-91

UNIVERSITY OF MINNESOTA

BOARD OF REGENTS

Committee of the Whole

November 8, 1990

A meeting of the Committee of the Whole of the Board of Regents was held on Thursday, November 8, 1990, at 10:45 a.m. in the Regents' Room, 238 Morrill Hall.

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

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

Student Representative present: Tim Wolf.

SUMMARY OF EXPENDITURES

The committee voted unanimously to recommend approval of the Summary of Expenditures for the Board of Regents' Office and the Office of the President for the period July 1, 1990 to September 30, 1990.

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

Regent Roe, Chair of the Hospital Board of Governors Nominating Committee, reported that the committee met twice and based on the discussions, the following resolution will be presented for approval at the December meeting:

RESOLVED, that on the recommendation of the Board of Regents' Nominating Committee, Robert Nickoloff and B. Kristine Johnson are reappointed to three-year

terms, ending in 1993; Trudy Ohnsorg is appointed to serve as the Student Representative for a one-year term, ending in 1991; and Michael Dougherty is appointed to a three-year term, ending in 1993.

Regent Roe reported that the committee also reviewed the changes in the Board of Governors' Bylaws which were approved by the Regents in April, 1990. As a result of that review, it was agreed that the Administration will improve the nomination process in the future by providing information about Board composition, expertise needed and possible candidates three months in advance so Regents and others will have an opportunity to nominate qualified individuals.

REPORT OF THE FACULTY CONSULTATIVE COMMITTEE

Professor Warren Ibele, Chair of the Faculty Consultative Committee (FCC), presented a report regarding the issues of concern to the FCC for the current academic year. He stated that the FCC has discussed the examination of Twin Cities Campus liberal education requirements by the Task Force on Liberal Education and the review of honors programs, noting that both issues are related to the undergraduate initiative.

Dr. Ibele reported that the final report of a task force examining a proposal to extend the current seven-year probationary period for tenure is expected during fall quarter. He also stated that a working group is reviewing the present faculty salary structure and assessing the current procedures by which performance is gauged and rewarded, noting that the FCC and the Senate Committee on Faculty Affairs will follow the efforts of the working group.

Professor Ibele discussed strategies for improving the quality of the University and noted that decisions made regarding the impending faculty shortage, the recommendations of the Task Force on Liberal Education, the undergraduate initiative and commitment to the University's human resources and physical assets will determine the character of the institution for the next generation. He stated that the faculty, through its governance system, is prepared to participate in the thoughtful redirection of the University's resources that will be necessary to achieve excellence in the future.

A discussion followed Professor Ibele's report. In response to Regent Kuderer's questions regarding the reallocation process, Dr. Ibele discussed the faculty concern that the practice of reallocating 2 percent per year has been enervating. He stated that following a careful review of each area of the University, reallocations should be done selectively to provide long-range focus and direction.

Regent Sahlstrom commented on the future faculty shortage and discussed the need to ensure that efforts are made to recruit excellent students for graduate school and teaching. Dr. Ibele concurred, stating that contributing to the faculty shortage problem is the fact that fewer students are choosing careers in teaching. Regent Craig commented on the value of the Permanent University Fund chairs in recruiting new faculty. Professor Ibele concurred with a concern raised by Regent Schertler regarding merit-based faculty salary increases, and suggested that salary increases given annually be done based on cost of living, with performance reviews conducted every three to five years.

Regent Keffeler welcomed Professor Ibele's comments which signaled a clear recognition by the faculty of the importance and inevitability of internal reallocation as the means of reshaping the University's future. Professor Ibele noted that the process will be difficult and urged that it be done fairly, with every unit and activity given an opportunity to present its position.

President Hasselmo and Professor Ibele commented briefly on the implementation of Academic Priorities, noting that there has already been a substantial increase in the number of students who meet the increased preparation requirements which go into effect in 1991.

Following the discussion, Regent Casey expressed appreciation to Professor Ibele for his report.

The meeting adjourned at 11:25 a.m.


BARBARA MUESING
Executive Director &
Corporate Secretary

Year 1990-91

UNIVERSITY OF MINNESOTA

BOARD OF REGENTS

Committee of the Whole

November 9, 1990

A meeting of the Committee of the Whole of the Board of Regents was held on Friday, November 9, 1990, at 8:40 a.m. in the Regents' Room, 238 Morrill Hall.

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

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

Student Representative present: Tim Wolf.

RECOGNITION

The Board recognized Professor Patricia Hampl for receiving a MacArthur Fellowship from the MacArthur Foundation.

MISSION STATEMENT

President Hasselmo led the discussion regarding the proposed revision of the University's Mission Statement. He briefly compared the proposed revisions with the 1980 statement and discussed the principles upon which the new Mission Statement is based.

President Hasselmo reviewed the profile of the University, stating that it is the only land grant and research institution in the state, it serves the entire state and it has a role nationally and internationally. He stated that the profile also reflects commitments to academic freedom and responsibility, quality, diversity,

accountability, service to students and the public, cooperation with other educational and government systems and to the physical, social and economic health of the state. He stated that these commitments are dependent upon making informed choices and balancing priorities with capabilities, plans with evaluated results and tradition with change.

President Hasselmo asked for Regents' input regarding the proposed revisions to the Mission Statement, stating that there will be broad communication within the University community before the document is presented to the Board for approval.

Regent M. Page expressed a concern that the word "service" does not capture the University's responsibility for sharing the results of research with the state, suggesting that "outreach" or "extension" might be more appropriate. President Hasselmo stated that the meaning of "service" has changed over the years and indicated that he usually uses "public service" when discussing the University's three-part mission. In response to an issue raised by Regent Sahlstrom, President Hasselmo stated that the Mission Statement has to capture the fact that the land grant tradition continues in that the University provides opportunity across all boundaries. Regent Schertler expressed opposition to the proposed Mission Statement, stating that it is not a clear statement of the University's role as the state's land grant institution with a three-part mission of teaching, research and service. She suggested that the statement should rearticulate the University's mission, campus by campus, since not all of the University's campuses fulfill the teaching, research and service components of the mission.

Regents Schertler and Roe expressed concern that the budget should not dictate the University's mission and policies. President Hasselmo stated that he is puzzled when some say that the budgets approved by the Board do not support the University's mission, noting the amount of money devoted to undergraduate education. He stated that if the document does not capture that teaching is of overriding importance to the University, it should be rewritten.

Regents Craig and Keffeler stressed the importance of making it clear that the University is the state's only land grant institution. Regent Keffeler stated that the Administration is moving in the right direction toward clarifying the University's mission. Regent Kuderer stated that there should be one Mission Statement for the entire University, and indicated that the proposed revision provides a clarification of the University's role in the higher education system in the state.

Regent Casey stated that the proposed Mission Statement will be discussed further in December, and he encouraged Board members to

provide the President with further input before the next meeting. President Hasselmo stated that he will provide a comparison between the current and proposed Mission Statements at that time.

UNIVERSITY ISSUES FOR THE 1990'S: LIBERAL EDUCATION TASK FORCE PROGRESS REPORT

Senior Vice President Kuhi introduced Professor John Howe, Chair of the Task Force on Liberal Education. He stated that the Task Force was asked to study all issues related to what liberal education at the University should be in the future without being constrained by budget concerns.

Professor Howe led the discussion regarding the activities of the Task Force. He focused on the process being followed by the Task Force and stated that a draft report will be circulated within the University for discussion in January.

Dr. Howe stated that the Task Force was instructed to articulate liberal education goals broadly enough to encompass the intellectual diversity of the Twin Cities campus; in light of those goals, review the current provisions for liberal education and recommend changes as needed; and recommend the organizations and procedures for a continuing policy review group to work with faculty of the undergraduate colleges on the Twin Cities campus to oversee the liberal education curriculum and monitor new policies as they are implemented.

In response to Regent Keffeler, Professor Howe stated that he could not present specific recommendations of the Task Force, but he did comment briefly on some of the specific issues being considered, including issues of academic breadth, ways to strengthen the undergraduate major to achieve broader liberal education outcomes, freshman seminars, improved advising and the establishment of a campus-wide Council on Liberal Education.

Regent Casey expressed appreciation to Professor Howe and the other members of the Task Force for their commitment to this project. He commended Dr. Howe for his report and stated that the Board looks forward to the completion of the Task Force report.

REPORT ON FEMALE COMPENSATION LEVELS

President Hasselmo led the discussion regarding faculty salaries at the University. He stated that the 1989 agreement between the University and female academic employees resulted in a process to

resolve salary inequities and that this report would summarize the outcome of that process.

David Berg, Director of Management Planning and Information Services, presented the report, noting that the analysis of salaries was done only for faculty and did not include professional and administrative employees. He reviewed the model used in the study, noting that it will be used to monitor faculty salaries in the future. He stated that the study concluded that salary inequities have been resolved, and reviewed the process used in cases where there were salary disputes.

A lengthy discussion ensued. Regent Schertler expressed concerns regarding the study and stated that the Administration must establish an equitable faculty salary system that will not result in future discrimination. She was also concerned that the presentation only included the Administration's position, and Regent Casey stated that this item was scheduled for discussion as background for a report at the December meeting from the Rajender Salary Settlement Committee.

At the request of Regent Kuderer, Professor Charlotte Striebel noted that there is still an adversarial relationship between administrators and female faculty, and that she intends to conduct an independent examination of the data used in the study discussed by Mr. Berg. She expressed a concern that professional and administrative salaries were not considered since those employees represent approximately one-half of the Rajender class, adding that the conclusions of the study are premature because there are still salary adjustments to be made in connection with salary settlements.

The meeting adjourned at 10:25 a.m.


BARBARA MUESING
Executive Director &
Corporate Secretary

UNIVERSITY OF MINNESOTA

BOARD OF REGENTS

November 9, 1990

A meeting of the Board of Regents of the University of Minnesota was held on Friday, November 9, 1990, at 10:30 a.m. in the Regents' Room, 238 Morrill Hall.

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

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

APPROVAL OF MINUTES

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

Committee of the Whole - October 11, 1990
Committee of the Whole - October 11, 1990
Committee of the Whole - October 12, 1990
Board of Regents - October 12, 1990

REPORT OF THE PRESIDENT

President Hasselmo presented his regular monthly report which contained items pertaining to the recent election and the effect it will have on the University; the Annual Meeting of the Association of American Universities; the Task Force on Liberal Education; and good news pertaining to the Arts.

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

Regent Schertler, who was out of the room for the approval of the October minutes, requested that the item be voted on again as she did not approve of the minutes in the form presented. She requested that she be able to vote no or to amend two items explaining that she had been unable to attend the October meetings, but had submitted a letter indicating her concerns about the Biennial Request and an affirmative action item from the September minutes. She stated that she felt those concerns had not been adequately addressed in the October minutes.

Chair Casey stated that he had consulted with the General Counsel regarding her letter and that the reference to that letter in the October minutes appropriately expressed her concern within the constraints of the Bylaws of the Board of Regents.

President Hasselmo entertained a motion to reconsider approval of the October minutes. No motion was made.

REPORT OF THE CHAIR

Chair Casey reported on recent activities that Regents had or will be attending noting that he had recently participated in a faculty orientation tour in Preston, Minnesota, Regents Sahlstrom and Mary Page will be attending the National Association of State Universities and Land-Grant Colleges Conference in Kansas City, and Regent Roe will be going to Morocco to review the University's international agriculture program.

He further reported that Board members had attended a dinner the previous evening honoring faculty who recently received tenure or were promoted to full professor.

Chair Casey congratulated Regent Mary Page on her recent election to the Renville County Board of Commissioners.

GIFTS

Associate Vice President Gerald Fischer, presented the monthly list of gifts to the University of Minnesota, the University of Minnesota Foundation, the Arboretum Foundation and the Minnesota Medical Foundation. The Board of Regents voted unanimously to approve the gifts. Documentation is filed supplement to the minutes, No. 22,276.

CONTRACTS AND GRANTS/APPLICATIONS AND AWARDS

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

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

Documentation is filed supplement to the minutes, No. 22,277.

REPORT OF THE COMMITTEE OF THE WHOLE November 8, 1990

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

- a) Approval of the Summary of Expenditures for the Board of Regents' Office and the Office of the President for the period July 1, 1990 to September 30, 1990.

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

Chair Casey reported that the committee also reviewed a report from the Nominating Committee for the Hospital Board of Governors and the Faculty Consultative Committee.

REPORT OF THE COMMITTEE OF THE WHOLE November 9, 1990

Regent Casey, Chair of the committee, reported that the committee discussed several items for information which included a proposed revision of the University of Minnesota Mission Statement; University Issues for the 1990's: Liberal Education Task Force Progress Report; and a Report on Female Compensation Levels.

Chair Casey reported that the committee also recognized Professor Patricia Hampl for her selection as a MacArthur Fellow.

REPORT OF THE FACULTY, STAFF AND STUDENT AFFAIRS COMMITTEE

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

- a) Approval of the Senior Vice President's Monthly Faculty, Staff & Student Affairs Report which included the personnel actions affecting Academic and Professional and Administrative faculty and staff members as listed. Documentation is filed supplement to the minutes, No. 22,278.
- b) Approval of the Civil Service Class Changes as presented to the committee. Documentation is filed supplement to the minutes, No. 22,279.
- c) Approval of Collective Bargaining Agreement between the University and Local 292 of the International Brotherhood of Electrical Workers. Documentation is filed supplement to the minutes, No. 22,280.
- d) Approval of Academic Employee Leave Policy: Sick Leave and Disability Leave, as follows:

SICK LEAVE AND DISABILITY LEAVE

Informal Sick Leave. All academic employees, including student/professional training classes, may be absent with pay because of illness, injury, or other disability of the employee or the employee's child, for up to two weeks by informally notifying the appointing authority*. If, in the judgment of the appointing authority, there is excessive use of informal sick leave, the appointing authority may require the employee to submit a health care provider's certificate to verify the illness, injury, or other disability of the employee or the employee's child. An academic employee who takes a leave of two weeks or less shall make reasonable efforts to ensure that classes are taught by others or made up later.

* Appointing authority refers to the vice presidents, general counsel, chancellors, deans, directors, and department heads.

Formal Medical Leave.

Eligibility. This policy applies to full-time (100%) academic employees appointed for nine months or longer, with the following exceptions:

- tenured faculty and continuous professionals qualify for prorated benefits at 67% to 99% time, nine months or longer;
- faculty ranks with Visiting, Clinical, and Adjunct prefixes (appointment types V, U, A) are not eligible;
- professional classes Lecturer (9753), Teaching Specialist (9754), Research Specialist (9755), and Clinical Preceptor (9756) are not eligible;
- student/professional training classes (95XX) are not eligible.

Medical leave is the term used for an individual who is sick or disabled beyond the two week informal sick leave. The appointing authority may require the employee to submit a health care provider's certificate. The Personnel Action Form (PAF) requesting a medical leave of absence should be processed with a copy, if available, of the health care provider's certificate documenting inability to work. In some cases, such as elective surgery, the period of absence may be known in advance. In most cases, however, the period of absence required is estimated and will be corrected when the individual returns to work. If inability to work is documented, eligible academic employees may have three full months of paid Medical Leave. The department is responsible for making arrangements to cover the employee's responsibilities.

Disability Leave. Academic employees who cannot return to work by the fourth month of combined Informal Sick Leave and Formal Medical Leave must apply for disability benefits under the Faculty Group Income Disability Insurance Plan, under Social Security, and under other specified disability programs whose benefits are deducted under the Disability Insurance Plan. The FGID payment under this policy will be reduced by the amount of the

benefits paid under those programs. If the individual fails to apply for these other disability benefits, payments under this policy will be reduced by the benefits that would have been received with proper application.

The application for Faculty Group Income Disability is obtained by calling Employee Benefits (612/624-9090).

For academic employees who are on sick or disability leave for more than three months and who have at least two years' service, beginning with the fourth month the Central Administration will pay half the cost of that portion of the leave with pay which is not covered by insurance and to which the individual is entitled under this policy. The department or college will provide the remaining portion.

A (12-month) Appointments

| Period of service | First 0-3 Months | Next 3 months | Next 6 months | Next 12 months | More than 24 months |
|----------------------|------------------|---|--|--|---------------------|
| Less than 2 years | Full Salary | FGID only | | | |
| Between 2 & 10 years | Full Salary | FGID plus U supplement to = 100% salary | FGID plus U supplement to = 2/3 salary | FGID only | |
| More than 10 years | Full Salary | FGID plus U supplement to = 100% salary | | FGID plus U supplement to = 2/3 salary | FGID only |

B, L, and M (9-month) Appointments

| | | University Salary During Academic Year Only | | | | |
|----------------------|-----------------------|---|---------------------------------------|--------------------------------------|--------------------------------------|---------------------|
| Period of service | During Summer Periods | First 0-3 months | Next 3 months | Next 3 months | Next 9 months | More than 18 months |
| Less than 2 years | FGID only | Full Salary | FGID only | | | |
| Between 2 & 10 years | FGID only | Full Salary | FGID plus U supplement to=100% salary | FGID plus U supplement to=2/3 salary | FGID only | |
| More than 10 years | FGID only | Full Salary | FGID Plus U supplement to=100% salary | | FGID Plus U supplement to=2/3 salary | FGID only |

Salary and supplement are paid during the contract year only.

G (9.5 month appointment) Full salary first 3 months

Service between 2 and 10 years:
supplement to = 100%
next 3 months
supplement to = 66.67%
next 3.5 months
Service more than 10 years:
supplement to = 100%
next 6.5 months
supplement to = 66.67%
next 9.5 months

K (10 month appointment) Full salary first 3 months

Service between 2 and 10 years:
supplement to = 100%
next 3 months
supplement to = 66.67%
next 4 months
Service more than 10 years:
supplement to = 100%
next 7 months
supplement to = 66.67%
next 10 months

Notes: FGID = Faculty Group Income Disability
Full Salary = Base Salary and administrative augmentation in effect as of the onset date of disability.

Disability insurance payments are based on 60% of salary for the twelve months preceding the onset date, up to a limit of \$3,250 per month (equivalent 12-month salary \$65,000 and 9-month salary \$48,750). The first payment from the FGID Plan is for the fourth month after the onset date of disability. Insurance payments are mailed monthly to the individual's home address. University supplements are based on the salary in effect on the date of onset of disability and will be paid by semi-monthly paycheck. Supplemental payments will cease with the last disability payment.

The time limits in this policy are maximums for each separate disability. An academic employee will be entitled to more than one period of paid leave only

upon proof that the sickness or disability which requires a subsequent leave is separate from and not a continuation of an earlier sickness or disability for which the academic employee took a paid leave. The Senior Vice President for Academic Affairs may determine in the interest of fairness that the person who suffers a recurring disability after returning to work should be allowed a subsequent paid leave.

Bone Marrow Donation. An academic employee who works an average of 20 or more hours per week may have a paid leave of absence of up to 40 work hours to undergo a medical procedure to donate bone marrow upon verification by a physician of the purpose and length of each leave requested to donate bone marrow.

- e) Approval of Academic Employee Leave Policy: Parental Leave, as follows:

PARENTAL LEAVE FOR ACADEMIC EMPLOYEES

Eligibility. The leaves provided by this policy are available to academic employees who have been employed by the University** for at least nine months and who are either full-time employees or part-time employees who provide an average of twenty or more hours of service per week. The leaves provided by this policy are not available to individuals with certain Student/Professional Training appointments as specified herein, academic employees who are represented by an employee organization for purposes of collective bargaining, or academic employees who do not satisfy the eligibility requirements described in the preceding sentence.

** Employment in academic, civil service, and student/professional training positions will be counted toward the nine-month eligibility period. Teaching appointments (instructors of record and teaching assistants) in Summer Session and CEE must be recognized in determining eligibility for parental leave. Summer Session appointments will be counted at the percentage time for the dates shown on the appointment document (PAF) or, if pay is hourly, on the actual hours paid. Appointments in extension classes paid on a credit hour basis will be counted as 30 hours per term for each credit taught. Non-credit courses will be computed on the basis of 10 contact hours in the classroom as being equal to one credit. If the appointment is on a clock hour basis, the actual hours paid will be used to determine eligibility. Short-term conferences, seminars, and workshops, and Independent Study activities are not counted.

Parental leaves for civil service employees, hospital employees, and employees who are represented by an employee organization for purposes of collective bargaining are contained in applicable personnel rules and collective bargaining agreements.

Parental Leaves. A female academic employee may, upon request, take up to six weeks' leave with pay related to the birth of her child. The paid leave must fall within the term of appointment.*** The paid leave time must be taken consecutively and without interruption. The employee need not prove actual disability during this six week period. This leave is for the purposes of child rearing and recovery from physical disability associated with the birth. To the extent this leave is for disability, it shall be included in the time limits described in tables in the Sick Leave and Disability Leave Section.

A male academic employee may, upon request, take up to two weeks' leave with pay and four weeks' leave without pay related to the birth or adoption of a child. All leave time must fall within the term of appointment. All leave time must be taken consecutively and without interruption.

A female academic employee may, upon request, take up to two weeks' leave with pay and four weeks' leave without pay related to the adoption of a child. All leave time must fall within the term of appointment. All leave time must be taken consecutively and without interruption.

Timing of Leave. The leaves described in this policy begin at a time requested by the employee, but no later than six weeks after the birth or adoption and no sooner than two weeks before the birth or adoption. In the case where the child must remain in the hospital longer than the mother, the leave must begin no later than six weeks after the child leaves the hospital. A request to use parental leave must be submitted to the appointing authority at least four weeks in advance, except in unusual circumstances. The appointing authority must submit the appropriate leave document to Academic Affairs.

*** Parental leave during Summer Session and extension class teaching appointments shall be without pay.

Employee Benefits. No employee will be subject to retaliation for requesting or obtaining a leave of absence as provided under this policy. During the parental leave, coverage will continue to be available for the employee and any dependents under any group insurance policy, group subscriber contract, or health care plan in existence at the time of the leave. While on paid leave the continued coverage will be provided on the same basis as available to the employee during the course of employment; while on unpaid leave the continued coverage will be available at the employee's expense.

Professional Training Appointments: Individuals holding appointments in class numbers 9550-9599⁺ are not eligible for parental leave under the terms of this policy as previously described. Parental leave for individuals in this class series is as follows:

(a) A female may, upon request, take up to two weeks' leave with pay and four weeks' leave without pay related to the birth of her child. Disabilities associated with childbirth and pregnancy will be treated like any other disability.

(b) A male may, upon request, take up to six weeks' leave without pay related to the birth or adoption of a child.

(c) A female may, upon request, take up to six weeks' leave without pay related to the adoption of a child.

All parental leave time must fall within the term of appointment and must be taken consecutively and without interruption.

Departments may, at their option, adopt a policy that provides up to six weeks' paid leave to female trainees related to the birth of a child and up to two weeks' paid leave related to adoption of a child; and up to two weeks' paid leave to male trainees related to the birth or adoption of a child.

⁺ Trainees who receive stipends as Pre-doctoral Fellow (9550), Post-doctoral Fellow (9551), and National Research Service Award Fellow (9560) may be prohibited from receiving these benefits under the terms of their awards.

- f) Approval of Academic Employee Leave Policy: Family and Personal Leaves without Pay, as follows:

FAMILY AND PERSONAL LEAVES WITHOUT PAY

Eligibility. This policy applies to all academic faculty, professional and administrative staff who hold appointments for nine months or longer. It does not apply to the Student/Professional Training classes (95XX).

Family Leaves. An academic employee may, upon request, extend the leave of absence without pay or at a reduced percent of time following maternity, paternity, or adoption leave up to a total of twelve months of paid and unpaid leave combined. In the case of a child, spouse, or other dependent with a serious health problem, an academic employee may, upon request, take up to twelve months' unpaid leave or reduce the percent of time worked. All leave time must fall within the term of appointment, and must be taken consecutively and without interruption.

Personal Leaves. Academic employees may, upon prior approval of the appointing authority, take up to twelve months leave of absence without pay for personal reasons. Non-regular faculty members and professional and administrative staff on date specific appointment (J and K appointment type) shall be automatically eligible for an unpaid leave of absence after seven years in the same position at the University; provided, however, that the appointing authority may adjust the starting date of the leave to begin within six months of the employee's requested date.

Procedures. With the exception of unforeseen situations, wherever possible an individual requesting leave under this policy should submit a written request to the department head at least four months prior to the expected beginning date of the leave. For academic employees with instructional duties, the academic employee must adjust the family or personal leave end date to coincide with the beginning of a quarter or semester. The department head and the individual may agree to shorten or lengthen the duration of the leave or

make such a leave part-time. All leaves require the concurrence of the dean or other line officer, the Senior Vice President for Academic Affairs, and approval by the Board of Regents.

School Conference and Activities Leave. An employer must grant an employee leave of up to a total of 16 hours during any school year to attend school conferences or classroom activities related to the employee's child, provided the conferences or classroom activities cannot be scheduled during nonwork hours. When the leave cannot be scheduled during nonwork hours and the need for the leave is foreseeable, the employee must provide reasonable prior notice of the leave and make a reasonable effort to schedule the leave so as not to disrupt unduly the operations of the employer.

Nothing in this section requires that the leave be paid; except that, an employee may substitute any accrued paid vacation leave or other appropriate paid leave for any part of the leave under this section.

- g) Approval of Academic Staff Vacation Policy, as follows:

**ACADEMIC STAFF
VACATION POLICY**

Eligibility: Academic employees must hold full-time (100%) twelve-month (A) appointment.* There is an initial requirement of six months' employment before vacation may be taken. Unused vacation days may not be paid out with termination of service until the employee has worked a full eleven months. Academic appointments less than 100% worked time or less than twelve months in duration, do not accrue paid vacation.

Accrual: Vacation is earned at the rate of two days following a full month of service for a total of 22 days per year. There is no accrual for the twelfth month of service whether it is taken as vacation or worked.

* A-base appointments are eleven month appointments paid over twelve months. When A-base appointments are converted to the nine-month academic year, the salary is set at 9/11ths of the A-base. Because it is often inconvenient for the employee and the department to take a one month leave (22 days) at one time, the following vacation policy has been established.

Vacation accrual continues during paid leaves of absence, e.g., Faculty Single-Quarter Leave, Sabbatical Furlough, P & A Professional Development Leave, and Parental Leaves (accrued vacation days may be used to extend parental leave). Vacation is not earned on unpaid leaves of absence, or on disability leaves under the Regents' policy. Vacation is not accumulative beyond one year's total accrual of 22 days and it may not be paid in lieu of being taken. Unused vacation days are lost when the month in which the days were earned is older than one year. In no instance of continuing University employment, such as a different position within the University, may extra pay be granted for unused vacation.

Termination of service: Unused vacation days, up to a maximum of one year's accumulation of 22 days, may be paid when the individual ends University employment providing the employee has worked 100% time for eleven months. The vacation pay should be identified on the PAF showing termination of appointment and the last day worked. Vacation may not be used to extend the period of appointment beyond the last day of work. A vacation record must be appended to the PAF documenting vacation days earned and taken. If non-University funding sources prevent vacation payout, the employee should be given the opportunity to use vacation time within the funding period, providing the eleven months' initial eligibility requirement is met.

U Employees Assuming New Positions: When an **academic employee** assumes a new academic position in a different department and has unused vacation days, there are two options: (1) unused vacation days may be taken before starting the new position, or (2) before starting the new position, arrangements may be made with the receiving department to use the vacation time prior to its expiration. In the second option, the new department will be reimbursed for unused vacation days at the rate of pay at which days were accrued. Vacation days will expire if not used within one year of the month in which they were accrued. There will be no waiting period if vacation is accrued in the new position.

When a **civil service employee** assumes an academic position, the civil service vacation days are handled according to civil service policy. If civil service vacation days are banked, a copy of the civil service vacation record and last rate of pay should be sent to the new department.

Vacation records: Vacation is to be scheduled at the mutual convenience of the department and the employee. The employee must submit a written request for specific days to the academic administrator for review and approval. Approved requests should be maintained in the employee's personnel file in the department to assure accurate recording. Academic vacation records are available from the Storehouse, Business Administration form number 1154, Stock Number GS92190.

- h) Approval of Personnel Policy Revision: Delegation of Authority - Personnel Actions for Civil Service Staff, as follows:

DELEGATION OF AUTHORITY
Personnel Actions for Civil Service Staff

The Board of Regents has voted to approve the delegation of authority to the Senior Vice President for Finance and Operations to approve personnel actions for Civil Service staff, except for the approval of annual pay plans, amendments to the Civil Service Rules, tentative labor agreements or personnel actions which involve a substantial material deviation from University policy.

In exercising authority delegated under this resolution, all delegates should consider whether Board of Regents should be consulted prior to an exercise of that discretion. In deciding that question, the delegate should consider whether or not the matter involves an important all-University matter, has potentially significant public impact, poses a serious conflict with University policy or creates substantial financial impact to the University.

- i) Approval of Personnel Policy Revision: Basic Law for Civil Service, as follows:

BASIC LAW FOR CIVIL SERVICE

The University of Minnesota Civil Service System was established in 1945, and the rules and regulations that govern University Civil Service are contained in the Civil Service Rules. The Civil Service Rules shall cover all full time, part time, continuing and temporary employees paid from University administered funds except those holding academic appointments, student appointments, those covered under collective bargaining agreements, and employees of the University Hospital and Clinics. The Civil Service Rules and subsequent amendments to the rules are subject to the approval of the Board of Regents.

- j) Approval of Personnel Policy Revision: Regents' Scholarship Program, as follows:

REGENTS' SCHOLARSHIP PROGRAM

Regents' Scholarships shall be granted, with supervisory approval, to all Civil Service employees who meet appropriate administrative guidelines.

- k) Approval to eliminate Regents' Policy on Employment-Related Hepatitis.

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

Regent Anderson reported that the committee also reviewed several revised Student Affairs' policies for information which included the Student Loan Policy; Statement on Student Financial Aid; Student Employment as Financial Aid and University Unions. In addition, the committee also reviewed the search process and progress toward affirmation action goals and hiring data for faculty and professional and administrative staff.

REPORT OF THE PHYSICAL PLANNING AND OPERATIONS COMMITTEE

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

- a) Approval of the Senior Vice President's Monthly Physical Planning & Operations Report which included Purchasing, Project Status Report, and Miscellaneous. Documentation is filed supplement to the minutes, No. 22,281.
- b) Approval of resolution re Purchase of Goods/Services over \$250,000 as follows:

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

Documentation is filed supplement to the minutes, No. 22,282.

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

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

- a. Kolthoff Hall, Remodel Rooms P-150 and P-152, Twin Cities campus
Estimated cost of the project: \$130,715
Funding: Department of Chemical Engineering and Material Sciences
Estimated completion date: April, 1991
- b. Child Development, Remodel First Floor, Twin Cities campus
Estimated cost of the project: \$124,031
Funding: Child Development Institute
Estimated completion date: April, 1991

- c. Lease for Space in the University Office Plaza, 2221 University Avenue Southeast, Minneapolis for a period of ten years commencing February 1, 1991 at a rent of \$19.52 for the first lease year, increasing approximately 3% per year thereafter.
- d) Approval of the following land transactions:
 - a. Purchase of 1.75 Acres for the Integrated Waste Management Facility, Minneapolis at \$3.00 per square foot (for a total of \$228,690).
 - b. Sale of Rishmiller Trust Property, Glacier County, Montana for \$27,500.
 - c. Sale of 614 and 616 Ontario Street Southeast to the Children's Oncology Service, Upper Midwest, Minneapolis for the sum of \$120,000.
- e) Approval of resolution re University Art and Teaching Museum, Twin Cities Campus, as follows:

RESOLVED, that on the recommendation of the President and the Senior Vice President for Finance and Operations, the appropriate administrative officers are authorized to proceed with the design and construction of the University Art and Teaching Museum to be located on the Twin Cities campus.
- f) Approval of the following project approved in the Capital Request and funded by Legislative Appropriation as follows:
 - a. Briggs Library, Emergency Electrical Generator, Morris Campus
 Estimated cost of the project: \$132,640
 Funding: 1989 Legislative Appropriation for Fire and Life Safety Improvements
 Estimated completion: July, 1991

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

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

- a) Fifteen-Year Lease to the Minnesota Super-computer Center, Inc., Minneapolis, with three 5-year renewal options, for use of 59,200 square feet by Research Equipment, Inc.

Regent Kuderer reiterated his objections to this item which were stated at the Physical Planning & Operations Committee meeting indicating that he feels that a 30-year lease is too long with out any provisions for escalations, inflation or a change in management or ownership of the building.

The committee voted by a majority of 10 to 1 to approve the recommendation of the Physical Planning and Operations Committee. Regent Kuderer voted against the motion.

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

- a. Civil and Mineral Engineering Building, Complete Level 7, Twin Cities Campus
- b. Anderson Hall, Remodel Room 250, Twin Cities Campus
- c. Mink Research Facility, Veterinary Medicine Farm, Rosemount Research Center
- d. Purchase of Land for Southern Experiment Station, Waseca

Regent Sahlstrom reported that the committee also recognized Roy French, Ken Erpelding and Pat Corkran for their outstanding performance in the completion of the PCB Removal Program. In addition, he reported that the discussion pertaining to the Repair and Replacement Plan was delayed due to the illness of Assistant Vice President Sue Markham.

REPORT OF THE FINANCE & LEGISLATIVE COMMITTEE

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

- a) Approval of the Senior Vice President's Monthly Finance and Legislative Report including Accounts Receivable, Central Reserves, Debt Management, and Miscellaneous. Documentation is filed supplement to the minutes, No. 22,283.
- b) Approval of Regents' Investment Policy, as follows:

RESOLVED, that the Senior Vice President for Finance and Operations is authorized to employ external investment managers as necessary for the purpose of managing University assets. The appointment of any such investment manager must be approved by the Regents within 60 days of the appointment date. Termination of any investment manager shall be promptly reported to the Regents.

- c) Approval of revisions to the Regents' Delegation of Authority to read as follows:

DELEGATION OF AUTHORITY

General Delegations

RESOLVED, that the Regents of the University of Minnesota hereby delegate the following authority to the corporate officers and officers and employees of the University of Minnesota as hereinafter listed:

Corporate Officers

The President, or Chair or Vice Chair, and the Secretary, or the Treasurer of the Regents of the University of Minnesota are hereby authorized and empowered to execute all contracts, deeds, powers of attorney, releases, assignments, satisfactions of mortgages, and all other documents and instruments relating to real and personal property transactions and certificates of indebtedness, and all other transactions or duties customarily devolving upon said officers of the corporation.

President, Senior Vice President for Finance and
Operations, Treasurer, or Controller

The President, the Senior Vice President for Finance and Operations, the Treasurer, or the Controller are each hereby authorized and empowered, on behalf of the Regents of the University of Minnesota, to:

1. Execute all contracts, agreements, and all other documents and instruments relating to research, training and public service programs with the Government of the United States, or its agencies or subdivisions, and with nonfederal sponsors.
 - a) This authority is also extended to: the Associate Vice President of the Office of Research and Technology Transfer Administration; the Director of Patents and Licensing, and the Assistant Directors, of the Office of the Office of Research and Technology Transfer Administration.

2. Submit proposals for research, development, service and training contracts, subcontracts, and grants and execute same.
 - a) This authority is also extended to: the Associate Vice President of the Office of Research and Technology Transfer Administration; the Director of Patents and Licensing; the Assistant Directors of the Office of Research & Technology Transfer Administration; and the Chancellor, Vice Chancellor for Finance and Operations, Assistant to the Vice Chancellor for Finance and Operations, and Director of the Business Office, Vice Chancellor for Academic Administration, and Associate Vice Chancellor for Academic Administration of the University of Minnesota, Duluth.

3. Accept gifts offered without unusual conditions or restrictions.

4. Accept low bids, within available funds, for the construction of University facilities.
 - a) This authority is also extended to the Associate Vice President for Physical Planning.
5. Negotiate and consummate real estate transactions within policies established by the Board of Regents.
6. Designate and commission architects, engineers, and consultants as needed for University purposes.
 - a) This authority is also extended to the Associate Vice President for Physical Planning.
 - b) The authority to retain consultants other than architects and engineers for University services is extended to the Director of Business Services.
 - c) The authority to retain consultants other than architects and engineers for University of Minnesota Hospital and Clinic services is extended to the General Director and Senior Associate Director of the University of Minnesota Hospital and Clinic.
 - d) The authority to retain consultants other than architects and engineers for University services not exceeding \$25,000 is extended to the Chancellors and the Provost of the Twin Cities Campus, the Director of the University of Minnesota Hospital and Clinic, and the Associate Vice President of the Office of Research & Technology Transfer Administration.
 - e) The authority to retain consultants other than architects and engineers for University services not exceeding \$2,000 is extended to the Deans of all University Colleges and equivalent administrative officers.

7. Execute contracts, agreements, and all other instruments relating to:
 - a) New building construction, building and equipment alterations, and improvements.
 - 1) This authority is also extended to the Associate Vice President for Physical Planning.
 - b) Purchase, sale and lease of supplies, goods, furniture, fixtures and equipment.
 - 1) The authority to purchase equipment and supplies is also extended to the Director of Business Services.
 - c) Trusts, gifts, grants, bequests and donations and the correct assignments of such.
 - d) Intercollegiate athletics.
 - e) Lease and rental of equipment and facilities for University purposes.
 - 1) The authority to lease and rent equipment for University purposes is also extended to the Director of Business Services.
 - f) Fringe benefit program for University employees. The authority to execute administrative documents required for the operation of the fringe benefit programs is extended to the Assistant Director for Employee Benefits, the Employee Benefits Operations Manager, and the Employee Benefits Program Manager.
 - g) Corporate liability and property insurance.

- h) Patents, trademarks, service marks, copyrights and other means of protection as provided for in the Regents' Patent and Technology Transfer Policy and applications therefore; licenses, assignments and transfers of patents, service marks, trademarks, copyrights and other means of protection as provided for in the Regents' Patent and Technology Transfer Policy and payment of legal services relating thereto.
 - 1) This authority is also extended to: the Associate Vice President of the Office of Research and Technology Transfer Administration; and the Director of Patents and Licensing.
- i) Student Teaching and School survey agreements.
- j) Institutional memberships.
- k) Health Sciences affiliation agreements.
- l) The performance of experimental, developmental, or research work without formal advertising or solicitation of competitive bids - all such agreements to be reported to the Board of Regents.
- m) Real estate lease for periods not exceeding three years.
 - 1) This authority is also extended to the University Attorney, the General Counsel and the Associate Vice President for Physical Planning.

Senior Vice President for Finance and Operations
Treasurer, or Controller

1. Adjustments of the level of deposits among the various banks from time to time to meet the need of the operations of the University, with the understanding that no bank depository heretofore established by the Regents will be closed without specific action of the Board.

2. Approval of payment of small claims against the University.
 - a) This authority is also extended to the Chancellors and Provost of the Twin Cities Campus.
 - b) This authority with respect to small claims arising out of the University of Minnesota Hospital and Clinic is extended to the General Director and Senior Associate Directors, the University of Minnesota Hospital and Clinic.
3. The correct assignment and transfer of gift funds made to the University of Minnesota to the appropriate foundation or group so that the intended purpose of the donor is achieved.

Secretary

The Secretary to the Regents of the University of Minnesota is hereby authorized and empowered to:

1. Accept legal service on behalf of the corporation and of the University.
 - a) This authority is also extended to the University Attorney and the General Counsel.
2. Certify to any action of the Board or its committees, the identity, appointment, and authority of the officers of the corporation or of the University, and the provisions of the corporation's Bylaws and policies and excerpts from the minutes of the Board of Regents.

This policy supersedes the following Delegation of Authority policies: Approval of Late Payrolls, Travel & Small Claims, adopted April 11, 1975; Account Deposit Flexibility, adopted April 10, 1970; Administrative Officers; adopted March 9, 1973; Transfer of University Funds to Foundations, Alumni Association or Other Similar Organizations, adopted March 12, 1976; and the Delegation of Authority, adopted August 9, 1979.

- d) Approval of resolution re Procedures for the Sale of Municipal Warrants, as follows:

RESOLVED, that the appropriate administrative officers are authorized to prepare the necessary documentation and initiate appropriate procedures in preparation for the sale of warrants in the name of the Regents of the University of Minnesota. In the event it is determined that the sale of warrants would be beneficial in reducing or providing greater control over the debt service costs of the University, the Senior Vice President for Finance will seek immediate authorization from the Regents for the actual sale of warrants and the corresponding issuance of bonds as required. Such authorization will be in the form of a resolution sufficiently similar to the resolution discussed with the Regents in September 1990. The appropriate administrative officers are authorized to expend up to \$150,000 from the variable rate loan fund, which is expected to be recovered if warrants are sold, to prepare the necessary documentation and initiate appropriate procedures in preparation for the sale of warrants.

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

Chair Schertler reported that the committee also reviewed the Quarterly Management Report.

REPORT OF THE EDUCATIONAL PLANNING AND POLICY COMMITTEE

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

- a) Approval of the Senior Vice President's Monthly Educational Planning & Policy Report. Documentation is filed supplement to the minutes, No. 22,284.

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

Chair Roe reported that the committee also discussed organization and support for research and received a report from the Medical School.

REPORT OF THE AUDIT COMMITTEE

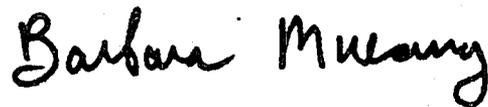
Regent Craig, Chair of the committee, reported that the committee voted unanimously to recommend approval of the following actions:

- a) Approval of the Compliance Officer's Quarterly Report as presented to the committee. Documentation is filed supplement to the minutes, No. 22,285.
- b) Approval of the Director of Audits' Quarterly Report as presented to the committee. Documentation is filed supplement to the minutes, No. 22,286.

The Board of Regents voted unanimously to approve the actions of the Audit Committee.

Chair Craig reported that the committee also received the opinion of the external auditors on the financial statements of the University for the fiscal year ending June 30, 1990 and a quarterly report on Financial Management Systems (CUFS).

The meeting adjourned at 11:55 a.m.



BARBARA MUESING
Executive Director &
Corporate Secretary