UNIVERSITY OF MINNESOTA

BOARD OF REGENTS

Finance & Operations Committee

July 11, 2007

A meeting of the Finance and Operations Committee of the Board of Regents was held on Wednesday, July 11, 2007 at 1:30 p.m. in the East Committee Room, 600 McNamara Alumni Center.

Regents present: Steven Hunter, presiding; Clyde Allen, Linda Cohen, John Frobenius, Venora Hung, and Dean Johnson.

Staff present: Chancellor Charles Casey; Senior Vice President Frank Cerra; Vice Presidents Steve Cawley, Karen Himle, and Richard Pfutzenreuter; Acting Executive Director Carol Kraus; Provost David Carl; and Associate Vice President Michael Volna.

Student Representatives present: Nathan Swanson and Mark Torma.

ISSUES RELATED TO: MORRIS ENERGY INITIATIVES/CREB BONDS

Vice President Pfutzenreuter introduced Lowell Rasmussen, Assistant Vice President from the University of Minnesota Morris (UMM), to present issues related to the Morris Energy Initiatives/Clean Renewable Energy Bonds (CREB). Rasmussen began by noting the University of Minnesota Morris Energy Initiatives impact both the campus and community by supporting the transition from farming for protein and starch to planting for the development of carbon. Introduction of the study of renewable energy into the curriculum has been a complex undertaking due to the numerous multidisciplinary components, but it has created valuable new organizational partnerships.

Rasmussen reported that UMM applied for five wind turbine projects through the CREB federal program in 2006. The goal of the project was to provide approximately 10 percent of the electric power needed by the Twin Cities campus. The CREB allocation limit for wind turbines was below UMM requests, and the University did not receive any CREB funding in 2006. He indicated that several modest CREB funding requests have been submitted by UMM for 2007.

Rasmussen explained the creation and the goals of the Green Prairie Alliance, which was formed to bring together resources and scientific expertise and includes a diverse group of partners in West Central Minnesota. The vision of the Green Prairie Alliance is to further develop synergies and to continue exploration into renewable energy.

In response to questions from the committee, Rasmussen explained that research on the sustainability of renewable resources is vital to the future of biofuels, and energy conservation also plays a critical role in eliminating energy waste.

Regent Frobenius suggested the University develop a strategy for reviewing capital investment requests to support alternative energy needs and research. Pfutzenreuter agreed the issue should be closely studied, adding that an institutional strategy and a Board policy would be needed in the future to address the growing alternative energy interests.

A copy of the presentation is on file in the Board Office.

CONSENT REPORT

Vice President Pfutzenreuter presented the Consent Report, as detailed in the docket, including the Purchase of Goods and Services over $250,000 to:

- Cambridge Isotope Laboratories, Inc. for $315,000 for C-13 Glucose needed for the period of October 2007 through December 2009 for Brain Glucose Study, Department of Medicine.

- Carl Zeiss Micro Imaging, Inc. for $476,317.16 for a Laser Scanning Confocal 510 META Microscope for the Histopathology Core Facility associated with the Lillehei Heart Institute and the Mouse Genetics Investigators.

- Center for Academic Programs Abroad for a not to exceed amount of $830,300 for providing study abroad academic credit programs for the Learning Abroad Center during Fall semester 2007 and Spring semester 2008 in Florence, Italy.

- Center for Academic Programs Abroad for a not to exceed amount of $778,172 for providing study abroad academic credit programs for the Learning Abroad Center during Fall semester 2007 and Spring semester 2008 in London, England.

- Fundacion Cimas del Ecuador for a not to exceed amount of $302,375 for providing study abroad academic credit programs for the Learning Abroad Center during Academic Year 2007-2008, Fall semester 2007 term, and Spring semester 2008 term in Quito, Ecuador.

- Fundacion Ortega y Gasset – Argentina for a not to exceed amount of $327,800 for providing study abroad academic credit programs for the Learning Abroad Center during Academic Year 2007-2008, Fall semester 2007 term, and Spring semester 2008 term, in Buenos Aires, Argentina.

- Lipman Hearne for $300,000 for market research and brand development for the University of Minnesota Morris (UMM).

- MSI Systems Integrators for an estimated $450,000 to renew IBM distributed hardware and operating systems software maintenance/support for the three-year period July 1, 2007, through June 30, 2010, for the Office of Information Technology.

- Mohamud Jama for a not to exceed amount of $328,058 for providing study abroad academic credit programs for the Learning Abroad Center for the Academic Year 2007-2008, during Fall semester 2007 and Spring semester 2008 in Nairobi, Kenya.

- Ortega y Gasset Foundation for a not to exceed amount of $1,410,362 for providing study abroad academic credit programs for the Learning Abroad Center during Academic Year 2007-2008, Fall semester 2007, and Spring semester 2008 in Toledo, Spain.

- Sasaki Associates, Inc. for $650,000 to conduct research, analyze, and create campus growth scenarios for the University of Minnesota Rochester. The consulting work will be purchased with funds from the City of Rochester Appropriation and from the State Legislation Appropriation, which are currently available for these specified services.

- VENUSA & EntreAmericas Learn and Travel for a not to exceed amount of $615,790 for providing study abroad academic credit programs for the Learning Abroad Center during Academic Year 2007-2008, Fall semester 2007, and Spring semester 2008 in Merida, Venezuela.

The committee voted unanimously to recommend approval of the Consent Report.

INFORMATION ITEMS

There were no information items for review.

The meeting adjourned at 2:12 p.m.

Carol E. Kraus
Acting Executive Director and
Corporate Secretary