

**UNIVERSITY OF MINNESOTA
BOARD OF REGENTS**

**MINUTES
BOARD OF REGENTS' MEETING
AND
REGENTS' COMMITTEE MEETINGS**

October 11-12, 1984

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

Year 1984-85

UNIVERSITY OF MINNESOTA

BOARD OF REGENTS

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

October 11-12, 1984

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Year 1984-85

UNIVERSITY OF MINNESOTA

BOARD OF REGENTS

Educational Policy & Long-Range Planning Committee

October 11, 1984

A meeting of the Educational Policy and Long-Range Planning Committee of the Board of Regents was held on Thursday, October 11, 1984, at 3:40 p.m. in the Brown Dining Room on the University of Minnesota, Crookston Campus.

Regents present: Regent McGuiggan, presiding; Regents Casey, Dosland, Krenik and Moore.

Staff present: President Magrath; Vice President Keller; Secretary Wilson; Associate Vice Presidents Murthy and Perlmutter; Provosts Frederick, Heller, Imholte and Sahlstrom.

Student Representatives present: Brad Burgstahler and David Lenander.

PROGRAM CHANGES - INFORMATION

**Bachelor of Industrial Engineering Degree,
College of Science and Engineering, Duluth**

and

**Bachelor of Materials Processing Engineering Degree,
College of Science and Engineering, Duluth**

Vice President Keller presented a proposed Bachelor of Industrial Engineering Degree program and a proposed Bachelor of Materials Processing Engineering Degree program, College of Science and Engineering, Duluth, to the committee for information.

Following a brief discussion, Vice President Keller stated that these proposals will be presented for action at the November meeting.

Major and Minor in Computer Science, Morris

Vice President Keller presented proposals for a Major and Minor in Computer Science, Morris, to the committee for information. He noted that the proposal is consistent with the Morris Campus planning document and with the Administration's aim to reinforce the liberal arts mission at Morris.

Vice President Keller stated that this proposal will be presented for action at the November meeting.

UPDATE - UNIVERSITY OF MINNESOTA, CROOKSTON PROGRAMS AND/OR ACTIVITIES

Donald Sargeant, Assistant Provost, Academic Affairs; Gary McVey, Chairman, Agriculture Division; Richard Christenson, Chairman, Arts & Sciences Division; and Robert Smith, Acting Chairman, Business Division, presented an extensive review of the programs and activities at the University of Minnesota, Crookston Campus. It was noted that UMC received a full 10-year accreditation last year.

Discussion ensued regarding the report, including the issue of transfer of credits. It was noted that a problem of transferring credits to the School of Management on the Twin Cities Campus has existed, however, a recent policy statement from the School of Management has alleviated many of those problems. It was also noted that students are notified to inform their advisors of their intent to transfer so that they take courses which will transfer.

Regent McGuiggan commented on the chart which notes the distribution of faculty at UMC by rank, and noted that over 10 percent of the faculty hold non-tenure track positions.

PROGRAM CHANGES - ACTION

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

RESOLVED, that the following programs and discontinuation of programs be approved as recommended:

- a) Master of Science Degree in Biomedical Engineering, Twin Cities
- b) Minor in Neuroscience for the Ph.D. Degree, Twin Cities

c) Special Education/Early Childhood Licensure Program, College of Education, Twin Cities

d) English as a Second Language - Licensure Program, College of Education, Twin Cities

e) Discontinuation of the Major in Physical Education for the B.A. Degree, Morris

f) Discontinuation of the Academic Degree Programs of the School of Library Science, College of Liberal Arts, Twin Cities, effective on June 30, 1985

UPDATE/SOCIAL WORK PROGRAMS AT UMD

Vice President Keller reviewed a recommendation from the Administration on the Duluth Campus to implement a new independently accredited Master of Social Work (MSW) degree program on that campus. He stated that the program involves a commitment to maintain six FTE faculty for a very small program, and although it will be an expensive program, he indicated that he would recommend the program because it is needed. He noted that the program will be developed in cooperation with the Twin Cities School of Social Work, allowing reciprocal credit and some faculty exchange.

Donald Harriss, Vice Provost for Academic Administration at UMD, stated that the American Indian Advisory Committee fully supports this proposal.

This proposal will be presented to the committee for approval in its programmatic form at a later date.

HUBERT H. HUMPHREY INSTITUTE OF PUBLIC AFFAIRS CONSTITUTION

The committee voted unanimously to recommend approval of the Hubert H. Humphrey Institute of Public Affairs Constitution.

HEALTH SCIENCES ENTERING CLASS SIZES

Associate Vice President Perlmutter presented a report on the Fall, 1984 entering class sizes in the Twin Cities Medical School, Duluth Medical School, Nursing (B.S. and R.N.), Pharmacy, Dentistry, Public Health and Veterinary Medicine. The information included the number

of resident and non-resident applicants, and total admitted, including residents, non-residents, women and minorities.

A brief discussion ensued.

The meeting adjourned at 4:55 p.m.

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

DUANE A. WILSON, Secretary

Year 1984-85

UNIVERSITY OF MINNESOTA

BOARD OF REGENTS

Faculty, Staff & Student Affairs Committee

October 11, 1984

A meeting of the Faculty, Staff & Student Affairs Committee of the Board of Regents was held on Thursday, October 11, 1984, at 1:50 p.m. in the Brown Dining Room on the University of Minnesota, Crookston Campus.

Regents present: Regent Schertler, presiding; Regents Casey, Dosland, Hilke, Long and McGuiggan.

Staff present: Vice Presidents Keller and Wilderson; Associate Vice President Murthy; Provosts Frederick, Heller, Imholte and Sahlstrom.

Student Representatives present: Liz Kranz and Tom Mangin.

VICE PRESIDENT'S MONTHLY REPORT

Vice President Keller presented the Vice President's Monthly Report, including a supplement noting the appointment of Dr. Keller as Interim President effective November 1, 1984.

Following a brief discussion, including a discussion of faculty salary increases related to anticipatory retention problems, the committee voted unanimously to recommend approval of the Vice President's Monthly Report, including the supplement.

CIVIL SERVICE CLASS CHANGES

Vice President Keller stated that the Personnel Department has been decentralized into specific areas of the University so Personnel Representatives are more closely associated with the units. He introduced John Loza, the Personnel Services Manager associated with the Crookston Campus.

Mr. Loza presented the following Civil Service Class Change to the committee for approval:

1. Pay range change of Class No. 1829V, Director, Student Support Services, from \$2737-4260 (A24) to \$2942-4578 (A26), effective October 16, 1984.

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

UPDATE - UNIVERSITY OF MINNESOTA, CROOKSTON PROGRAMS AND/OR ACTIVITIES

Anthony Kuznik, Assistant Provost and Registrar, presented an extensive review of the programs and activities relating to Student Affairs at the University of Minnesota, Crookston Campus. He commented on the athletic programs at UMC, and noted that the excellent athletic facilities and coaching staff contribute to the excellence of the athletic teams. He also noted that the athletic facilities are used to serve the citizens of northwestern Minnesota, which enhances the reputation of the University overall.

Mr. Kuznik expressed concern that as costs rise, the student services fees cannot continue to bear the full costs of the athletic programs. He stated that an alternative may be to seek legislative funding, since the legislature now provides partial funding for women's athletics.

Mr. Kuznik also commented on the UMC Student Center and UMC's 90 percent placement record over the last five years.

Mr. Kuznik noted several areas of concern, including the need to lower student wage rates, the need for additional tuition waivers for international students and the need for security officers on campus. With regard to student wage rates, Mr. Kuznik suggested a miscellaneous payroll system as an alternative. Provost Heller reiterated Mr. Kuznik's concern with respect to student wage rates, and stated that he would like the Regents to discuss that topic again.

Regent McGuiggan noted that UMC has an average retention rate of 66 percent, as compared with 50 percent nationally. He suggested that the committee should review retention rates for all campuses. He stated that rather than devoting so much attention to recruiting students, the Administration should concentrate on solving retention problems. Vice President Wilderson stated that retention figures for each campus are available and he will provide the Regents with that information.

Mr. Kuznik introduced Frank Branscombe, UMC Student Body President, who is the first international student to hold that position. Mr. Branscombe reiterated the concerns expressed by Mr. Kuznik, and in addition commented on the need for an animal science teaching facility, road improvements and the need for a bus for the campus.

A brief discussion ensued. Regent McGuiggan noted that out of 71 faculty members at UMC, only three are full Professors. He expressed concern that faculty members are not being granted tenure because the service criteria is not being honored. He stated that before the committee approves the Tenure Code, statistics should be reviewed to see if teaching, research and service are given equal consideration in tenure decisions. Vice President Keller stated that the proposed Tenure Code, at his explicit request, provides an exception for the Crookston and Waseca Campuses because of their different missions.

Following the discussion, Regent Schertler expressed appreciation to Mr. Kuznik and Mr. Branscombe for their presentations.

AMENDMENT OF SINGLE QUARTER LEAVE POLICY

The committee voted unanimously to recommend approval of an amendment of the Single Quarter Leave Policy, which will extend the same eligibility rule to tenured faculty members as presently applies to probationary faculty members.

STUDENT SERVICES FEES PROCESS - ALL CAMPUSES

Vice President Wilderson reviewed materials which outlined the student services fee-setting process on each of the campuses. He also discussed the programs on each campus which are supported by student services fees.

A discussion followed Vice President Wilderson's presentation. The committee discussed the impact that declining enrollments will have on student services fees. Regent Hilke commented that the fees will have to increase substantially, or the students on the Fees Committee will have to make difficult choices. He suggested that the committee should review the long-term implications of this issue.

Several questions arose with respect to the student services fee for the Twin Cities Campus. Regent Schertler suggested that it would be appropriate to focus on the Crookston Campus at this meeting and schedule a discussion of the other campuses at future meetings if necessary.

STUDENT FINANCIAL AID REVIEW

Vice President Wilderson presented an extensive review of student financial aid packages for undergraduates in several income levels on all campuses and several professional programs on the Twin Cities Campus. He stated that financial aid has kept pace with costs, noting that the loan component has increased more than grants and work study.

Discussion ensued regarding some of the problems associated with financial aid. Vice President Wilderson stated that the second phase of an all-system computerized financial aid system to alleviate some of the problems is in place on the Twin Cities Campus and it is working. He stated that there is still a long way to go, and indicated that he hopes the effect will be to allow people in the Financial Aid Office to work directly with students.

Regent Hilke noted that the policy change which increased tuition rates and financial aid and abandoned low tuition has resulted in students having problems getting financial aid, has limited access to the University and has also resulted in students leaving the University.

Student Representative Liz Kranz requested that the academic eligibility requirements for financial aid be discussed in detail at the November meeting. Regent Schertler stated that discussion will be scheduled.

The meeting adjourned at 3:30 p.m.



DUANE A. WILSON, Secretary

Year 1984-85

UNIVERSITY OF MINNESOTA

BOARD OF REGENTS

Physical Plant & Investments Committee

October 11, 1984

A meeting of the Physical Plant & Investments Committee of the Board of Regents was held on Thursday, October 11, 1984, at 1:50 p.m. in the Staff Dining Room on the Crookston Campus.

Regents present: Regent Drake, presiding; Regents Goldfine, Krenik, and Moore.

Staff present: President Magrath; Vice Presidents Kegler and Lilly; Secretary Wilson; Associate Vice Presidents Des Roches, Hewitt, Perlmutter, Robb, and Roszell; General Counsel Dunham; Deputy Vice President Sauer; Provost Sahlstrom.

Student Representatives present: Richard Mensing and Jeff Moon.

Regent Drake noted that Chairman Lebedoff was not in attendance due to vacation and that Regent Roe was not in attendance for the committee meeting but would be attending the Friday meetings.

VICE PRESIDENT'S MONTHLY REPORT

The committee voted unanimously to recommend approval of the Vice President's Monthly Report for the month of October 1984.

Included in the report was the cancellation of \$1,293,878.93 in past due receivables.

**AUTHORIZATION TO ISSUE VARIABLE RATE
DEMAND NOTES**

The committee voted unanimously to recommend approval for the issuance of up to \$86,200,000 in Variable Rate Demand Bonds according to the terms outlined in the Indenture of Trust, Contract of Purchase, Remarketing Agreement and Preliminary Official Statement.

UPDATE/UMC PROGRAMS

Kenton Freberg, Director of Plant Services, presented an update through the use of visual aids on the University of Minnesota Crookston programs.

The presentation included information relating to the development and growth of the campus since 1966, improvements which have been made and those which still need to be accomplished.

ANNUAL INVESTMENT REPORT

Associate Vice President Des Roches presented the Annual Report on University of Minnesota Investments for the fiscal year ended June 30, 1984, reporting that with the difficult market environment during fiscal year 1984, the overall value of University endowment assets invested with the assistance of investment managers decreased \$16,443,985 or -9.7% of the base valuation as of June 30, 1983.

Schedules were presented outlining 1) the performance of the University endowment funds for the fiscal year; 2) the University's equity performance vs. the S&P 500 and Dow Jones equity indices, and the University's fixed income performance vs. the comparable Lehman bond index; 3) a comparison of the University's performance for the fiscal year with other comparable universities; 4) information on the performance and market values of individual equity holdings in the University's endowment portfolio; 5) an income summary for the Group Investment Fund, the University's endowment pool of private gifts; and 6) a recapitulation of the performance by manager for the University endowment funds.

ANNUAL REPORT ON INVESTMENTS IN COMPANIES WITH OPERATIONS IN SOUTH AFRICA

Pursuant to a request from the committee, a separate report on investments in companies with operations in South Africa was presented. The report indicated that after two years experience with the policy, the following information is provided:

- During the period June 30, 1983 - June 30, 1984, the market value of University investments in companies with operations in South Africa declined from \$28.1 million to \$24.7 million in a generally weak market environment. The number of separate holdings also fell slightly from 43 to 40, which reflects equity holdings in 32 companies doing business in South Africa and bond holdings in an additional 8 companies.
- Throughout the 1984 fiscal year, the University of Minnesota purchased no stock or bonds in any company that had not subscribed to the Sullivan Principles. However, during the fiscal year, four companies in which stock was held by the University resigned as Sullivan signatories. Those investments were immediately sold at substantial profits to the University.

- Over the two year period the policy was in effect, the University's professional investment managers, having reached the explicit conclusion that equally attractive alternative investments were not available to them, initiated investment on 49 separate occasions in companies with some activity in South Africa. As of June 30, 1984, 39 of the investments were still in the University's portfolio and ten had been sold out. Of the 39 investments still in the portfolio, as of June 30, 1984, 17 had performed better than non-South African related alternatives, 16 had not performed as well as alternatives, one had the same performance as the alternative, and five investments had been judged to have no comparable non-South African related alternative. Of the ten investments sold-out as of June 30, 1984, five performed better than the alternatives, four performed worse than the alternatives, and one investment was listed as having no comparable alternative.
- For the Fiscal Year ended June 30, 1984, the composite performance of companies purchased and still held was slightly less than the alternative (-13.0% vs. -11.4% respectively). For the two year period of the policy, the companies purchased performed in aggregate slightly better than the alternatives (21.6% vs. 19.5% respectively).

SUPERCOMPUTER INSTITUTE LOCATION

Assistant Vice President Richard Heydinger presented an update on the proposed site for the Supercomputer Institute noting that negotiations are not final at this time and that a recommendation for action will be presented at a later date.

PREPAYMENT OF DEPARTMENT OF EDUCATION HOUSING LOANS

Associate Vice President Des Roches reported that the U.S. Department of Education has accepted the University's application to participate in the program to prepay at a discount rate of 51.1% certain housing loans financed by the Federal government. The prepayment of \$13,232,000 loans outstanding will result in net interest savings of approximately \$190,000 per year for thirty-six years.

DEDICATION OF LAND TO CITY OF MINNEAPOLIS WEST BANK CAMPUS

The committee voted unanimously to recommend approval of a resolution authorizing the execution of the necessary documents to dedicate to the City of Minneapolis approximately 3,082 square feet of land for a Bus Stop at

19th Avenue South in the vicinity of the Hubert H. Humphrey Institute of Public Affairs building.

HOTEL DEVELOPMENT PROJECT

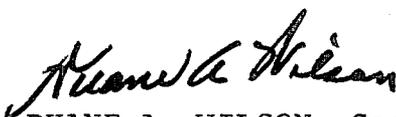
The committee voted unanimously to recommend approval of a resolution authorizing amendments to the lease agreement with Maddux Properties, Inc. for the University Radisson Hotel development, and the Parking Facilities Agreement, both dated September 19, 1983. Associate Vice President Hewitt noted that the principal amendment involves the financing of the Hotel and provides that the lessee may request that the permanent financing interest rate be in excess of the stated 13.75% and the mortgage be in a principal amount not to exceed \$24 million. The University would, in good faith, consider such requests provided they comply with such reasonable criteria that the University may specify, including but not limited to, a projected annual debt service coverage ratio of at least 1.2 throughout the life of the loan(s), a loan-to-value ratio of no more than 80%, and maintenance of a differential in room rates between market rate and economy rate rooms of at least as much as exists when the Hotel opens. The term of the loan(s) would not exceed the year 2015, the original term. Additional "housekeeping" provisions not affecting the substance of the Hotel ground lease or parking agreement will also be incorporated.

ROSEMOUNT RESEARCH CENTER - POTENTIAL CONTAMINATION

Associate Vice President Hewitt reported that the Rosemount Research Center has been cited by the Minnesota Pollution Control Agency (MPCA) as a potential source of groundwater contamination in areas adjacent to the Research Center. He reported that the MPCA is in the process of investigating the problem and that due to past practices of the University in waste disposal, the University could be the source. He further reported that during the investigation, the University is supplying approximately 30 homes with water.

Vice President Lilly stated that it was important to note that the University did not violate any laws or regulations in the past regarding waste disposal. He stated that as knowledge was developed relating to waste disposal, it was clear that some methods previously approved by the MPCA were unacceptable and as soon as this was discovered the University stopped those methods immediately. Associate Vice President Hewitt stated that the University is cooperating fully with the MPCA and will report back to the committee on the findings of the investigation.

The meeting adjourned at 3:00 p.m.


DUANE A. WILSON, Secretary

Year 1984-85

UNIVERSITY OF MINNESOTA

BOARD OF REGENTS

Budget & Legislative Coordinating Committee

October 11, 1984

A meeting of the Budget & Legislative Coordinating Committee of the Board of Regents was held on Thursday, October 11, 1984, at 3:35 p.m. in the Staff Dining Room on the Crookston Campus.

Regents present: Regent Long, presiding; Regents Drake, Goldfine, Hilke, and Schertler.

Staff present: Vice President Kegler; Secretary Wilson; Associate Vice President Robb; Deputy Vice President Sauer; Provosts Heller and Sahlstrom.

Student Representatives present: Christine Brown Mahoney and Diana Schley.

**OPERATIONS & MAINTENANCE/STATE SPECIALS PRIORITIES
MODIFICATIONS OF OPERATIONS & MAINTENANCE/SPECIALS
REQUEST AND CAPITAL REQUEST**

Vice President Kegler presented priority ordering of Operations & Maintenance and state special requested increases recommended by the Budget Executive.

He reported that certain increases were imperative, items that must be funded, with no priority order. Those items included fuel and utilities; operation of new space, and disposal of solid and hazardous wastes. In reviewing the list of priorities, Vice President Kegler noted that there were eighteen priority-ranked items which represent the smallest list of O & M requests that have been submitted in recent years.

Under the State Special Requested Increases, there were twelve items listed and Dr. Kegler reported that this listing was very difficult to prioritize, and that in the Budget Executive's judgement, being on the list at all signified a high University priority. He stated that this list is also small compared to other years.

Vice President Kegler also reviewed modifications in the 1985 Operations & Maintenance/Specials Request and Modifications in the 1985 Capital Request.

He stated that at this point, he would need authorization from the Board of Regents to proceed with the understanding that any modifications to the Request must be approved by the Board.

Regent Goldfine moved that the priority order of the 1985 Legislative Request and the 1985 Operations & Maintenance Legislative Request as amended be approved with the understanding that any modifications to the Request must be approved by the Board of Regents, or by the Chairman and Vice Chairman of the Board and the Chairman of the Budget and Legislative Coordinating Committee.

The committee voted unanimously to recommend approval of Regent Goldfine's motion.

In answer to a request from Regent Schertler, Vice President Kegler reviewed items contained in the 1985 Legislative Request which relate to the Crookston campus. Those items include:

- 1) Campus Improvement Phase II
- 2) Watermain Rehabilitation
- 3) Sanitary Sewer Rehabilitation
- 4) Dairy Facility Working Drawing for the Experiment Station
- 5) Repairs and Betterments Catch Up

The meeting adjourned at 3:05 p.m.



DUANE A. WILSON, Secretary

Year 1984-85

UNIVERSITY OF MINNESOTA

BOARD OF REGENTS

Committee of the Whole

October 12, 1984

A meeting of the Committee of the Whole of the Board of Regents was held on Friday, October 12, 1984, at 8:45 a.m. in the Brown Dining Room on the University of Minnesota, Crookston Campus.

Regents present: Regent Krenik, presiding; Regents Casey, Dosland, Drake, Hilke, Long, McGuiggan, Moore, Roe and Schertler.

Staff present: President Magrath; Vice Presidents Kegler, Keller, Lilly and Wilderson; Deputy Vice President Sauer; General Counsel Dunham; Secretary Wilson; Associate Vice Presidents Des Roches, Hewitt, Murthy, Perlmutter, Robb and Roszell; Assistant Vice President Heydinger; Provosts Frederick, Heller, Imholte and Sahlstrom.

Student Representative present: Liz Kranz.

Regent Krenik noted that Regent Goldfine and Regent Lebedoff were not present at the meeting. Regent Krenik also noted that Regent Emeritus L. J. Lee and his wife, Ferol Lee, were present at the meeting.

PERSONNEL

Vice President Keller recommended the appointment of Dr. Barbara Wolfe as Assistant Vice President for Information Processing. He noted that Dr. Wolfe was highly recommended by the Search Committee following a national search.

Deputy Vice President Sauer recommended the appointment of Dr. Patrick Borich as Director of the Agricultural Extension Service. Dr. Sauer indicated that the recommended appointment is the result of a national search, and noted that the Extension staff supports the recommendation. He stated that he will introduce Dr. Borich at the November Regents' meeting.

The committee voted unanimously to recommend approval of the appointment of Dr. Barbara Wolfe as Assistant Vice President for Information Processing and the appointment of Dr. Patrick Borich as Dean and Director of the Agricultural Extension Service.

UNIVERSITY OF MINNESOTA METRODOME FOOTBALL CONTRACT

President Magrath stated that at the November meeting the Board will be asked to approve a motion authorizing the Administration to exercise the option to continue holding Gopher football games in the Metrodome for the remaining 27 years of the lease. He noted that the Board approved a 30-year lease three years ago, which included three one-year options to review the experiences in the Metrodome, and now the Board must decide whether or not to continue the lease. President Magrath stated that it is his judgment that it is in the best interests of the University of Minnesota to continue playing football in the Metrodome.

Vice President Wilderson reviewed a number of sections in the contract which are currently being negotiated with representatives of the Metropolitan Sports Facilities Commission. He stated that based on the University's experiences in the Metrodome, the Administration intends to clarify and improve some sections of the contract.

A brief discussion followed the presentations. Regent Hilke stated he understood that the Board would hear a presentation from the group trying to return football to Memorial Stadium, and Regent Krenik stated that the group will address the Board at the November meeting. Regent Hilke indicated that it was also his understanding that the Administration would respond to issues raised by that group, stating that it is important for the Regents to evaluate all of the issues before making a decision.

Regent Roe asked if the contract could be presented for further information and discussion at the November meeting, with action in December. Vice President Wilderson stated that a December decision would be fine.

PROPOSED CONTRACT - TELECOMMUNICATIONS PROJECT

President Magrath presented a proposed contract with FirstTel Information Systems, Inc. for a voice/data telecommunication system for the Twin Cities Campus to the committee for approval.

An extensive discussion ensued. Regent Roe expressed concern regarding the process used to select a vendor for the project, and stated that he will vote against the

recommendation. Regent Roe also expressed concern that the commitment by FirstTel to negotiate with a Northwestern Bell Telephone Company subsidiary for cable installation is not written into the proposed contract. Associate Vice President Hewitt stated he believes FirstTel would agree to including such a provision in the contract. Regent Schertler also stated that she will vote against the contract, indicating that she did not feel comfortable approving the contract based on the information presented by the Administration.

Regent Dosland commented on the Request for Proposal process used to select a vendor, and stated that he is comfortable with the process that was followed by the Administration and stated that he intends to support the recommendation.

The committee voted by a majority, with Regents Roe and Schertler voting against the motion, to recommend approval of the following resolution:

RESOLVED, that on the recommendation of the President, the proposed contract for a voice/data telecommunication system for the University of Minnesota, Twin Cities Campus with FirstTel Information Systems, Inc. is approved, substantially in the form submitted, with the understanding that FirstTel Information Systems, Inc. will negotiate with Northwestern Bell Telephone Company subsidiary for cable installation, and the appropriate officers of the University are authorized to execute the contract.

FALL ENROLLMENT FIGURES

President Magrath announced the enrollment figures for Fall Quarter, 1984, noting that the figures do not include CEE students. The total enrollment is 56,050, compared to 57,318 for Fall Quarter, 1983. He indicated that represents a decline of 3 percent, which is very close to the figure projected and upon which the University has based its plans.

CROOKSTON CAMPUS UPDATE

Provost Sahlstrom used visual aids to provide an update on the activities of the Crookston Campus, the Agricultural Experiment Station and the Agricultural Extension Service.

Following the visual presentation, Provost Sahlstrom reviewed the accomplishments of UMC and outlined campus

needs, including the development of an agricultural operations laboratory and improved faculty and staff salaries.

Provost Sahlstrom then announced that he submitted a letter of resignation to President Magrath indicating that his services as Provost will conclude as of June 30, 1985, following 20 years in the position. He stated that he wanted to submit his resignation far enough in advance to allow time to find a strong leader for the campus.

Provost Sahlstrom expressed appreciation to the Regents, President Magrath, the Vice Presidents, Provosts and the Legislative delegation from northwestern Minnesota - particularly Senator Roger Moe - for their support personally and for UMC.

Provost Sahlstrom stated that he will present a final report to the Board of Regents in June.

President Magrath and Chairman Krenik commented on the exceptional leadership that Provost Sahlstrom had given to the development of the Crookston Campus of the University during the 20-year period.

The meeting adjourned at 11:00 a.m.



DUANE A. WILSON, Secretary

UNIVERSITY OF MINNESOTA

BOARD OF REGENTS

October 12, 1984

A meeting of the Board of Regents of the University of Minnesota was held on Friday, October 12, 1984, at 11:00 a.m. in the Brown Dining Room on the University of Minnesota, Crookston campus.

Regents present: Casey, Dosland, Drake, Hilke, Krenik, Long, McGuiggan, Moore, Roe, and Schertler. President Magrath presided.

Staff present: Vice Presidents Kegler, Keller, Lilly, and Wilderson; Deputy Vice President Sauer; Secretary Wilson; General Counsel Dunham; Associate Vice Presidents Des Roches, Hewitt, Perlmutter, Robb, and Roszell; Provosts Heller, Frederick, Imholte, and Sahlstrom.

APPROVAL OF MINUTES

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

- Special Meeting - Committee of the Whole - September 13, 1984
- Budget & Legislative Coordinating Committee - September 13, 1984
- Educational Policy & Long-Range Planning Committee - September 13, 1984
- Faculty, Staff & Student Affairs Committee - September 13, 1984
- Physical Plant & Investments Committee - September 13, 1984
- Committee of the Whole - September 14, 1984
- Board of Regents - September 14, 1984

REPORT OF THE CHAIRMAN

Chairman Krenik appointed a nominating committee consisting of Regents Goldfine, Drake, and Long to present a slate of candidates at the November meeting to fill four vacancies on the Hospital Board of Governors. He reported that terms for the following individuals will expire in December:

- David Cost - not eligible for re-election
- Al France - not eligible for re-election
- Robert Latz - eligible for re-election
- Carl Drake - his term has not expired but he has requested to be replaced.

Regent Schertler requested that condolences be sent to Mr. and Mrs. David Cost on behalf of the Board of Regents on the untimely death of their son.

Chairman Krenik then gave a brief update on the Presidential Search Committee. He reported that the Advisory Committee to the Presidential Search Committee has met twice since October 4 and is scheduled to meet weekly for the next few weeks. He reported that the Advisory Committee is in the process of sending a letter to all faculty & staff requesting nominations and suggestions on the process. In addition, the Committee has voted to hold open meetings while discussing procedures and to close the meetings when discussions pertain to individual candidates. At the present time, there are approximately 100 names that have been submitted by nomination or application. He stated that he would like to remind all members of the Board of Regents that the deadline date for nominations and applications for the Presidency is November 15.

Chairman Krenik also reported that due to the promotion of V. Rama Murthy to Associate Vice President, the Faculty Consultative Committee felt that with his added responsibilities, he might not have enough time to devote to chairing the Advisory Committee and suggested that John Howe assume the chairmanship. In addition, the Consultative Committee suggested that one more faculty member be added to the Advisory Committee and requested that Professor Mario Bognanno be added to the Committee.

Chairman Krenik stated that he would leave it up to the Board whether to leave Dr. Murthy on the committee.

Regent McGuiggan stated that in the formation of the Advisory Committee, the Board of Regents had stated that it should consist of seven faculty members, and he feels it should remain at seven members.

Regent Schertler stated that if Dr. Murthy had no problems with that decision, she also felt the committee should remain with seven faculty members.

It was the consensus of the committee that Mario Bognanno be appointed to the committee and that the number of faculty members on the Advisory Committee should remain at seven.

Chairman Krenik then called on Regent Moore who gave a brief update on a recent meeting of the Association of Governing Boards of Colleges and Universities which several members of the Board of Regents attended.

GIFTS

Associate Vice President Roszell presented the monthly list of gifts to the University of Minnesota, the

University of Minnesota Foundation, the Arboretum Foundation and the Minnesota Medical Foundation.

The Board of Regents voted unanimously to approve the gifts. Documentation is filed supplement to the minutes, No. 21,727.

CONTRACT AND GRANT AWARDS

Vice President Keller submitted for approval the contract and grant awards.

The Board of Regents voted unanimously to approve the contract and grant awards. Documentation is filed supplement to the minutes, No. 21,728.

APPLICATIONS FOR CONTRACTS AND GRANTS

Vice President Keller submitted for approval the applications for contracts and grants.

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

REPORT OF THE COMMITTEE OF THE WHOLE

Regent Krenik, Chairman of the committee, reported that the committee voted unanimously to recommend approval of the following actions:

- a) Approval of the appointment of Dr. Barbara Wolfe as Assistant Vice President for Information Processing, effective January 1, 1985.
- b) Approval of the appointment of Dr. Patrick Borich as Dean and Director of the Agricultural Extension Service, effective October 15, 1984.

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

Chairman Krenik reported that the committee voted by a majority to approve the following action:

- a) Approval of resolution re Proposed Contract - Telecommunications Project, as follows:

RESOLVED, that on the recommendation of the President, the proposed contract for a voice/data telecommunication system for the University of Minnesota, Twin Cities Campus with FirstTel Information Systems, Inc. is approved, substantially in the form submitted, with the understanding that FirstTel Information Systems Inc. will negotiate with Northwestern Bell Telephone Co. subsidiary for cable installation, and the appropriate officers of the University are authorized to execute the contract.

The Board of Regents voted by a majority vote to approve the recommendation of the Committee of the Whole. Regents Roe and Schertler voted against the resolution.

Chairman Krenik reported that the committee engaged in a discussion regarding the renewal of the University of Minnesota Metrodome Football contract and was presented with an update on the programs and facilities on the Crookston campus.

REPORT OF THE EDUCATIONAL POLICY & LONG-RANGE PLANNING COMMITTEE

Regent McGuiggan, Chairman of the committee, reported that the committee voted unanimously to recommend approval of the following actions:

- a) Approval of resolution re Master of Science Degree in Biomedical Engineering, Twin Cities, as follows:

RESOLVED, that the Master of Science Degree in Biomedical Engineering, Twin Cities, be approved as recommended by the Vice President for Academic Affairs and forwarded to the Minnesota Higher Education Coordinating Board for appropriate review and action.

- b) Approval of resolution re Minor in Neuroscience for the Ph.D. Degree, Twin Cities, as follows:

RESOLVED, that the Minor in Neuroscience for the Ph.D. Degree, Twin Cities, be approved as recommended by the Vice Presidents for Academic Affairs and Health Sciences and forwarded to the Minnesota Higher Education Coordinating Board for appropriate review and action.

- c) Approval of resolution, Special Education/Early Childhood Licensure Program, College of Education, as follows:

RESOLVED, that the Special Education/Early Childhood Licensure Program, College of Education, Twin Cities, be approved as recommended by the Vice President for Academic Affairs and forwarded to the Minnesota Higher Education Coordinating Board for appropriate review and action.

- d) Approval of resolution re English as a Second Language--Licensure Program, College of Education, Twin Cities, as follows:

RESOLVED, that the English as a Second Language Licensure Program, College of Education, Twin Cities, be approved as recommended by the Vice President for Academic Affairs and

forwarded to the Minnesota Higher Education Coordinating Board for appropriate review and action.

- e) Approval of resolution re Discontinuation of Major in Physical Education for the B.A. Degree, University of Minnesota, Morris, as follows;

RESOLVED, that the major in Physical Education for the B.A. Degree, University of Minnesota, Morris, be discontinued as recommended by the Vice President for Academic Affairs and the Minnesota Higher Education Coordinating Board be informed of this action.

- f) Approval of resolution re Discontinuation of the Academic Degree Programs of the School of Library Science, College of Liberal Arts, Twin Cities, as follows:

RESOLVED, that the academic degree programs of the School of Library Science, College of Liberal Arts, Twin Cities, be discontinued effective June 30, 1985 as recommended by the Vice President for Academic Affairs.

- g) Approval of resolution re Hubert H. Humphrey Institute of Public Affairs Constitution, as follows:

RESOLVED, that the Hubert H. Humphrey Institute of Public Affairs Constitution be approved as recommended by the Vice President for Academic Affairs.

Documentation is filed supplement to the minutes, No. 21,729.

The Board of Regents voted unanimously to approve the recommendations of the Educational Policy & Long-Range Planning Committee except that Regent Schertler asked to be recorded as voting against item f - the discontinuance of the degree programs of the School of Library Science.

Regent McGuiggan reported that the committee reviewed several program changes for information which included: Bachelor of Industrial Engineering Degree, College of Science & Engineering at UMD, Bachelor of Materials Processing Engineering Degree, College of Science & Engineering at UMD, and Major and Minor in Computer Science at Morris. In addition, the committee received updates on University of Minnesota Crookston programs and activities and Social Work programs at UMD. The committee also engaged in a discussion relating to entering class sizes in the Health Sciences Professional Schools including the UMD Medical School.

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

Regent Schertler, Chairman of the committee, reported that the committee voted unanimously to recommend approval of the following actions:

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

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

Documentation is filed supplement to the minutes, No. 21,730.

- b) Approval of the Civil Service Class Changes as presented to the committee. Documentation is filed supplement to the minutes, No. 21,731.
- c) Approval of amendments to the Single-Quarter Leave Policy as presented to the committee. Documentation filed supplement to the minutes, No. 21,732.

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

Regent Schertler reported that the committee was presented with an extensive review of the programs and activities relating to student affairs at the University of Minnesota Crookston campus; reviewed materials outlining the student services fee-setting process on each campus; and engaged in an extensive review and discussion relating to student financial aid.

REPORT OF THE PHYSICAL PLANT & INVESTMENTS COMMITTEE

Regent Drake, Acting Chairman of the committee, reported that the committee voted unanimously to recommend approval of the following actions:

- a) Approval of the Monthly Report of the Vice President for Finance for the month of October 1984. Noted in the report was the cancellation of \$1,293,878.93 in past due receivables. Documentation is filed supplement to the minutes, No. 21,733.
- b) Approval of resolution re Issuance of Variable Rate Demand Notes, as follows:

WHEREAS, the Regents of the University of Minnesota ("University") propose to finance the purchase of a new Telecommunications System for the Twin Cities campus; and

WHEREAS, the University proposes further to refinance certain of its existing indebtedness; and

WHEREAS, the University proposes further to finance the purchase of certain equipment and construction and renovation of certain facilities; and

WHEREAS, the proposed Telecommunications System, the existing indebtedness to be refinanced, and the equipment purchases to be financed are described more fully in the documents referred to herein; and

WHEREAS, the University proposes to finance the purchase of the new Telecommunications System, the refinancing of the existing indebtedness, and the purchase of equipment by issuing and selling a single issue of general obligation bonds ("the Bonds") of the University; and

WHEREAS, forms of the following documents have been submitted to the University for review:

- (a) Indenture of Trust;
- (b) Contract of Purchase;
- (c) Remarketing Agreement;
- (d) Preliminary Official Statement; and
- (e) Line of Credit Agreement.

NOW, THEREFORE, BE IT RESOLVED, by the University as follows:

1. The forms of the Indenture of Trust, Contract of Purchase, Remarketing Agreement, Preliminary Official Statement and Line of Credit Agreement and exhibits thereto are approved in the form submitted, with such modifications, additions and deletions as may be approved by both the Vice President for Finance and the General Counsel of the University.
2. The President and the Treasurer are authorized to execute and deliver a Contract of Purchase for the Bonds with Merrill Lynch, Pierce, Fenner & Smith Incorporated as Remarketing Agent. The principal amount of the Bonds sold under the Contract of Purchase shall not exceed Eighty-Six Million Two Hundred Thousand Dollars

(\$86,200,000). The Bonds may have such interest rates or interest rate formula, maturities and other terms as the President and Treasurer may determine.

3. The President and the Treasurer are authorized to execute and deliver an Indenture of Trust for the Bonds.
4. Each of the Vice President for Finance and the Treasurer is authorized to execute the Line of Credit Agreement and to approve the Preliminary Official Statement, the final Official Statement, and the investment of the proceeds of the Bonds.
5. If the President and Treasurer exercise the authority delegated to them under paragraphs 2 and 3 of this Resolution, and if the Vice President for Finance or the Treasurer approves an Official Statement as authorized by paragraph 4, then they and other University officers are authorized to execute and deliver all other documents and certificates and to take such action as may be necessary or appropriate for completion of the issuance and sale of the Bonds.
6. The Secretary and Treasurer are authorized and directed to prepare and execute the Bonds as prescribed in the Indenture and to deliver them to the Trustee for authentication and delivery to the Underwriters. The signatures of one or both of such officers may be by facsimile.
7. The Secretary and other officials of the University are authorized and directed to prepare and furnish to the Underwriters certified copies of all proceedings and records of the University as may be required or appropriate to evidence the facts relating to the legality of the Bonds as such facts appear from the books and records in the officers' custody and control or as otherwise known to them; and all such certified copies, certificates and affidavits, including any heretofore furnished, shall constitute representations of the University as to the truth of all statements contained therein.

8. The approval hereby given to the various documents referred to above includes approval of such modifications, deletions and additions thereto as may be approved by the General Counsel and the Vice President for Finance. The delegation of authority herein includes delegation of authority to execute the documents with such modifications, deletions and additions as may be appropriate and approved by the General Counsel and the Vice President for Finance within the limits set in paragraph 2. The execution of any instrument by the appropriate officer or officers of the University herein authorized shall be conclusive evidence of the approval of such documents in accordance with the terms hereof. In the absence of the President or Treasurer, the Indenture and the Contract of Purchase may be executed by the Chair or Vice Chair instead of the President and by the Secretary instead of the Treasurer. In the absence of the Vice President for Finance, all the authority granted to the Vice President by this resolution may be executed by the Associate Vice President for Finance.

- c) Approval of resolution re Dedication of Land to City of Minneapolis, West Bank Campus, as follows:

RESOLVED, that on the recommendation of the President and Vice President for Finance and Operations, the appropriate administrative officers are authorized to execute the necessary documents to dedicate to the City of Minneapolis approximately 3,082 square feet of land in Lots 5 and 6, Block 177, and a part of vacated 3rd Street South, Town of Minneapolis, Hennepin County, Minnesota for a Bus Stop at 19th Avenue South in the vicinity of the Hubert H. Humphrey Institute of Public Affairs building.

- d) Approval of resolution re Hotel Development Project, as follows:

RESOLVED, that on recommendation of the President and the Vice President for Finance and Operations, the appropriate administrative officers are authorized to execute amendments to the lease agreement with Maddux Properties, Inc. for the Hotel development, and the Parking Facilities Agreement, both dated September 19, 1983.

The Board of Regents voted unanimously to approve the recommendations of the Physical Plant & Investments Committee.

Regent Drake reported that the committee was presented with an update of programs on the Crookston campus; a review of the Annual Investment Report; a review of the Annual Report on Investments in Companies with Operations in South Africa; an update on the proposed site for the Supercomputer Institute; information relating to the prepayment of Department of Education Housing loans; and information relating to a potential contamination problem at the Rosemount Research Center.

REPORT OF THE BUDGET & LEGISLATIVE COORDINATING COMMITTEE

Regent Long, Chairman of the committee, reported that the committee voted unanimously to recommend approval of the following action:

- a) Approval of resolution re Operations & Maintenance/State Specials Priorities and Modifications of Operations and Maintenance/Specials Request and Capital Request, as follows:

RESOLVED, that on the recommendation of the President, the priority order of the 1985 Legislative Request as established by the Administration is affirmed and the 1985 Operations & Maintenance Legislative Request as amended at this meeting is approved with the understanding that any modifications to the Request must be approved by the Board of Regents, or by the Chairman and Vice Chairman of the Board and the Chairman of the Budget and Legislative Coordinating Committee.

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

PRESIDENT'S REPORT

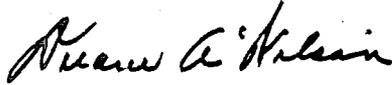
President C. Peter Magrath present his Final Report to the Regents. Documentation is filed supplement to the minutes, No. 21,734.

The Board of Regents wished President Magrath and his wife, Diane Skomars Magrath, the very best in their future endeavors.

The meeting adjourned at 12:00 noon.

NOTE

On October 17, 1984, in response to a major concern relating to affirmative action raised by Ms. Patricia Mullen, Director of the Office of Equal Opportunity and Affirmative Action, and after consultation with Chairman Krenik, members of the Board of Regents were polled by telephone and agreed that the Advisory Committee should be enlarged to eight faculty members and that V. Rama Murthy continue to be a member.

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

DUANE A. WILSON, Secretary

