

UNIVERSITY OF MINNESOTA

BOARD OF REGENTS

November 10, 2006

A meeting of the Board of Regents of the University of Minnesota was held on Friday, November 10, 2006, at 9:00 a.m. in the Boardroom, 600 McNamara Alumni Center.

Regents present: Anthony Baraga, presiding; Clyde Allen, Peter Bell, Frank Berman, Dallas Bohnsack, John Frobenius, Steven Hunter, David Larson, Cynthia Leshner, David Metzen, and Patricia Simmons.

Staff present: President Robert Bruininks; Chancellor Jacqueline Johnson; Senior Vice President and Provost E. Thomas Sullivan; Senior Vice Presidents Frank Cerra and Robert Jones; Vice Presidents Kathryn Brown, Carol Carrier, R. Timothy Mulcahy, Kathleen O'Brien, Richard Pfitzenreuter, and Linda Thrane; General Counsel Mark Rotenberg; Executive Director Ann Cieslak; and Associate Vice Presidents Nancy Barceló, Gerald Fischer, Gail Klatt, Donna Peterson, and Michael Volna.

**RECOGNITION OF VICE PRESIDENT OF
UNIVERSITY RELATIONS**

Recognition was given to Linda Thrane for her service as Vice President of University Relations. The Board expressed its appreciation for her accomplishments in transforming the Office of University Relations into a model of institutional communications.

**INTRODUCTION OF DEAN OF COLLEGE OF EDUCATION &
HUMAN DEVELOPMENT**

President Bruininks invited Senior Vice President and Provost Sullivan to introduce Darlyne Bailey, newly-appointed Dean of the College of Education and Human Development, effective October 1, 2006. Dean Bailey briefly addressed the Board.

APPROVAL OF MINUTES

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

Educational Planning & Policy Committee – October 12, 2006
Finance & Operations Committee – October 12, 2006
Board of Regents Work Session – October 12, 2006
Board of Regents – October 13, 2006

REPORT OF THE PRESIDENT

President Bruininks referred Board members to *Advancing the Public Good: Transforming the U*, a Strategic Plan Progress Report for 2006 (copy available in the Board Office.)

The President discussed his recent regional visits to Fargo-Moorhead, Crookston, and Grand Rapids. He reported on a number of activities he participated in, noting that Regent Allen accompanied him in Moorhead, and Chair Baraga accompanied him to several events in Grand Rapids. He spoke briefly about the economic challenges in these regions of the state and emphasized the importance of the University's mission and land-grant responsibilities.

A copy of the Report of the President is on file in the Board Office.

REPORT OF THE CHAIR

Chair Baraga briefly noted the gracious reception he and the President attended in Grand Rapids, hosted by area alumni.

A copy of the Report of the Chair is on file in the Board Office.

RECEIVE AND FILE REPORTS

Regent Baraga noted the receipt and filing of the Annual Eastcliff Report. He expressed the gratitude of the Board of Regents to Regent Bohnsack who chairs the Friends of Eastcliff Committee.

REPORT OF THE ALL-UNIVERSITY HONORS COMMITTEE

Chair Baraga noted that the Report of the All-University Honors Committee was forwarded to the Board from President Bruininks on October 27, 2006.

A motion was made and seconded, and the Board of Regents voted unanimously to approve the Report of the All-University Honors Committee. A copy of the report is on file in the Board Office.

CONSENT REPORT – FINANCE & OPERATIONS COMMITTEE

Vice President Pfutzenreuter presented the Consent Report of the Finance and Operations Committee as detailed in the docket, and including:

Purchase of Goods and Services over \$250,000 to:

- Aastra Intecom, Anixter, Border States Electric Supply, Communications Supply Corp., Goldcom, Graybar, Inc., MN Computer Supply, and Viking Electric for an estimated \$4,000,000 combined total to provide telecommunication equipment and supplies for the period December 15, 2006 through December 15, 2007 for Networking and Telecommunications, a division of the Office of Information Technology.

- Applied Biosystems for \$568,775 for model 4800 MALDI TOF/TOF mass spectrometer and two Tempo LC MALDI spotting systems for the Biochemistry, Biophysics, and Molecular Biology Departments.
- NIKON for \$291,411.75 to purchase a Nikon C1si Spectral Confocal System with AOTF laser unit including 408 nm, multi-line argon, 561 and 638 nm lasers plus the TE2000-E2 upright microscope with fluorescence and DIC.
- Oracle Corporation for \$432,750 to renew Oracle University-wide computer software licenses, updates, and maintenance support for the one-year period November 24, 2006 through November 23, 2007, for the Office of Information Technology.
- Radiation Oncology Systems for \$345,000 for a 1998 Varian Clinac 2100C Linear Accelerator for the Veterinary Medical Center.
- Siemens for up to \$629,231 for implementation of hardware and software upgrades for the period December 1, 2006 through December 31, 2007, for the Facilities Management Department.
- Stellent Sales, Inc., a software company, for an estimated \$656,000 to provide a perpetual license, annual maintenance, installation services, and training for an enterprise-wide web content management system.

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

STATE BIENNIAL REQUEST 2007-09 - RESOLUTIONS

President Bruininks noted that the Board, at its October 2006 meeting, reviewed the 2007-09 State Biennial Request (Request). The \$192.3 million Request represents a proposed investment by the state of \$123.4 million, with \$57.7 million earmarked for competitive compensation; health workforce and clinical sciences; sciences and engineering; and environmental, agricultural systems, and renewable energy. The University's investment responsibility would include \$23 million, which would provide funding for compensation, advancing education, and technology and related infrastructure. The President reviewed the Biennial Budget Principles, adding that the Request is built on a platform of strong state support and reflects a realistic and responsible statement of the University's financial needs in relationship to its responsibilities and the recent reduction in state support.

The President reviewed details of tuition increases in recent years, noting the impact state support has on reducing the rate of tuition increases. In proposing a budget plan with tuition increases per year, he stressed the continual emphasis on strong financial support for students to ensure access to affordable higher education.

President Bruininks reported that the Request includes three separate resolutions for the Board to consider for action: A resolution related to the State Biennial Request 2007-09; one relating to the University of Minnesota Mayo partnership; and the final related to the Initiative for Renewable Energy.

President Bruininks presented the following resolution for approval relating to the submittal of the 2007-09 State Biennial Request:

**RESOLUTION RELATED TO STATE BIENNIAL REQUEST
2007-09**

WHEREAS, the University of Minnesota as the state's public, land grant university, is charged with the responsibility to pursue knowledge through research and discovery, and apply this knowledge through teaching and learning, and outreach and public service; and

WHEREAS, the University of Minnesota has embarked on a strategic positioning effort grounded in a vision to improve the human condition through the advancement of knowledge; and

WHEREAS, to support the goal of becoming one of the best and most productive public research universities in the world, with similar high aspirations for our coordinate campuses and state-wide centers, the University must focus attention on five strategic action areas. The five action areas being to 1) recruit, nurture, challenge and educate outstanding students who are bright, curious, and highly motivated 2) recruit, mentor, reward, and retain world-class faculty and staff who are innovative, energetic, and dedicated to the highest standards of excellence, 3) promote an effective organizational culture that is committed to excellence and responsive to change, 4) exercise responsible stewardship by setting priorities, and enhancing and effectively utilizing resources and infrastructure, and 5) communicate clearly and credibly with all our constituencies and practice public engagement responsive to the public good; and

WHEREAS, the University of Minnesota recognizes that the aspirations and the corresponding financial needs of the University should not be met solely through requests for increased state appropriations and that the University must also share in the responsibility to meet its mission; and

WHEREAS, the Fiscal Years 2008-2009 biennial budget proposal is designed to advance the University's strategic positioning goals by investing new resources to assure continued quality and competitiveness and to implement critically important priority investments that support the goal of creating Minnesota's future.

NOW, THEREFORE, BE IT RESOLVED that the Biennial Budget Proposal for the 2008-2009 biennium be adopted by the Board of Regents for presentation to the State of Minnesota; that this proposal, detailed in the docket materials on file in the Board Office, is based upon a long term financial partnership with the State of Minnesota; that this partnership represents increased investments by the State of Minnesota of \$123.4 million, and a University contribution through a tuition increase of an average of 4.5% for each of the two years to yield an increase of \$45.9 million, and an internal reallocation amounting to 1.0% of the University's current state appropriation and tuition base to yield \$23 million for a combined total investment plan of \$192.3 million.

A motion was made and seconded to approve the resolution.

The Board of Regents voted unanimously to approve the Resolution Related to State Biennial Request 2007-09.

President Bruininks presented the following Resolution Related to University of Minnesota Mayo Partnership. Regent Simmons recused herself due to a possible conflict of interest. She left the meeting.

**RESOLUTION RELATED TO UNIVERSITY OF MINNESOTA
MAYO PARTNERSHIP**

WHEREAS, the University of Minnesota as the state's public, land grant university, is charged with the responsibility to pursue knowledge through research and discovery, and apply this knowledge through teaching and learning, and outreach and public service; and

WHEREAS, the University of Minnesota has embarked on a strategic positioning effort grounded in a vision to improve the human condition through the advancement of knowledge; and

WHEREAS, to support the goal of becoming one of the best and most productive public research universities in the world, with similar high aspirations for our coordinate campuses and state-wide centers, the University must focus attention on five strategic action areas. The five action areas being to 1) recruit, nurture, challenge and educate outstanding students who are bright, curious, and highly motivated 2) recruit, mentor, reward, and retain world-class faculty and staff who are innovative, energetic, and dedicated to the highest standards of excellence, 3) promote an effective organizational culture that is committed to excellence and responsive to change, 4) exercise responsible stewardship by setting priorities, and enhancing and effectively utilizing resources and infrastructure, and 5) communicate clearly and credibly with all our constituencies and practice public engagement responsive to the public good; and

WHEREAS, the University of Minnesota recognizes that the aspirations and the corresponding financial needs of the University should not be met solely through requests for increased state appropriations and that the University must also share in the responsibility to meet its mission; and

WHEREAS, the Fiscal Years 2008-2009 biennial budget proposal is designed to advance the University's strategic positioning goals by investing new resources to assure continued quality and competitiveness and to implement critically important priority investments that support the goal of creating Minnesota's future.

NOW, THEREFORE, BE IT RESOLVED that the Board of Regents endorses a request for \$15.0 million in new funds to support the next phase of the University of Minnesota Mayo Partnership.

A motion was made and seconded, and the Board of Regents voted unanimously to approve the Resolution Related to University of Minnesota Mayo Partnership. Regent Simmons returned to the meeting.

President Bruininks presented the following Resolution Related to Initiative for Renewable Energy. Regent Leshner recused herself due to a possible conflict of interest. She left the meeting.

RESOLUTION RELATED TO INITIATIVE FOR RENEWABLE ENERGY

WHEREAS, the University of Minnesota as the state's public, land grant university, is charged with the responsibility to pursue knowledge through research and discovery, and apply this knowledge through teaching and learning, and outreach and public service; and

WHEREAS, the University of Minnesota has embarked on a strategic positioning effort grounded in a vision to improve the human condition through the advancement of knowledge; and

WHEREAS, to support the goal of becoming one of the best and most productive public research universities in the world, with similar high aspirations for our coordinate campuses and state-wide centers, the University must focus attention on five strategic action areas. The five action areas being to 1) recruit, nurture, challenge and educate outstanding students who are bright, curious, and highly motivated 2) recruit, mentor, reward, and retain world-class faculty and staff who are innovative, energetic, and dedicated to the highest standards of excellence, 3) promote an effective organizational culture that is committed to excellence and responsive to change, 4) exercise responsible stewardship by setting priorities, and enhancing and effectively utilizing resources and infrastructure, and 5) communicate clearly and credibly with all our constituencies and practice public engagement responsive to the public good; and

WHEREAS, the University of Minnesota recognizes that the aspirations and the corresponding financial needs of the University should not be met solely through requests for increased state appropriations and that the University must also share in the responsibility to meet its mission; and

WHEREAS, the Fiscal Years 2008-2009 biennial budget proposal is designed to advance the University's strategic positioning goals by investing new resources to assure continued quality and competitiveness and to implement critically important priority investments that support the goal of creating Minnesota's future.

NOW, THEREFORE, BE IT RESOLVED that the Board of Regents endorses a request to renew \$2.0 million in annual funding for the Initiative for Renewable Energy and the Environment (IREE) created by the legislature in 2003 through the use of legislatively mandated funding from Renewable Development Funds and the Conservation Improvement Program.

A motion was made and seconded, and the Board of Regents voted unanimously to approve the Resolution Related to Initiative for Renewable Energy. Regent Leshar returned to the meeting.

2007 STATE CAPITAL REQUEST

President Bruininks presented for approval the following resolution related to the 2007 State Capital Request:

**RESOLUTION RELATED TO 2007 STATE CAPITAL
BUDGET REQUEST**

WHEREAS, the University of Minnesota is a world competitor in biosciences including biomedical research, medical devices and the health industry; and

WHEREAS, other states have taken aggressive steps to support biosciences through investments in research facilities and programs with the goal of strengthening their economic future and improving the health of their citizens; and

WHEREAS, the State of Minnesota must protect its leadership and competitive advantage in the area of biosciences in order to benefit the Minnesota economy by fostering the creation of new Minnesota companies, creating new jobs, new tax revenues in Minnesota, and enhancing the economic wellbeing and physical health of the citizens of Minnesota; and

WHEREAS, the Board of Regents recognizes the importance of sustaining and improving the University's facilities; and

WHEREAS, the University faces significant life and health safety risks relating to critical facility operation failures or building systems failures.

NOW, THEREFORE, BE IT RESOLVED, that the Board of Regents approves the request to the 2007 Minnesota Legislature for the creation of Minnesota Biomedical Sciences Research Facilities Authority, including the authorization of \$279,000,000 in state general obligation debt for the purpose of assisting in the construction or renovation of capital facilities and related equipment supporting biomedical sciences research.

NOW, THEREFORE, BE IT FURTHER RESOLVED, that the Board of Regents approves the request to the 2007 Minnesota Legislature for \$22,000,000 in Higher Education Asset Preservation and Replacement funds for the purpose of responding to emergency facility repairs.

President Bruininks introduced Vice President Pfutzenreuter, who briefly reviewed highlights of the Request that were reviewed in detail at the October 2006 meeting of the Board of Regents. Pfutzenreuter indicated that this two-part Request relates to the reintroduction of the Biomedical Sciences Research Facilities Authority first introduced to the state Legislature and Governor during the 2006 legislative session, and capital funds for University asset preservation.

A motion was made and seconded, and the Board of Regents voted unanimously to approve the Resolution Related to State Capital Request.

APPOINTMENTS: UNIVERSITY FOUNDATION TRUSTEES

A motion was made and seconded, and the Board of Regents voted unanimously to approve the following appointments to the University of Minnesota Foundation Board of Trustees:

David Metzen – appointed for a three-year term, November 2006-2009
Kathryn H. Tunheim – appointed for a three-year term, November 2006-2009
James I. Swenson – appointed to a term to begin June 2007 and expire
November 2009

Regent Metzen abstained from voting.

GIFTS

Associate Vice President Fischer presented the list of gifts to the University of Minnesota, the University of Minnesota Foundation, the Arboretum Foundation, and the Minnesota Medical Foundation through September 30, 2006, as included in the docket materials.

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

ANNUAL UNIVERSITY OF MINNESOTA FOUNDATION REPORT

Gerald Fischer, President of the University of Minnesota Foundation (UMF), and Fred Friswold, UMF Trustee, presented an annual review of fundraising highlights as provided in materials on file in the Board Office.

Fisher introduced UMF Board Chair Fred Friswold, who spoke briefly about his tenure as Board Chair and the ongoing commitment of UMF for fundraising in the areas of research, stewardship, and scholarships and fellowships.

Fisher reported that gift production totaled \$181.5 million in FY2006, compared with \$180 million the previous year. He provided analyses of the donors, size of gifts, and the designated uses of the gifts. Other aspects of private giving to the University and its recognized foundations were also presented.

Fisher noted that the University of Minnesota ranks 14th in public institutions in voluntary support of education. He reported that the institution's scholarship drive, "*Promise of Tomorrow*," accomplished the goal of \$150 million in October 2006. Fisher introduced Carlson School student Shashanka Muppaneni, who spoke briefly about the difference that receiving scholarships has made in his life.

Fisher reported that UMF is in the early stages of planning a capital campaign, which will be in complete alignment with the University's strategic positioning goals. Board members expressed appreciation for the excellent leadership and commitment of UMF and for the efforts made in connecting donors with students.

BOARD OF REGENTS POLICY: FOUNDING DATE, CORPORATE NAME, AND SEAL

Vice President Thrane and General Counsel Rotenberg presented for review amendments to Board of Regents Policy: *Founding Date, Corporate Name, and Seal*, as included in the docket materials. Rotenberg reported that the proposed amendments update obsolete and imprecise language and revise and expand the title to reference the University's corporate marks. The scope is also expanded to require that University marks and logos be maintained in a matter that reinforces the University's identity, distinguishes the University from other higher education institutions, and reinforce the University's traditions and heritage. The amendments, if adopted, will also authorize

the establishment of a set of rules and regulations for University departments and associated organizations. Thrane reported that University Relations has updated all branding guidelines, which address issues pertaining to the protection of the University's brand identity.

The amendments will return for action at a future meeting.

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

Vice President Brown introduced Thomas Schumacher, Director of Institutional Compliance, to join her in presenting proposed amendments to Board of Regents Policy: *Code of Conduct*, as detailed in the docket materials. The amendments more directly align the policy with the University's mission and values; broaden the policy scope to address behavioral expectations beyond University research; utilize more concise language; and incorporate behavioral expectations set forth in Board and administrative policies and procedures. The policy does not create new or different rights and duties for employees or the University.

Schumacher reported that as a result of the more recent focus on codes of conduct as essential tools to promote integrity and organizational accountability, best practices for effective codes of conduct have emerged. He explained a number of trends, and outlined the new direction the administration proposes for Board of Regents Policy: *Code of Conduct*.

In response to a question from Regent Berman, Schumacher explained that almost every element of the policy has a more detailed supporting policy, and when addressing a specific issue the underlying related regental or administrative policy should be consulted.

The proposed amendments will return for action at a future meeting.

**RESOLUTION RELATED TO REQUIRED TCF BANK
STADIUM CERTIFICATIONS**

President Bruininks presented the following Resolution Related to Required TCF Bank Stadium Certifications:

**RESOLUTION RELATED TO REQUIRED TCF BANK
STADIUM CERTIFICATIONS**

WHEREAS, the 2006 Minnesota State Legislature enacted Sections 137.50 to 137.60 of the Minnesota Statutes (Stadium Act), providing for annual appropriations of up to \$10,250,000 to reimburse the Regents of the University of Minnesota for principal and interest payments to service bonds in a total amount not to exceed \$137,250,000 (Stadium Bonds) in order to fund a portion of the cost of a new on-campus football stadium and related infrastructure improvements (Stadium Project); and

WHEREAS, the Stadium Act provides that transfers of funds to service the Stadium Bonds are conditioned upon certain actions by the Board of Regents of the University of Minnesota (Board) and by the Minnesota Commissioner of Finance (Commissioner);

NOW, THEREFORE, BE IT RESOLVED that pursuant to Section 137.54 (a) of the Minnesota Statutes, the Board hereby represents to the Commissioner that the University has received and has commitments for \$67,200,000 in pledges, gifts, sponsorships, fees, and parking revenues. The University continues to seek additional pledges, gifts, and sponsorships. The Board hereby represents to the Commissioner that by this resolution the Board is authorizing the issuance of up to \$43,550,000 in general obligation or special purpose debt of the University if it should be necessary to meet any remaining difference between \$110,750,000 and the total ultimately received by the University from pledges, gifts, sponsorships and other nonstate general fund revenue, such issuance to be effected in accordance with all applicable policies of the Board; and

BE IT FURTHER RESOLVED that pursuant to Section 137.54 (b) of the Minnesota Statutes, the Board hereby certifies that it unanimously adopted a resolution on June 9, 2006 establishing a student fee of \$12.50 per semester to meet the student share of the costs of the Stadium Project. The fee will begin in the fall of 2007, will be implemented on a phased schedule and charged to all students, excluding non-degree students, on the Twin Cities campus by the fall of 2009, will remain at a fixed level coterminous with bonds issued by the Board to finance such fees, and will not be increased to meet any construction cost overruns, should they occur; and

BE IT FURTHER RESOLVED that pursuant to Section 137.54 (c) of the Minnesota Statutes, the Board hereby certifies that, so long as any of the Stadium Bonds remain outstanding, affordable access for University students to University sporting events held at the Stadium shall be provided as follows: a number of tickets equal to 20 percent of the seating capacity for each football sporting event (Discounted Student Tickets) shall be made available to University students at prices equal to the lesser of (i) 40 percent of the respective season or single game public ticket prices and (ii) 110 percent of the previous year's price for the same student season or single game ticket, adjusted to the nearest dollar. If any Discounted Student Tickets remain unsold four days before any game, they will also become available for sale to the public at public ticket prices; and

BE IT FURTHER RESOLVED that pursuant to Section 137.54 (a) of the Minnesota Statutes, the Treasurer of the University is hereby authorized to execute and deliver to the Commissioner, on behalf of the Board, a certification of the amount of the annual payments of principal and interest required to service each series of the Stadium Bonds, and that certification shall be delivered not later than three business days after the Stadium Bonds are sold.

The President reported that as part of the TCF Bank Stadium (Stadium) legislation, the University is responsible to certify to the State of Minnesota its commitment to raise a portion of the Stadium costs. In the legislation, the State commitment was approximately fifty-five percent of the cost; the University responsibility was approximately forty-five percent. This resolution is a part of issuing the State debt to cover some initial costs of preparing and constructing the Stadium.

The President reported on private fundraising progress and the progress made in developing the internal resources to fund the University's responsibilities, noting that substantial progress has been made, but much work remains to be done. He added that

acting now on these bonds is advantageous due to the lower interest presently available, which will lower costs for the State.

A motion was made and seconded, and the Board of Regents voted unanimously to recommend approval of the Resolution Related to Legislative Requirements Regarding TCF Bank Stadium.

REPORT OF THE EDUCATIONAL PLANNING & POLICY COMMITTEE

Regent Bell, Chair of the committee, reported that the committee did not meet this month.

REPORT OF THE FACILITIES COMMITTEE

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

a) Approval of schematic plans for the following:

1. Veterinary Diagnostic Necropsy Laboratory Addition, Twin Cities Campus

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

Metzen reported that the committee reviewed two proposed capital budget amendments: 1) 717 Delaware Street SE Phase II Renovation, Twin Cities campus; 2) Veterinary Medicine Center Linear Accelerator Renovation, Twin Cities campus; reviewed three proposed real estate transactions: 1) amendment of lease for 112 apartments at University Village, 2601 University Avenue SE, Minneapolis; 2) agreements for University facilities and services for Walden Summer Program; and 3) purchase of 515-519 Oak Street and 811-815 Fulton Street, Minneapolis; received a public safety overview; and reviewed a number of information items as included in the docket materials.

REPORT OF THE AUDIT COMMITTEE

Regent Frobenius, chair of the committee, reported that the committee received a report of the external auditor; received a report on data security/privacy risk mitigation; received a report on the athletics compliance program; discussed risk assessment follow-up; and discussed a number of information items included in the docket.

REPORT OF THE FACULTY, STAFF, & STUDENT AFFAIRS COMMITTEE

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

- a) Approval of the Consent Report for the Faculty, Staff & Student Affairs Committee as presented to the committee and described in the November 9, 2006 minutes, and

- b) Adoption of amendments to Board of Regents Policy: *Professional Services Plan, University of Minnesota College of Pharmacy*, as follows:

**Professional Services Plan - University of Minnesota
College of Pharmacy**

SECTION I. SCOPE.

This policy governs the professional services provided by the faculty of the University of Minnesota (University) College of Pharmacy. Consulting activities that do not constitute professional services, as determined by the president or delegate, shall be governed by Board of Regents Policy: *Outside Consulting and Other Commitments*.

SECTION II. DEFINITIONS.

Subd. 1. College of Pharmacy. *College of Pharmacy* shall mean the University of Minnesota College of Pharmacy.

Subd. 2. Professional Services. *Professional services* shall mean the professional practice and pharmacy services provided by faculty in the College of Pharmacy, as determined by the president or delegate.

Subd. 3. Pharmacy Faculty Practice Group. *Pharmacy Faculty Practice Group* shall mean the faculty practice and professional service organization of the College of Pharmacy.

Subd. 4. Delegate. *Delegate* shall mean the person designated by the president to administer this professional services plan.

SECTION III. PRACTICE AND SERVICES STANDARDS.

Subd. 1. Contribute to Mission. The professional services provided shall be conducted in a manner that contributes to achieving the mission of the College of Pharmacy.

Subd. 2. Promote Reputation. The professional services provided shall be conducted in a manner that promotes the reputation of the College of Pharmacy.

Subd. 3. Faculty Compensation. Faculty compensation shall reflect relative contributions to the College of Pharmacy functions of teaching, research, service, administration, and practice. Compensation limitations shall take into account generally recognized standards for academic medical centers, local market conditions, the value of University faculty appointments and their benefits, and other relevant factors.

Subd. 4. Compliance With Other Law and Policy. The Pharmacy Faculty Practice Group and College of Pharmacy faculty members shall comply with applicable law, current and future Board of Regents and other University policies, and recognized professional rules and standards.

SECTION IV. ORGANIZATION.

Subd. 1. Internal Organization. The provision of professional services by faculty in the College of Pharmacy shall be organized

internally under the direction of the president or delegate. All faculty who engage in professional services may do so only through the Pharmacy Faculty Practice Group.

Subd. 2. Advisory Board. A Faculty Practice Advisory Board (Advisory Board) shall advise the president or delegate regarding the administration of the Pharmacy Faculty Practice Group. The Advisory Board shall be composed of participating and nonparticipating faculty appointed by the president or delegate.

SECTION V. IMPLEMENTATION.

Subd. 1. Operating Procedures. In consultation with the Pharmacy Faculty Practice Group, the president or delegate shall establish operating procedures for the implementation of this policy.

Subd. 2. Consistency With Policy. All contracts, agreements, and operating procedures relating to professional services shall be consistent with this policy and shall be subject to review by the president or delegate for compliance.

Subd. 3. Governance of Academic Issues. The University governs academic issues.

Subd. 4. Audits. The Pharmacy Faculty Practice Group shall submit annual budgets and year end reports to the president or delegate. The Department of Audits shall audit upon appropriate request.

c) Adoption of amendments to Board of Regents Policy: *Staff Appearances* Before the *Legislature*, as follows:

Appearances Before the Legislature

Subd. 1. Scope. This policy governs appearances by University of Minnesota (University) employees before the Minnesota Legislature (legislature) and other public bodies.

Subd. 2. Definition. *Public bodies* shall mean governmental organizations and agencies, including, but not limited to, federal, state, regional, county, or municipal legislative bodies, governing boards, councils, or commissions.

Subd. 3. Guiding Principles. The following principles shall guide the appearance of University employees before the legislature and other public bodies:

(a) University employees are encouraged to appear before the legislature and other public bodies as private citizens, as sources of expert testimony, and, if requested by the University, as University representatives. This policy does not limit the activities of University employees as private citizens or as sources of expert testimony.

(b) University employees are considered private individuals when appearing before the legislature and other public bodies unless they have been asked by the administration to appear as a representative of the University.

(c) The University benefits from a coordinated approach to appearances before the legislature and other public bodies on significant matters regarding institutional business.

Subd. 4. Disclosures. University employees:

(a) shall make clear whether or not they are appearing as a University representative when they appear before the legislature and other public bodies;

(b) shall inform the president or delegate when appearing before state and federal legislative bodies on matters of University business or regarding the University's legislative program; and

(c) are requested to inform the president or delegate of any invitation to serve on a committee or commission appointed by the governor or the legislature.

d) Approval of a Resolution Related to Elimination of Waiting Period for Enrollment in Faculty Retirement Plan, as follows:

**RESOLUTION RELATED TO AMENDMENT OF THE
FACULTY RETIREMENT PLAN WAITING PERIOD**

WHEREAS, the goals of strategic positioning require strong human resources practices, particularly related to recruitment and retention; and

WHEREAS, the waiting period for enrollment for the Faculty Retirement Plan has been identified as an impediment to our ability to recruit new faculty; and

WHEREAS, the majority of our peer research institutions have no waiting period for enrollment in their faculty retirement programs; and

WHEREAS, through Board of Regents policy: *Reservation and Delegation of Authority*, the Board has reserved to itself the authority to approve amendments to plans sponsored by the university and governed by formal documents which have a cost impact in excess of \$250,000; and

WHEREAS, elimination of the waiting period for faculty has a cost impact in excess of \$250,000.

NOW, THEREFORE, BE IT RESOLVED that on recommendation of the President, the Board of Regents approves the elimination of the waiting period for eligibility for faculty enrollment in the Faculty Retirement Plan effective July 1, 2007, and authorizes the President or delegate to amend plan documents accordingly.

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

Bohnsack reported that the committee reviewed proposed Board of Regents Policy: *Employee Health Benefits* and Board of Regents Policy: *Employee Recruitment and Retention*; reviewed amendments to Board of Regents Policy: *Student Conduct Code*; received a report on the PULSE Survey of U of M Employee Attitudes; and reviewed a number of information items contained in the docket materials.

REPORT OF THE FINANCE & OPERATIONS COMMITTEE

Regent Allen, Chair of the committee, reported that the committee did not meet this month.

REPORT OF THE LITIGATION REVIEW COMMITTEE

Regent Berman, chair of the committee, reported that the committee did not meet this month.

NEW BUSINESS

Regent Frobenius raised concerns regarding "The Pope and the Witch," a satirical play by Italian Nobel Prize Winner Dario Fo scheduled for production by the Department of Theatre Arts in March 2007. He expressed support for the concept of academic freedom, but also the value of respecting differing opinions. He believes the play is disrespectful to a great religious institution and requested that legal counsel identify options the Board, either collectively or as individuals, may have to speak or act regarding the play's production on campus.

An extended discussion ensued. A number of Regents expressed discomfort concerning what they had heard about the play, but also acknowledged that the arts are meant to be provocative and stir emotion and debate. Several stressed the importance of free speech, and the vital role of academic freedom in higher education.

Regent Simmons stated that she respects her colleagues' views about this subject, but believes that the authority and the responsibility of the Board of Regents is with respect to educational policy and the responsibility of the faculty is with respect to educational content. She discouraged the Board from taking any collective action on the issue. A number of Regents voiced agreement.

Regent Hunter urged caution, noting that there is much in the history of theatre that is offensive, and that it is not the playwright's job to avoid offending people. He added that it is difficult to form a judgment simply by reading the script.

President Bruininks urged Regents not to characterize and draw conclusions of the play based on what they may have heard. He stressed that academic freedom is not an abstract concept, but a value that the Board has the right and obligation to preserve for those who believe this play should be performed and for those who have concerns about it and feel it offends their religious beliefs. He stated that educational forums will be offered to encourage wide discussion of the play's content. He indicated that a summary of all discussions and actions that have and will be taken by the Theatre Department with respect to this play will be distributed to the Board of Regents. He stressed that this institution is not one that countenances disrespect of any point of

view; and when people try to suppress expression, they start with a university and start with the arts.

The meeting adjourned at 11:40 a.m.

ANN D. CIESLAK
Executive Director and
Corporate Secretary